



General Assembly

Distr. GENERAL

A/CONF.166/PC/6 4 January 1994

ENGLISH

ORIGINAL: ENGLISH/FRENCH

PREPARATORY COMMITTEE FOR THE WORLD SUMMIT FOR SOCIAL DEVELOPMENT First session

New York, 31 January-11 February 1994

Item 4 of the provisional agenda*

ANALYSIS OF THE CORE ISSUES TO BE ADDRESSED BY THE SUMMIT AND POLICY MEASURES TO ATTAIN ITS OBJECTIVES, IN ACCORDANCE WITH GENERAL ASSEMBLY RESOLUTION 47/92

World Summit for Social Development: An overview

Report of the Secretary-General

CONTENTS

			<u>Paragraphs</u>	<u>Page</u>
INTRODUCTION			1 - 9	2
I.	OVE	RRVIEW OF THE SOCIAL SITUATION	10 - 21	4
II.	ISS	UES COMMON TO THE THREE CORE ISSUES	22 - 41	9
III.	THE	THREE CORE ISSUES	42 - 162	16
	A.	An enabling economic environment	42 - 59	16
	В.	Enhancement of social integration, particularly of disadvantaged and marginalized groups	60 - 101	19
	C.	Alleviation and reduction of poverty	102 - 132	28
	D.	Expansion of productive employment	133 - 162	36
IV.	TYP	ES OF RECOMMENDATIONS WHICH COULD BE CONSIDERED BY SUMMIT	163 - 178	44

^{*} A/CONF.166/PC/5.

93-71911 (E) 170194 170194

INTRODUCTION

- 1. The objectives of the World Summit for Social Development, which will take place in Copenhagen from 6 to 12 March 1995, were established by United Nations Member States in resolution 47/92, which was adopted unanimously by the General Assembly on 16 December 1992. These 11 objectives are viewed as part of the efforts to implement the principles and articles of the Charter with respect to social progress and improvement of living standards for all in a context of freedom, tolerance and peace.
- 2. The General Assembly also decided that the Summit should, fundamentally, address three core issues, namely, the enhancement of social integration, particularly of the more disadvantaged and marginalized groups; alleviation and reduction of poverty; and expansion of productive employment.
- 3. In the preparatory work for the World Summit, as outlined by the General Assembly in resolution 47/92, a central role is given to the Preparatory Committee which is open to all States Members of the United Nations and members of the specialized agencies. The Committee, which met in organizational session in April 1993, decided to hold three sessions in New York prior to the Summit (which is to take place in Copenhagen), in January-February 1994, August-September 1994 and January 1995.
- In June 1993 the high-level ministerial segment of the Economic and Social Council focused on the World Summit for Social Development. The report of the Secretary-General submitted at that meeting described, inter alia, the context of the social development debate, the scope of the three core issues to be addressed by the Summit and the relevant activities of the various agencies and institutions of the United Nations system. The views of participants in this discussion, as summarized by the President of the Economic and Social Council, are contained in the report of the Council (A/48/3), which was submitted to the General Assembly at its forty-eighth session. The side headings of the summary suggest that there is general and complete support among Member States for the convening of the Summit; a perception of social crisis and of an accentuation of social problems throughout the world; a need for new directions in social policy and for putting people first in those policies; an understanding of the importance of an integrated approach dealing with all aspects of development and involving all concerned in the development process; a desire for a consensus approach to the Summit and its results and for practical involvement of all; a recognition of the primary responsibility of nations for social development and of the support which various international organizations can provide in that regard; a need for an innovative attitude towards resource issues; and, lastly, an understanding of the importance of active involvement of various social actors and of mobilization of public opinion in order for the Summit to be a success.
- 5. In October 1993 the core issues to be addressed at the Summit were considered by two groups of experts; one met in the Netherlands and dealt with the question of social integration, the other met in Sweden and dealt with the question of employment. The two reports as adopted by the experts, are being submitted to the Preparatory Committee at this session.

- 6. It is in this context that the present report was prepared. Its purpose is to enable Member States to decide what elements principles, aims, objectives and strategies might be included in a draft declaration for the Summit and also, should the need arise, in any document or documents appended to such declaration. The aspects of today's social situation that appear to be most important and to relate most directly to the objectives and topics of this world conference are considered briefly in section I. Section II identifies certain issues which are common to the three core issues selected by the General Assembly for consideration at the Summit. The three core issues, social integration, poverty and employment, are analysed in section III of the report. Lastly, the final section is intended to give rise to a preliminary discussion on the kinds of recommendations which might emerge from the Summit.
- 7. Three things should be clearly understood at the outset. First, the concept of "social development" as used in official United Nations texts, including the Declaration on Social Progress and Development which was adopted by the General Assembly in 1969, has two meanings. The first covers sectoral social issues and policies such as health, education and social welfare. These sectors correspond, in general, to specific areas of responsibility in government structures and also in regional or international institutions. The second covers issues relating to the functioning and future of human societies (such as equal opportunity, distribution of income and services and citizen participation in decision-making), which are multi-faceted and require a broad array of policies. It has been suggested that these two meanings should be retained in the context of preparatory work for the Summit.
- 8. Secondly, social development issues are of interest to all countries, whatever their level of development, political system or size. Of course the characteristics of such problems as underemployment or poverty are very different in a country in which the annual per capita income is less than \$500 from what they are in a country in which that income is more than \$20,000; similarly, the objective and perceived severity of such problems also varies greatly from country to country. The universality of many of the principles and objectives defining social development encompasses a great variety of living conditions and political situations. Nevertheless, without denying that some needs and priorities are more pressing than others and while taking into account the wealth of regional and national experiences, the World Summit for Social Development will first and foremost address those aspects of the human condition that are common throughout the world and the aspirations shared by communities living in different places and having different pasts.
- 9. The final comment to be made by way of an introduction is that the preparatory work for the Summit, the proceedings of the Summit and its outcome concern first the Member States and their peoples, followed by the international community and the forms of support and cooperation for which international organizations have responsibility. One of the objectives which the General Assembly set for the Summit in resolution 47/92 is to stimulate international cooperation in all forms with a view to assisting in the implementation at the national level of social policies that are appropriate, effective and which involve all citizens. The outcome of the World Summit for Social Development, the quality and the relevance of its decisions and recommendations will be judged, in the short and medium term, by what they contribute to the ideas and

policies that shape the living conditions of people, particularly those of their weakest elements.

I. OVERVIEW OF THE SOCIAL SITUATION

10. No one can capture and present a complete and consistent picture of the many facets of the social situation in the different regions of the world. Descriptions and interpretations of social phenomena can be contradictory even when they are accurate. In the social field, neither brilliant insights nor the work of statisticians can capture the richness of social life in which facts and perceptions intermingle in ways that are constantly changing. Moreover, it is not always necessary to know all the specifics and all the causes and consequences of a social problem in order to decide upon preventive or corrective policies. However, the desire to know and the need to act combine to make it imperative to identify trends that cut across human societies. A world conference on aims, strategies and policies for the improvement of the human condition should be based on an overall analysis of major trends in contemporary societies. The purpose of this section is to provide such a preliminary analysis.

Considerable real progress has been made during the second half of the twentieth century

11. In the last few decades, the world has known material progress without precedent in modern times. Overall the indices of this progress are clear. Although the data indicating annual per capita income growth during the last 20 years in excess of 1 per cent is subject to interpretation, other indices, such as the increase in life expectancy at birth in developing countries from 40 years in 1950 to 63 years in 1990, are unambiguous. Even the populations of low-income countries have benefited from improvements in living conditions in the fields of health, education and access to such basic services as drinking water and food. In industrialized countries, the material progress that has been achieved in the second half of the twentieth century has been spectacular. International publications which are considered authoritative in such matters are replete with data confirming these facts, which are crucial if we are to understand and appreciate the overall effectiveness of development efforts and policies.

Poverty and inequality remain and appear to be worsening

12. The distribution of these increases in well-being has been highly unequal. Very great disparities persist between the richest and the poorest nations and poverty and destitution do not appear to have been reduced, either in terms of numbers of people affected or in terms of severity. Living conditions continue to vary considerably from region to region and from nation to nation. While average per capita income came to approximately \$4,000 per year, in the industrialized countries of the Organisation for Economic Cooperation and Development (OECD) annual per capita income reached \$20,000, whereas in the least developed among the developing countries it remained at \$500. Taken as a whole the available data suggest that the gap between the 20 per cent of world population at the bottom of the income ladder and the 20 per cent at the top of

that ladder is widening. It increased from 1 to 20 in 1960 to 1 to 60 in 1990. In other words, the top 20 per cent received 83 per cent of world income, while the bottom 20 per cent received only 1.5 per cent. Developing countries currently account for approximately 17 per cent of global gross national product; the least developed countries 0.5 per cent and the industrialized countries 73 per cent. These proportions are very similar to what they were 10 years ago. Despite the progress mentioned above, infant mortality rates remain at 175 per 1,000 live births in Africa, at close to 100 in India and at 15 in the developed countries in the West and East, making for an average of 96 world wide.

- 13. In further regard to material living conditions and income, the disparities between social groups within individual countries also remain very great, irrespective of the country's levels of economic development. In certain cases, they are widening. The 1993 Report on the World Social Situation provides a thorough analysis of available data for developing countries; these data are neither complete nor very reliable. $\underline{1}$ / Nevertheless, based on a sample of 16 developing countries in different regions of the world, it suggests that, during the last 10 years, income inequalities have increased in half of these States, while in the others they have either remained the same or lessened (one quarter of States falling into each of these two categories). In certain cases the decline in inequality has been a fortuitous result of severe economic difficulties which have led to a drop in salaries and income in the relatively "privileged urban areas" while living standards in rural sectors and areas remained unchanged. Today, no Government places equal income distribution on the same level of priority as the search for higher incomes for all. In countries which experienced strong economic growth, income disparities widened, even if incomes had been relatively equal at the start. In the industrialized countries, weak or moderate growth during the last few years went hand in hand with growing disparities in living conditions between rich and poor and, in particular, between the rich and the middle class.
- 14. While issues relating to distribution of income and of basic services elicit reactions, views and theories which vary greatly according to time and place, poverty is universally recognized as morally repugnant, economically destructive and politically dangerous. This issue, which remains timely even today, is explored in the third section of the report. For purposes of a preliminary analysis of trends in social development, we need only point out that poverty affects individuals and families alike in all regions of the world; that it has increased in recent years (in both absolute and relative terms) in Africa, Latin America and in the industrialized countries, while decreasing in Asia; and that women are its principal victims. This last trend can be accounted for by persistent inequalities in the status of women throughout the world and also by the statistical fact that approximately one third of all households world wide have a woman as head of household.

The dominant model of development gives rise to questions and concern

15. The possibility of continued material progress, as defined by the pattern of consumption in the industrialized countries, is frequently called into question by experts and moralists and also in the responses of citizens and consumers to public opinion surveys concerning their confidence in the future.

Other than the growing unemployment and underemployment affecting many societies, the objective facts to which reference is made in support of calls for a change of leadership are, first and foremost, population growth and ecological dangers. World population - which currently stands at 5,300 million - increases by approximately 90 million people each year and, although population growth has slowed, world population will increase to 6,260 million by the year 2000 and to 8,500 million by the year 2025. In countries currently classified as "developing", the annual rate of growth of 1.94 per cent - which is expected to decrease to 1.15 per cent during the first quarter of the next century - is making it extremely difficult to raise living standards and to reduce poverty. Moreover, the intensity and the rapidity with which populations are being concentrated in urban areas adds to the feeling of uncertainty about the viability of contemporary models of consumption and development. Statistics compiled by the United Nations show that in the last 40 years urban population doubled in the industrialized countries and increased fivefold in developing countries. Today, 51 per cent of the world's population lives in cities; in the OECD countries the population is 77 per cent and in Latin American countries 72 per cent. Towns and large cities - the sources of economic activity, innovation, freedom and culture - are suffering today from problems of overcrowding, inadequate public services and insecurity.

16. As stated in the preamble to Agenda 2, $\underline{2}/$ which was adopted by the United Nations Conference on Environment and Development, "we are confronted with ... a continuing deterioration of the ecosystems on which we depend for our well-being". The issues of global warming, desertification, de-forestation, radioactive waste, depletion of certain natural resources and damage to biological diversity, are penetrating the collective consciousness and helping to raise doubts about the wisdom of the Promethean and predatory aspects of Western culture. Together with spectacular advances in science and technology in such fields as biology and genetics, the wounds blindly inflicted upon the environment by present systems of production and consumption are causing humankind today to have doubts about its future.

The world is suffering from a social and moral crisis

17. This atmosphere of general uncertainty is compounded by a social and moral crisis which, in many societies, is of immense proportions. A state of social crisis may be said to exist when one out of every 10 people of working age cannot find work paying a decent wage and when the young no longer see the value of the education they are receiving; when social categories and regions are suddenly made obsolete; and when solidarity between individuals and groups fortuitously separated by birth and circumstances disappears and is replaced by individual, class or national egotism. The alienation of entire strata of certain societies; the insecurity resulting from rising crime; the use of and traffic in narcotics and other products that enable individuals to escape from themselves and from their relationships with others, are other manifestations of a malaise in contemporary societies. There is a moral crisis at the level of the individual and at the level of society when rights are no longer balanced by obligations and guided by responsibilities; when the search for individual satisfaction becomes an end in itself; and when the search for identity, either at the individual or group level, is pursued at the expense of others. These symptoms of malaise and perhaps of moral crisis may be found both within and

between nations. Policies and conduct in the public and private spheres, and at the level of different national and international communities are closely bound up with attitudes and value systems.

18. Much has been written and said about the malaise of the modern world and about the search for a culture in which competition could be reconciled with brotherhood and in which individual freedom could flourish in the search for the common good. There is no set recipe for creating a culture in which dynamism, tolerance and compassion coexist in harmony. Nevertheless, it is clear that the ideas expressed by political, intellectual, spiritual and other leaders have a real and sometimes immediate influence on societies and the way they function. It is also clear that the limits imposed on political or cultural initiatives in the name of a determinism based on systems of economic relations or on technological change must be resisted. These limits are often the product of intellectual laziness or an attempt to defend established interests. The collapse of certain political systems has shown everyone that men and women of good will have more than a little room to manoeuvre in conducting the affairs of the world. In this context, the discussion which will be held during the World Summit for Social Development and the proposals and recommendations made there regarding the three core issues will be profoundly influenced by Member States' assessment of the cultural and political state of the world as the millennium draws to a close.

The globalization of economies and culture should benefit all people

- 19. Globalization or the mounting interdependence, throughout the world, of trends, problems, modes of behaviour and decisions - is another feature of the evolution of contemporary societies whose impact on social policy it would be useful to determine. The globalization of economic and financial decisions, via multinational corporations, and corporations, which, because of the sheer extent of their influence, have an international scope, has a direct impact on economic productivity and employment in most countries. Even if some leaders were to consider closed borders and economic self-sufficiency desirable, they would find them increasingly difficult to attain. For a number of reasons, such as, for example, reduced transport costs, the tremendous progress made in information technologies and the very rapid growth in foreign investments - these tripled during the decade from 1980 to 1990 - markets are expanding. At a symposium held in the Hague in March 1992 on "Globalization and Developing Countries", it was pointed out that some developing countries had not participated in the economic benefits of the globalization of investments. $\underline{3}$ / The same is certainly true of certain social groups in countries that are reaping the economic benefits of globalization. It would be useful to explore ways in which national economic and social policy might be adapted, and new forms of international cooperation developed, so as to optimally distribute the positive aspects of economic globalization.
- 20. The most familiar aspects of ethical and cultural globalization are the most visible, and also perhaps the most superficial; for instance, you can find identical consumer products and restaurants all over the world, or watch broadcasts of identical television programmes that transcend political and cultural borders. A societal and behavioural globalization has occurred. In many respects, a world-wide élite, covering a range of economic spheres, shares

the same tastes, the same aspirations, the same style of dress, even the same universities and the same language. That cosmopolitan élite has a profound influence on world affairs. Population movements, including tourism, are of at least equal significance. Opinions with regard to this "social and cultural globalization" are many and varied, and discussion at the World Summit for Social Development should focus, explicitly or implicitly, on making all the creations of the human intelligence - whether produced for purely mercenary reasons or for a mixture of reasons in which artistic expression and personal fulfilment are intertwined - accessible and open to all. It seems that as the twentieth century draws to a close, individuals and cultures grow by opening up. It is possible to protect the environment, to protect the weak, to protect even legitimate, acquired rights. It is more difficult to "protect" a lifestyle by isolating it from outside influences, without diminishing its vitality. Pluralism and openness must, however, be reconciled. Both intergenerational solidarity and the bonds that link individuals and groups within a community require that values be passed on and that there be continuity in modes of thinking and standards of conduct. Alienation and deviant or delinquent behaviour often result from a moral and cultural vacuum. At the group level, for example, indigenous peoples are striving to ensure that participation in the modern world and in the exchange of ideas and goods does not mean forfeiting their identity. It would be useful to examine - particularly with regard to the core issue of the enhancement of social integration - ways in which national policy, and perhaps also forms of international cooperation, might contribute to finding a happy medium between cultural change and respect for tradition.

<u>Insecurity and the feeling of being left out are serious problems in contemporary society</u>

21. Another trend, or tendency, which seems to be evident in contemporary societies is insecurity. At the level of lifestyle and culture, there is, as we have already mentioned, the fear of losing what one has and the anxiety regarding the uncertain future. The same is true every day and every minute of each day, for the destitute or poor whether they be individuals or groups. It is also true for the chronically unemployed, for young persons unable to find work and for migrant workers who do not enjoy their full rights, who are, for example, fearful of expulsion or unable to reunite with their families. Individuals may also feel insecure for other, harsher reasons, namely, because of the many conflicts - both external and internal, started on economic, cultural or religious grounds or prompted by greed or the hunger for power that have convulsed the world since the end of the cold war and of the era of peaceful coexistence. There is also the widespread criminality and violence that seem to be creeping into relationships between individuals and communities. One of the statistical charts in the Human Development Report, 1993 produced by the United Nations Development Programme (UNDP) is entitled "Weakening Social Fabric". It features nine indicators, six of which are expressions of social violence: homicides, rapes, drug crimes, suicides, number of prisoners, and percentage of juveniles in the prison population. Other forms of insecurity are more insidious but may have just as much impact on social development. Under the dominant model for economic development, there is no pity for any individual or institution that does not keep up with the pace of change and that becomes obsolete. There is a kind of social "Darwinism" which parades as efficiency, whereas, in fact, it is merely cynicism and lack of imagination. In terms of

values and attitudes, economic development strategies and models are social phenomena, just as access to education or the creation of solidarity among social groups and classes is a social phenomenon. Here again, the World Summit for Social Development might attempt to promote values and policies that put the emphasis on individual security and on ensuring that no one is left out.

II. ISSUES COMMON TO THE THREE CORE ISSUES

22. The common thread linking the three core issues to be addressed by the Summit is their crucial importance for the development of individuals and societies, the conditions that must be met if the related objectives are to be achieved, the role of the various agents concerned, and finally, the nature of the policies that might be implemented in the relevant areas.

<u>Social harmony</u>, <u>employment and the struggle against poverty are vital to social development</u>

23. It is self-evident that in all contemporary societies, work or remunerated employment is considered not only a means of survival, but also a source of personal fulfilment and the best way to achieving social status. Indeed, unemployment is combated because of its deleterious effects on individuals and families, and because it is a social ill. Social harmony, or social integration - in a manner no less universal - is a sine qua non for social development. All societies require shared principles and shared norms of behaviour for their very existence. The struggle against poverty has been part and parcel of the intellectual and political evolution of the notion of social progress in world culture since the end of the eighteenth century. The current debate on social justice in all cultures and political systems focused on fair or equal access to basic goods and to goods considered indispensable in a given historical context. In selecting its three core issues, the General Assembly noted that they represented severe problems (the persistence of poverty and destitution, for example, or the increase in unemployment) which called for a solution, and acknowledged that they were central to the modern notion of social development.

The reduction of poverty, the expansion of employment, and the enhancement of social integration have a decisive impact on sustainable development

24. Today, social development, economic development, cultural development and sustainable development are different facets of a single aim and a single process, namely, development, which in another era and context might have been termed human progress or human evolution. Given the obvious, namely, that all human beings must live in societies, it can be argued that social development encompasses all other facets of development. It can also be argued that sustainable development does the same, because no question is more fundamental than the relationship between humankind and the planet Earth. The same is certainly true of economic development, because life requires the production and exchange of goods, and of cultural development, because humankind is distinguished from the animal kingdom by its cognitive and creative powers. Rather than singling out a particular facet of the development question, it

seems preferable to see the various programmes and conferences as representing complementary views of and approaches to a single global problem.

25. In the context of an exploration of distinctions and complementarities, the relationship between the United Nations Conference on Environment and Development, held at Rio de Janeiro in June 1992, and the World Summit for Social Development, takes on a signal importance. The Summit might wish to build on the premises of the Rio Declaration on Environment and Development, 5/ principle 1 of which states that "human beings are at the centre of concerns for sustainable development", and that they are "entitled to a healthy and productive life in harmony with nature". It might also refer to principle 3, which concerns "present and future generations", principle 5, regarding "the essential task of eradicating poverty", principle 7, which expresses the idea of a "spirit of global partnership" (a concept which underlies the Rio Declaration on Environment and Development and Agenda 21 as a whole), principle 8, which involves "unsustainable patterns of production and consumption" and "appropriate demographic policies", principle 10, concerning "the participation of all concerned citizens", principle 12, regarding a "supportive and open international economic system", principle 20, which stresses that "women have a vital role in environmental management and development" and that "their full participation is therefore essential to achieve sustainable development", principles 21 and 22, concerning the role of youth, indigenous peoples, their communities and other local communities, and lastly, principle 25, which declares that "peace, development and environmental protection are interdependent and indivisible".

26. With regard to objectives and policies related to the three core issues of the Summit, it would be advisable to take fully into account chapter 3 of Agenda 21, 2/ on the subject of combating poverty, which describes a series of activities to be carried out by a range of actors in the development process. A development mode that would create a divided society of rich and poor by excluding the weaker or less fortunate elements could not be sustainable. Conversely, the new necessities, such as protecting the environment, rehabilitating urban areas, and recreating close-knit communities, help to create employment and contribute to the reduction of poverty and to sustainable development.

The reduction of poverty, unemployment and underemployment and the enhancement of social integration are based on the values of social justice and democracy

27. The three themes of the Summit become fully meaningful and justified in a context of respect for human dignity and social equity. For example, all the economic arguments against unemployment or poverty - that human resources should be used more effectively in order to stimulate growth - or the strictly political arguments - that individuals and groups who are perpetually impoverished and discontent are a menace to the stability of governments and institutions - are, of course, useful for sparking debates and prompting decisions which bring about a measure of progress. After all, in a system where power is exercised democratically, it would be ill-advised and dangerous to refer constantly to basic values in order to justify the action taken, for cardinal principles may go unheeded if they are proclaimed too often, and democratic speech becomes suspect when it is lacking in restraint. However,

when all is said and done, when there is a crisis and a choice must be made - and a crisis does exist when a portion of humanity remains impoverished or when 1 out of every 10 persons in an industrialized country is unemployed - the only way to come up with a satisfactory solution is to resort to those fundamental moral values derived from philosophical and political outlook. Bursts of courage and imagination, which are necessary when cynicism and indifference begin to spread, are but vain stirrings unless they are anchored in a consistent system of norms and values.

28. The topic of social integration, in particular, should be very clearly and very firmly based on a platform of principles built on respect for human dignity, individual freedom and equality of rights and duties. Social integration resulting from coercion based on hierarchical systems or the assignment of roles that violate human dignity, is unacceptable from the standpoint of the fundamental principles of the Charter of the United Nations, the Universal Declaration of Human Rights and all the basic development and human rights instruments adopted by the international community. Social harmony and freedom require that everyone should accept certain standards of conduct, certain types of relationships with others and a sharing of responsibilities, all of which are products of tradition and education. A society in which women are kept in a legal, economic or cultural position of dependence, is unacceptable even if it appears to be "integrated". The same holds true for a society or world which achieves "integration" and peace by denying entry to others out of fear of what is different and rejection of what is alien, the latter being defined in terms of nationality, colour, religion or culture. The values of tolerance and equity, distribution of property, income, opportunities and powers in a manner consistent with human dignity, these values are central to the concept of social integration which the Summit might wish to promote. Moreover - and this is obvious in these final years of the twentieth century the enhancement of social integration, reduced poverty and increased opportunities for jobs that are useful to society and satisfying to the individual, represent values, objectives and policies which concern social relations at the level of communities of nations and regional groups as well as international relations.

Economic growth is a condition for the attainment of national and international objectives for the three topics of social development

- 29. Economic growth represents that form of human activity which produces wealth goods and services to which society attaches a quantifiable market value. The measure of such growth, in terms of annual rates, has become an overall indicator of a nation's economic health and sometimes of its general health. A national community's economic growth, development and very survival are closely interrelated, even synonymous, for in today's world, it is impossible to conceive of a society whose economy did not grow in the medium and long term or which would choose a policy of stagnation.
- 30. Aside from being one of the fundamental characteristics of most contemporary societies, economic growth is also essential to progress in those aspects of social development that depend on the production and distribution of goods and services. Employment and the reduction of unemployment, underemployment and poverty very clearly constitute the kinds of social problem

that can only get worse when the economy declines, stagnates or does not grow at a sufficiently rapid pace. Even in countries where poverty and destitution affect only a very small fraction of the population, it is difficult, both from the technical and from the political standpoint, to resolve this problem simply by redistributing national income, if the latter remains more or less constant. However, if we disregard the very particular crisis circumstances which cannot persist for long without adversely affecting society at large and political institutions - such as the mobilization of labour for a "war economy" or for major public works financed by taxes and inflation - creation of productive, stable and remunerative jobs requires steady economic growth. As regards social integration, too many factors come into play for economic growth to be legitimately advanced as a necessary, much less a sufficient, condition for progress in this area. None the less, a climate of economic expansion is generally conducive to harmonious relations among social groups, provided that it does not degenerate into fierce competition and provided that individual security is preserved.

The relationship between the content of growth and its impact on social conditions, particularly employment, is covered in section III of this report. Many questions of this type will have to be, if not elucidated, at least accurately formulated so that the Summit can do more than merely recognize economic growth is crucial to social development. The mentality of entrepreneurs and investors, as evidenced by what motivates them, how they look at a situation in the short- and medium-term, their views regarding their personal and social responsibility, their say in decisions which affect cities, nations and at times the whole world, is of major importance in terms of social content of growth. The same holds true for the very different effects which productive investments and financial speculation have on employment and poverty; for the ideal mix of growth initiatives by private enterprise and public authorities with a view to stimulating employment and social development; for the links between growth and new jobs in the service area; and for social cohesion as a foundation for development efforts. Nor should we overlook the question of concepts and policies that would help to reconcile the need for economic growth and the need for a change in the predominant patterns of production and consumption.

Achievement of the objectives for employment, reduction of poverty and social integration demands the active participation of all the agents for development

32. The State has a central role to play in development as a whole, in social development and in defining and implementing policies aimed at full employment, the reduction of poverty and maintaining harmony among social groups. To combat underemployment and unemployment and to pursue full employment, the State must undertake a broad spectrum of activities determined after a comprehensive study of how the economy and the society function. This applies to nations at every level of economic development. The State must create the conditions and climate favourable to productive investment and entrepreneurial initiative. It must also establish welfare machinery and mechanisms for redistribution that will allow those without paid work to subsist. We add training and education activities, and concern for the groups traditionally on the margins of the modern aspects of the economy or for problems specific to young people looking for jobs, the list of ways in which the State should intervene in this area

becomes extremely long. The role of the State in reducing poverty is to a large extent similar. Here it must become involved above all in the workings of the economy and its rate of growth, and in issues of equal access to various services and income redistribution. As regards social integration, politicians and authorities in general, at both the national and the local level, have a decisive influence on the cultural, moral and political climate that is the context for relations among social groups having different traditions, ways of life and goals. Moral influence, legislation and regulation offer a broad range of possible ways to promote satisfactory social integration.

- 33. Acting alone, a democratic State would be incapable of resolving social problems and fostering social development. Its role is not only to establish the rules of social interplay that enable the other agents to express themselves, but also to acknowledge that the others are both partners and free agents in their initiatives. It must be possible for many social innovations, including new patterns of behaviour, to flourish without the authorities being really fully aware of them. Some of these innovations, or perhaps just rich traditions that are kept alive in a hostile environment, will find their way into policies and programmes that are elaborated at the local and national level. Others will remain isolated but will contribute to preserving and developing a social fabric within which individuals can exercise their freedom and their rights while fully aware of their duties and responsibilities. desirable mixture of public with private and individual initiatives transcends cultures. It is fundamentally linked to the kind of relationship a human being has with his fellows through the intervention of the institutions of power. To participate in the solution of social problems and in the life of civil society the latter increasingly reaching global dimensions - means both to participate in power, by means of representative assemblies and the various advisory institutions, and to have the power to express oneself and to act. Democratic political systems can obviously differ in structure and characteristics, but they must provide for responsible participation on the part of their citizens, for it is the foundation of genuine social interpretation. The interests of the individual and those of the group can be reconciled when a broad range of public and private institutions intervene to ensure that this is so.
- The preceding observations suggest that institutional development, like economic growth, is a sine qua non for progress in social areas such as those which are to be discussed at the Summit. This concept of institutional development extends to very wide range of activities involving several of the agents with a role to play on the social scene. Establishing adequate legal and regulatory systems, encouraging the formation of associations and other grass-roots organizations to enable citizens - including those who are poor, unemployed or excluded - to make their voices heard, humanizing and democratizing the public services dealing with citizens, these are some of the aspects of institutional development. In dealing with the issues to be taken up at the Summit and in regard to this essential question of the role of the various agents in a favourable institutional context, it is perhaps possible to combine very diverse elements in a succinct formula conveying the need, worldwide, to bring together the public and private spheres of human activity. All too often, in various institutional and political systems, governments and public services have lost sight of their raison d'etre, which is precisely to serve the citizens. All too often, private agencies and especially enterprises

have lost sight of their own <u>raison d'etre</u>, which is to put their initiative and energy at the service of personal accomplishment and collective advancement. Enterprises actually carry out public service functions. The State exists only by virtue of its functions as the guardian of the individual. Questions relating to ethics and responsibility are central to social development.

Women have an essential role to play in social integration and the reduction of poverty

- 35. Women are those who suffer the most from social and cultural problems and from underdevelopment. They are also the ones who, in the midst of destitution, poverty and disintegrating social structures, sacrifice their comfort and sometimes their lives to hold their families together. It is again the women who, by their essential role in basic social structures, have a decisive part to play both in ensuring cultural continuity and in implementing social progress. Indeed, it could be maintained that in contemporary societies the status of women, in all its aspects, is one of the best indicators of the level of social development.
- 36. Much remains to be done throughout the world to improve the status of women and thereby promote social development. The <u>Human Development Report</u>, 1993 offers a trenchant outline of the status of women at this close of the twentieth century. Women have limited access to the benefits of development; they are often excluded from the educational systems, especially where higher education is concerned, from the most satisfying and well-paying jobs, from political office and from health care. In some countries, women cannot vote or obtain bank loans. Yet in those same countries, and in fact in most developing ares, women are responsible for the bulk of food production and provide for the family's basic needs. While women are often victims to the various forms of violence that affect modern societies, they are at the same time silent participants in the functioning of those very societies. The <u>Human Development Report</u>, 1993 notes that if women's unpaid housework were counted as productive output in national income accounts, global output would increase very appreciably.
- 37. Section III of the present report gives some indication of the role and status of women as regards social integration, employment and the reduction of poverty. Both when analysing these topics and when drawing up proposed recommendations for adoption by the Summit, it is essential that the role of women be fully understood and fully integrated into the thinking and policies that are to contribute to social progress. It is with this in mind that we must try to find how the World Summit for Social Development can complement the Fourth World Conference on Women: Action for Equality, Development and Peace, to be held in Beijing in September 1995.

<u>Highly diversified policies are required in order to implement objectives</u> related to the Summit's three core issues

38. The starting point for an analysis of policies in the areas of employment, social cohesion and poverty could be the affirmation that such policies are necessary and possible, for two reasons. First, the factors responsible for such events as deepening unemployment in an industrialized country, persistent

poverty in a predominantly agricultural country, or, even more important, the emergence of social tensions that could bring about the disintegration of a society are many, difficult to comprehend and difficult to list in order of importance. Mentalities, cultures, the interplay of institutions, how the economy functions, relations with the outside world, individual decisions and accidents of history are inextricably intertwined when we look at the origin of social problems. Thus, it is tempting, especially from a conservative viewpoint, to believe that these same forces, difficult to understand and impossible to control, will by themselves resolve the social problems that arise at a given moment in history. That sometimes happens, but always with the aid of actions and policies - there are no providential forces or historical determinism that cause unemployment, poverty and social exclusion to appear and disappear. The second reason it is useful to affirm that policies are necessary and possible is that indifference, which is closely related to the fatalism mentioned earlier, is also a constant temptation to human beings and the institutions they establish. We could cite some very current examples regarding unemployment, poverty, and even the lives of individuals and communities. On both the national and international level, this risk of indifference and of becoming inured to human suffering must be overcome so that real policies can be formulated.

- 39. These policies are, and should be, highly diversified. We will merely indicate the general directions in which further studies could be pursued. This diversification exists on several levels, including design (the State, regional organizations, international organizations, agents of civilian society); implementation; preventive and curative aspects (often, the tendency is to try to respond to crises rather than to take steps to help avert such crises), short and long term effects; and constituent elements in terms of means of action, including resources, regulations and incentives.
- 40. By nature, therefore, policies capable of influencing social development and providing solutions to social problems belong to various sectors of governmental activity; that is also true on the international level. In the context of an integrated approach to problems and coordinated action, the needs have been described many times in national and international reports. The issue of this integrated approach no doubt deserves renewed consideration. It is possible that insufficient attention has been given the unifying role of goals, political intentions, visions of desired progress, or even utopian visions that generate energy and capture the imagination. In other words, it is possible that integration and coordination may be productive approaches at the level of general concepts and guidelines and also at the very concrete level of activities. At the intermediate level, namely the realm of ideas and policies that are neither general nor specific, these approaches are perhaps less directly useful.
- 41. Another common aspect to the Summit's three core issues and the related policies is the question of the resources that are or could be allocated to social development. There again, it is possible to point to certain areas for reflection. On the national level, the identification of social development spending varies enormously depending on the approach to social problems and on the government structure. Perhaps it is worth making a major effort to draw comparisons in time and space; perhaps it is more important to understand the

reason for the differences and to learn something accordingly, about the variety of social conditions and policies. Recommendations that may be made regarding the desirable level of resources to be allocated to "social sectors" should take this diversity into account. Moreover, the three core issues of the Summit do not really represent "social sectors". They concern many aspects of society and government action. On the international level, it would no doubt be useful first to draw up a list of the bilateral and multilateral activities for which resources are utilized and that address the three core issues directly or indirectly. From this, it should be possible to identify the types of recommendations that the Summit could consider making.

III. THE THREE CORE ISSUES

A. An enabling economic environment

42. Social development cannot be pursued in an economy that is stagnant or prone to high inflation and instability. Moreover, with the growing interdependence between countries, the international economic environment must be such as to promote employment and poverty reduction.

Growth with social justice

- 43. Sustained improvements in the well-being of a society are not possible in the absence of economic growth. A paramount economic problem confronting the international community is that in the past decade, per capita incomes have declined in all regions, other than the developed market economies and South and East Asia, including China. There are, of course, variations among countries in each region. But there would be little dispute that global growth performance remains weak, and a number of countries in Eastern Europe, the former Soviet Union and Africa have been suffering declines in output. How to stimulate faster growth thus represents a challenge of a high order for the international community and one that is closely linked to realizing greater social progress.
- 44. A resumption of the rates of economic growth attained by the member countries of the Organisation for Economic Cooperation and Development (OECD) in the 1950s and 1960s would have a considerable impact on global economic recovery. Yet this does not mean that developing countries should wait for a marked upturn in the economic activity of industrialized countries before pursuing their own growth strategies. In fact, as already observed, several fast-growing developing countries have provided the few bright spots on the otherwise bleak economic landscape of the 1990s. Moreover, no single major economy should be relied upon to serve as the locomotive for pulling economies along; rather, a number of countries need to act simultaneously to ensure a broad-based recovery. Furthermore, for all countries, acceptance of the principle of free trade and a movement away from protectionism should constitute a foundation stone of global efforts to revive growth.
- 45. From the perspective of the Summit, it is essential that the need to revive the growth process be recognized and that, at the same time, it be accepted that the pattern of growth must be such as to promote social progress in the broadest sense. In order to do this, employment generation, poverty eradication and

investment in people must be placed at the centre of economic policy. In fact this may well provide a powerful engine of growth in many countries and at the global level. The demand stimulus that can come from income growth in poor households and poor countries could generate more widespread and sustained growth. Much-needed social investments could help to reduce the pressure of unemployment and underemployment. The experience of the fast-growing countries also shows that growth is more rapid when it is shared.

46. People in poverty and the unemployed and underemployed represent productive potential. A growth policy that recognizes this is preferable to one that treats these problems simply from a welfare perspective. This is true not just within countries but also at the international level.

Social dimensions of macroeconomic adjustments

- 47. Price stability and sound monetary and fiscal management are recognized as prerequisites for sustained economic growth. Rapid inflation, large budget deficits and rising external debt have come to symbolize past failures to reconcile competing claims on resources and to manage successfully domestic economies.
- 48. In OECD countries, inflation has been brought under control largely through restrictive monetary policies. This has had a damaging effect in the medium term on output and employment; the anticipated longer-term stimulus has been slow to materialize. In some countries this can be explained, in part, by continuing preoccupation with budget deficits and debt, but it also reflects uncertainty and thus weakened business and consumer confidence.
- 49. In many developing countries and economies in transition, structural reform is seen as a precondition for faster and sustainable growth. Trade liberalization, industrial restructuring, altering patterns of demand, removing market distortions and establishing a system of incentives geared to stimulating productivity increases and a more efficient use of resources are some of the key elements in structural adjustment aimed at establishing the conditions for long-term growth. They have, among other things, led to an increase of women in the labour force, particularly in new growth sectors. Within such a framework, which commands broad agreement, there is, however, room for discussion about the timing and the scale of such reforms and the appropriate balance between reform and financing. To these considerations should be added the extent to which structural adjustment programmes allow those whom they affect most directly to participate in decision-making and the extent to which such programmes incorporate social dimensions in their design and implementation.
- 50. There is a growing acceptance of the need to address the social costs of adjustment at the very beginning of policy formulation and not as ex-post remedial measures. The effects of adjustment on poverty and employment are now well known, as are the set of policy measures that can protect those most affected while strengthening long-term economic capacity. A better focusing of social expenditure, particularly in health and education, programmes and projects for the labour-intensive construction, rehabilitation and maintenance of infrastructure and rural works, food-for-work programmes and improving the access of the poor to productive assets are among such measures.

51. In addition to offsetting some of the severe burden that structural adjustment tends to place on the more vulnerable groups in society, reducing the negative social impact of economic reform creates a perception of equitably shared hardship. Experience has shown that building a national consensus and a high degree of commitment around an economic reform programme is important to its success and to the restoration of long-term economic growth.

Resolving the external debt

- 52. The debt crisis has dominated the macroeconomic policies of many developing countries since the early 1980s. In the past decade the external debt of capital-importing developing countries nearly doubled and reached \$1.4 trillion in 1992. Arrears on account of principal and interest rose from around \$2 billion in 1982 to \$85 billion in 1991. The consequences of this crisis for investment and growth and for public budgets has led to sharp reductions in social expenditures and an increase in unemployment and the incidence of poverty. Hence a successful resolution of this crisis is essential if the core issues of the Summit are to be addressed effectively.
- 53. Measured in terms of arrears outstanding, the debt crisis has affected mainly the countries of Latin America and Africa. In the case of Latin America, the ratio of external debt to GDP and the ratio of debt-service to exports has started declining since the late 1980s. But in the case of Africa, the ratio of debt to GDP continues to rise.
- 54. A variety of measures have been instituted to address the problem on a case-by-case basis. The Brady plan, which basically focused on non-concessional commercial debt, has been applied in seven cases with some degree of success.
- 55. In the case of low-income countries, debt relief on the Toronto (or enhanced Toronto) terms has been applied in 17 cases. But the results are far from adequate. It has been estimated that even if the Toronto terms were enhanced to match the improved Trinidad terms proposed by the United Kingdom of Great Britain and Northern Ireland in 1990, the debt-service liability of the Special Programme countries in Africa would still be well above the level at which debt-service difficulties can be avoided.
- 56. Low-income countries, particularly in Africa, need a combination of debt relief and additional assistance that allows them to revive the processes of development. Without this they will not be able to pursue either growth or macroeconomic stability. Nor is the problem limited to low-income countries or those with arrears. There are countries which are not in arrears but which are paying off their debts at severe cost in terms of import contraction or public expenditure cuts. In these cases too, a combination of debt relief and assistance is necessary to pursue growth and promote social development.

Adaptation to a changing global economic environment

57. Economic growth strategies and policies for the expansion of productive employment will have to be designed in a new context of globalization. In defining its growth strategy, each country must take account of the major changes that have been occurring in the global economic environment and the need

to adapt to change at an ever quickening pace. As a result of increasing globalization, countries are becoming more economically interdependent. Decisions by a major capital on production, trade and capital flows, as well as on exchange rates, deficits and interest rates, have an influence that extends well beyond national borders. But at the same time, national interests are playing a diminishing role in determining the location of production as products, capital, information and technology are quickly and easily transferred across national boundaries. Enterprises are contracting out more and more production activities and other business operations, often dispersing them across large parts of the world economy.

- 58. Diversification, capacity-building and human resource development can help poor households and poor countries to benefit more fully from the processes of globalization. Domestic efforts directed at these ends can be greatly facilitated if more is done to promote market access for labour-intensive products and diversification of commodity-dependent economies. An international trade policy that serves the objectives of social development should treat these as central rather than peripheral concerns.
- 59. Participation in the global system requires investment in infrastructure, in education and health and in various productive activities. Low-income countries, constrained by debt, will not be able to do this without enhanced support from outside.

B. <u>Enhancement of social integration</u>, particularly of <u>disadvantaged and marginalized groups</u>

- 60. The choice of the topic "enhancement of social integration, particularly of the more disadvantaged and marginalized groups" as one of the core issues reflects a perception of a global sharpening of social inequalities, fragmentation of societies and polarization of population or income groups. Stated differently, the suggestion is that societies have lost part of their capacity to balance individual and societal needs and reconcile the particular interest with the common good. There is in this a clear challenge to the international community and to national and local policy makers, as well as the various institutions of civil society and the private sector.
- 61. The contemporary scene is characterized by rapid and fundamental change in many spheres technological, economic and cultural as well as in social values. The change has had both desirable and highly undesirable repercussions. The improvement in living standards in some regions and among significant population groups needs to be acknowledged, and the lessons of how these successes were achieved must be absorbed and disseminated.
- 62. At the same time, it is important for public attention to focus on the undesirable, negative, consequences of change. A common feature is its tendency to marginalize and exclude; some countries acquire the status of permanent outsiders, and within countries some social groups become segregated through deepening impoverishment. To come to grips with these problems, to promote integration, will require a rethinking of objectives, a reshaping of institutions and a restructuring of major segments of national economies.

- 63. This is not the first time in recent history that humanity has faced such a challenge. The founding of the United Nations, itself a response to deep-seated crises in the decades of the 1920s and 1930s, coincided with what was subsequently referred to as a "social compact". In its various manifestation, it ushered in the full-fledged welfare State; elsewhere, the "social market economy"; and of even larger global significance, progress towards decolonization, which was founded on principles of social justice and equal economic opportunity as much as the notion of political sovereignty.
- 64. Social integration, while a basic component of social development, is not concerned <u>per se</u> with the progress of groups or individuals or the advancement of goals in the so-called social sectors, but with the promotion of a pattern of development consistent with justice for the individual, harmony among groups and social cohesion. All societies face a basic conflict or contradiction: social progress depends on the successful pursuit of individual or group interests, which may be divisive, and on the subjugation of such interests to the common good when necessary. The goal of achieving an integrated or cohesive society may always remain just beyond reach, but its identifying characteristics may be stated clearly: an integrated society is a society able to accommodate different and divergent individual and group aspirations within a flexible framework of shared basic values and common interests.
- 65. Social integration is an objective never fully reached since the specific challenges confronting societies change with time and appear in different guises. But the capacity of Governments to act, as well as the capacity of the institutions of civil society, is limited, especially in many developing countries. Recognizing the practical constraints to promoting social integration, the goal to aim at might be redefined more realistically as the creation of conditions in which all feel that they have a stake in society's peaceful development. Put differently, what is sought is a society where all its members can feel that the principal institutions of the State and of society are responsive to their needs.
- 66. Such a "society for all" assures equal access to opportunities and absence of discrimination. On the one hand, it means equality before the law in the sense that the law is fair and equally accessible to and protective of all members of society. On the other hand, citizens participate and are involved in the decisions that affect their lives and well-being.

Protecting diversity

- 67. Every society is differentiated in one way or another by wealth, income, occupational prestige and social status. Such differences are considered fair and even desirable in a system in which those who show enterprise, work harder and in various ways contribute more to society are rewarded according to their contribution.
- 68. Most societies also consist of a variety of peoples, ethnic and religious groups, and cultures or subcultures. Such diversity may be seen as enriching society. The challenge of social integration is not one of reducing or eliminating differences, but of enabling different groups to live together in

productive and cooperative diversity while ensuring conditions for social mobility.

69. There are a number of issues related to the protection of diversity. The essential aspect is the need to maintain a balance between the mainstream and its variants. Current thinking in regard to minorities or groups with special needs tends to favour measures that encourage their access to the mainstream of society. For this purpose, programmes need to be at least partly refocused from changing the target group to securing their acceptance by the wider society. An important example is provided by the recent reorientation of programmes relating to disability and disabled persons, from special, separate, provision to emphasis on their participation and inclusion in mainstream society whenever practical. Such reorientation points eventually to the need to recognize that an integrated society does not simply expect particular groups to adjust to the prevailing norms, but continually adapts and adjusts to accommodate different elements and that through such adaptation it maintains its inner cohesion.

Making non-discrimination a central concern of social policy

- 70. People in all societies are often uncomfortable with people with different cultural values, beliefs and behaviour and may prefer to avoid dealing with them. While not desirable, such differences are not necessarily a substantial social problem. Diversity becomes a substantial social problem only when antagonism between social groups reaches the point of disrupting social functioning. When such antagonism between racial, ethnic or religious groups is acute, it is often economic competition that is a major underlying factor, including competition for jobs, public services, land and other resources. Research shows that even when a conflict appears to be over cultural or religious differences, and when it repeats previous historical antagonisms, the emergence or, more commonly, re-emergence of ethnic conflict usually derives in large part from economic conflict. Periods of economic decline and widespread unemployment tend to exacerbate such conflicts, as present events in many parts of the world vividly demonstrate. However, conflicts can be aggravated also during periods of progress and achievement, if this is accompanied by a clear divergence in the status of different groups.
- 71. Problems arise when there are systematic economic and social disparities between groups defined by race, ethnicity, religion, gender or other factors independent of individual merit. Such differences may be attributable to discrimination, either present or historical, and represent a potential source of conflict that needs to be addressed. When a social group feels threatened by economic, political or social disruption it often directs its fear and anger towards a group that it has historically been in conflict with, whether or not the target group is in any way responsible for the current problems.
- 72. Hostile attitudes towards migrants have similar origins. With increasing global mobility and massive refugee movements, the integration of immigrants and refugees into recipient societies has again assumed the dimensions of a serious problem for many countries in various regions. A common source of conflict, resentment and discrimination is the threat felt by a country's workers when immigrant groups are perceived to be competing unfairly for jobs and willing to accept lower wages or less favourable working conditions, or to have an unfair

advantage in access to public services or social housing. In this context, it is important to distinguish individual migration, in particular the right to leave and return to a country, and forced mass migration (political or economic in origin), which is likely to be disruptive for both host and originating countries.

73. Actions to enact legislation to end discrimination, to make discrimination unacceptable <u>de jure</u>, and to insist on non-discrimination in respect of public institutions are important measures that Governments can take to promote social integration. Long-standing discrimination against women, who comprise the largest segment of society against which it is practised, poses a particular problem since women in all societies have traditionally had social and economic roles distinct from those of men. The fact that women are generally poorer than men and growing relatively poorer and face many other difficulties related to gender indicates that special efforts must be made to ensure that discriminatory practices are not perpetuated in employment, education and public services.

Promoting equality of opportunity

- 74. The end of de jure discrimination, however, is typically only the first, although essential, step on the long road to non-discrimination de facto. Prohibiting formal discrimination, against women or ethnic groups or against disadvantaged and marginalized groups, is rarely sufficient. The economic, educational and other disadvantages that have resulted from past discrimination can result in persistent inequality for a long time after the discrimination ends. Furthermore, legal prohibition of discrimination, even if rigorously enforced, cannot entirely eliminate informal discrimination. A number of Governments have adopted policies and programmes involving active efforts to achieve equality for disadvantaged and marginalized groups in employment, education and other areas. Such programmes, however, have sometimes proven controversial among other groups who feel they are being discriminated against "in reverse"; this feeling seems particularly strong during periods of high unemployment. Systematic evaluation of affirmative action policies and programmes and their effectiveness is needed and systematic exchange of experience needs to be encouraged.
- 75. An important means of preventing destructive antagonism between groups is to ensure expanding opportunities, particularly in employment, on a fair and non-discriminatory basis, goals which are, of course, also important social objectives in themselves. However, the processes of change that need to be set in motion in order to achieve both the required high rate of economic expansion and non-discriminatory access to job opportunities may sharpen social rivalries and exacerbate the very tensions and conflicts that the policies, in the long-run, are intended to prevent. Economic growth, and the technological changes on which much of it is based, is often destructive of skills, institutions and even entire communities, as they become obsolete and are marginalized. Such disintegration and marginalization may, however, also be a precursor of future integration at a higher level or on a broader plane. the natural consequence of change, which creates new opportunities while shutting off traditional avenues to livelihood and upward mobility. Specific measures are needed to smooth this process and allow for the relocation of activities and reabsorption of workers.

Ensuring access to education and information for all: basic tools of social integration

- 76. Basic to the notion of equal access is access to information and basic to the latter is access to education in all its forms organized or informal. Promoting education for all and eradicating illiteracy are, or should be, central policy goals and concerns. Access for all to basic education is vital as it fosters shared values and provides a common starting point for entering employment or pursuing opportunities in secondary and higher education. In many countries, the relatively low levels of primary school enrolment, and even more, of attendance, reflect the especially low levels of participation among girls. Enabling girls to begin and to complete their education is of particular importance. There are many obstacles, but the long-term gains from their increased enrolment in school and their continued attendance are substantial.
- 77. Universal access to primary education does not, of course, guarantee equality of opportunity, as has been clearly demonstrated. It does, however, mitigate certain existing social inequalities. Most important, it provides an opportunity to instil in all the basic cognitive and social skills that are needed to function in a changing society. In expanding basic education due regard must be given to the maintenance of quality. If quality varies sharply within the primary sector, it can perpetuate divisiveness while giving the appearance of promoting integration and equality of opportunity. Balancing quantity and quality remains a difficult challenge which deserves priority attention.
- 78. Education can be a powerful tool against perpetuating discrimination and thus to further enhance social integration. By critically discussing historical patterns of discrimination against disadvantaged and marginalized groups, teachers can encourage pupils and students to be aware of subtle forms of discrimination. Instruction that promotes appreciation of the culture and history of various groups can also be useful in reducing discriminatory attitudes while sustaining cultural diversity. At the same time, it should be recognized that social engineering of this direct kind through the school system is controversial. It may be more important for schools to practise fairness and non-discrimination in the treatment of pupils from different social or ethnic groups than to emphasize teaching these ideas through the formal curriculum.
- 79. Education policy must strike an appropriate balance between promoting the common values on which a society is built and preserving an organic diversity of regions, cultures, languages or religious, as well as pedagogic content and orientation.

Improving the situation of migrants

80. Schools play an important and direct role in shaping the prospects of migrant children and second-generation migrants. These two groups face a particularly difficult situation among migrants in that they usually acquire the expectations of their local peers, do not wish to put up with the hardships of their migrant parents, and yet face open lifelong discrimination as outsiders. Preparing these young people for work and breaking down barriers of hostility and exclusion is essential to government efforts to improve relations between

migrant and host populations and, more broadly, to promote social cohesion. Unlike their parents, who are typically integrated into the host economy although often in subservient roles, these young and second-generation migrants are often in danger of being marginalized or excluded from society.

81. The capacity of societies to absorb migrants (as well as refugees) may be limited, but where these limits lie depends on both objective conditions (e.g., the state of the economy and employment) and the efforts of Governments and the institutions of civil society to shape attitudes and act directly to diffuse especially dangerous situations of hostility. The legal framework that is put in place, as well as the specific policies to protect migrants and promote improved conditions for them, will determine both their contribution to the host society and the maintenance of social tranquillity.

Bringing government closer to the people

- 82. Social integration can also be enhanced by bringing government closer to the people. This can take many forms: devolution and decentralization; promoting grass-roots and non-governmental organizations; direct participation; and new forms of partnership between public authorities and the private corporate sector, including new forms of privatization.
- 83. There are many indications of a desire for change in the allocation of responsibility in the management of public institutions and the way government responds to citizens' needs. Such change would build on what State organs have done effectively, correct practices that have been shown to be ineffective, and abandon those made obsolete by time.
- 84. The particular form that changes in State functions may take will clearly vary with the country and its particular circumstances. At the same time, some considerations are relevant to broad groups of countries, distinguished by the relative importance of their State institutions in economy and society.
- 85. In countries where the State organizes or provides directly a wide range of benefits and services and has built up a considerable and complex administrative system to manage its extensive activities and this group would include both older and newer market-based societies there is the need simultaneously to improve efficiency and accountability and to humanize the bureaucracy.
- 86. One approach is to look to devolution or decentralization as an answer, or partial answer, to improving public services. It has proved difficult, however, to translate the general intentions into specific measures of government reform. Irrespective of the constitutional basis of the State, whether federal or unitary, decentralization efforts have had difficulty in reconciling efficiency, accountability and quality or relevance of service. More attention needs to be given to the optimal scale on which services should be organized and how to match them with corresponding administrative and jurisdictional entities. The appropriate scale differs, depending on whether the emphasis is on efficiency, accountability or quality, and the optimal scale varies for different services. Experience suggests no easy solution, but some reforms clearly have worked better than others, and experience here could be shared more widely among countries and, especially, local authorities.

- 87. In most countries that have elaborate State systems of social provision and where the State plays a major role in directing the economy, the trend in thinking over the past several decades has been towards decentralization more decisions delegated to lower levels of government but the reality in most cases has been towards greater central control.
- 88. A major exception is the trend in the countries that formerly constituted the Soviet Union and other countries in Eastern and Central Europe. Decentralization there has meant the disintegration of polities or societies and even, in some cases, their destruction as viable political-economic-social entities.
- 89. The fear of disintegration has been ever-present for the authorities of many developing countries that gained independence with borders that were sometimes tenuous and the loyalty of various ethnic and other groups to the central State not totally assured. In these countries, the need to construct a national identity and build a national infrastructure has at times clashed sometimes in dramatic ways with notions of decentralization and devolution. Although decentralization should remain an important longer-term goal, it is clear that in many developing countries there is a very large chasm between traditional structures of local government and the needs of modern administration.
- 90. A common dissatisfaction is that government services are "supply driven". What is provided and how is determined largely by institutionalized interests that have privileged access to government through formal consultative channels and through other networks. The "client" is thus lost in a bureaucratic maze and must take what he or she is offered by "those who know best". Such dissatisfaction has been voiced with increasing volume, and both formally democratic and less democratic governmental structures have been the object of such complaint.
- 91. Such expressions of dissatisfaction have struck a political nerve. They have elicited various responses. Some are highly controversial, at least in their early, experimental formulations; there is a need to evaluate their impact. Among the attempts to reorder the system of providing public services in a way that responds to "client" needs and, at the same time, meets the test of efficiency, the following may be mentioned by way of example: the creation of so-called "internal markets", when beneficiaries are given the opportunity to select among a number of public providers of goods and services; also the "voucher" system, tried in several countries at national and subnational levels. Other means include subcontracting of services to private providers, the setting of performance targets for public entities, and the involvement of citizens' groups in monitoring performance.

Building up the institutions of civil society

92. In all societies, needs are met through different means and channels: the actions of government, at different levels; the commercial activities of private enterprise; and the interaction of institutions and networks of civil society, including non-governmental organizations of many types, professional associations, civic groups, self-help and community groups, cooperatives and

informal groupings. The latter are distinguished by their often voluntary nature, shared interests, flexible and democratic organization and direct participation of members or adherents.

- 93. It is the latter category of institutions that plays an important role in mediating between the individual and immediate family and government or the privately organized commercial sector. Many needs are met through reciprocal and self-help arrangements and are especially important where the population is mobile, trying to establish new roots and has limited financial resources. It is particularly important for government, especially local authorities, to encourage self-help activities through such networks, which provide mutual assistance and a means of combining the limited resources of Governments with community resources.
- 94. In most developing countries, reflecting general conditions, Governments have very limited resources. Thus, what Governments undertake needs to conform to their capacity to carry through their intentions rather than to theoretical concepts on the proper functions of the State. In many cases, the role of government is well planned in theory but too ambitious in practice. Given the scarcity of resources, various priorities for government action suggest themselves; one is support for the development of self-help organizations in order to mobilize the people concerned, provide services and work with government to improve public services. In this effort to support a wide range of citizens' and grass-roots organizations, the role of the cooperative movement needs to be highlighted. Cooperatives, quintessentially democratic organizations, deserve special attention in the broader context of fostering democratic, participating institutions. Many different forms of cooperation have emerged in recent years, bringing together producers or consumers and clients, or a combination of the two. Activities have expanded into many areas, covering a growing list of social services.

Securing the advancement of people with special needs

- 95. An integrated society is based on the twin principles of equal treatment in the provision of public services and benefits to those facing the same circumstances and differentiated provision to allow for different circumstances. While aiming to remove disadvantage, it recognizes the need to deal with it in the many ways that disadvantage manifests itself.
- 96. The provision of public services and benefits serves many objectives other than the promotion of social integration. The organization and methods of delivery may vary according to which objective is given greatest emphasis. But even when the objective is enhancing social integration, there are often no clear-cut answers to which options are best.
- 97. In conditions of resource scarcity it may seem obvious that services should be concentrated on those whose needs are greatest. This is often sound policy, but not always, and it raises certain basic problems. In practice, the size of the target group, for example the especially disadvantaged, will be an important consideration. The smaller the target group, the easier it is to devise policies and provide services which really make a difference to the circumstances of the group. However, when the target group represents a

sizeable proportion of the population, when it will also tend to be more heterogenous, it may make more sense not to focus on the least well-off for the very practical reason that they may be harder to reach, and it may be preferable to focus programmes where they make a crucial difference.

- 98. In all policies focusing on the disadvantaged, attention needs to be given to the major problem of how to secure and retain public support on a scale commensurate with perceived needs. Public support has tended to be stronger for programmes which are potentially of benefit to population groups that are much larger than the groups that are using them at any one time. In this category belong, among others, unemployment benefits and health care.
- 99. From the perspective of social integration, it is very important to engender a sense of shared and indeed universal access to certain services. In certain areas, where quality is of major importance education being a particularly prominent example a public system that does not serve the better-off strata but mainly the less well-off tends to fall short on quality. Such a system will tend to perpetuate the very divisions in education it is seeking to redress. Voluntary opting out on the part of the middle classes may be as serious a problem from the perspective of social integration as is privileged access by the middle classes to public services.
- 100. In higher-income countries many of the functions traditionally undertaken by members of households, especially by women, the kin group or community, have been gradually organized and professionalized and are now performed by public or private agencies, both for-profit and not-for-profit. In recent years there has been a shift in attention to the role of the institutions of civil society, the community and the individual regarding the distribution of responsibility in performing these traditional roles. In developing countries traditional institutions, including the family, are undergoing rapid change, sometimes eroding and therefore unable to continue to serve the community in the discharge of caring, socializing and general support functions. The rapidity of change as symbolized, for example, by the rate of urbanization and internal migration in relation to the growth of resources makes it impractical to contemplate widespread resort to the solutions found in an earlier period by the industrialized countries. This naturally concentrates attention on the need to emphasize institutional development as part of the broader effort to maintain social cohesion in rapidly changing societies.
- 101. Current thinking puts the main emphasis in social policy on prevention, habilitation and rehabilitation. At the same time, major population groups the unemployed or retired persons, for example expect to receive social support based on their past efforts or overall contributions to society. The previously attained level of social security, and thus inclusion in society, is increasingly under threat and is a source of potential impoverishment that in the industrialized countries had once been successfully overcome.

C. Alleviation and reduction of poverty

Monitoring poverty and assessing anti-poverty programmes

- 102. Estimates of the number of poor people are generally based on income, with a poverty threshold established somewhat arbitrarily in each country and periodically adjusted for inflation. The compilation of national estimates of poverty indicate that there are about 1.1 billion poor people in the world. The greatest number of poor people are in Asia, while poverty is most concentrated in Africa, where over half the population fall below an accepted poverty line in most countries, and even greater proportions in rural areas.
- 103. While income is the most common measure of poverty, in fact poverty is a matter of consumption and is reflected in such indicators as nutrition, life expectancy, child mortality, literacy, illness and education, which are also useful in identifying people living below acceptable standards in each society. More difficult to measure, especially at the level of the individual, but equally impoverishing of human life, are insecurity due to crime or other violence, political or cultural persecution, and other limitations on basic human rights and freedoms. Most of those factors are both causes and effects of poverty as measured by income, as well as being important in themselves.
- 104. An assessment of whether world poverty is increasing or decreasing is difficult and depends on the indicators used and the precise time period chosen for comparison. There appears to be general agreement that over the last 20 years, and in general over longer periods, there has been a significant reduction in the proportion of poor people in the world, but that the improvement has slowed in recent years and the absolute number of poor people has increased. The numbers and proportion of poor people has increased particularly in Africa, where economic growth since 1980 has fallen well behind population increases, while the numbers and proportion of poor people has decreased in many countries in East and South-East Asia. Recent years have also seen a substantial increase in poverty in Eastern Europe, but it is not yet clear whether this will be a longer-term trend or a short- to medium-term transition to renewed economic and social development.
- 105. The collection of data relating to poverty is important not only for determining the extent of the problem, but also for developing effective methods for addressing the problem. A comparison of changes over time in the poverty rates in different communities provides essential information for understanding the social and economic, national and international causes of poverty and for assessing the effectiveness of various programmes for reducing poverty.
- 106. There is widespread agreement today that the best way to reduce poverty is to ensure that people have opportunities for productive and remunerative employment sufficient to support themselves and their families. In almost all job markets today, that requires the creation of new jobs. Policies and programmes for creating jobs are covered in section D below; the present section will focus on other ways of alleviating and reducing poverty.

Providing the basic social services necessary for improving living conditions

107. While personal income is necessary for maintaining an adequate standard of living, people also need to have available social institutions and structures to provide the facilities and services that cannot easily be provided by individuals and families. Governments must take responsibility for ensuring

that nationwide networks of facilities exist for health care, education, water and sanitation, transportation and communications. Whether such services are provided by public or private agencies, and whether they are paid for through taxes or through payment for services, they are critical components of an adequate standard of living.

108. A national network of health-care facilities, including clinics, hospitals, laboratories, and information and data centres, and a distribution system for drugs and other materials must be maintained and developed to address health problems that can be a major factor in creating and maintaining poverty. Primary care facilities are particularly important. Programmes for prenatal care, vaccinations and oral rehydration therapy, for example, have made important contributions to reducing infant and child mortality, particularly among poor people, and it is estimated that one quarter of the 14.6 million child deaths occurring annually could be prevented by vaccination, while nearly 70 per cent of the 4 million deaths from diarrhoea could be prevented by oral rehydration therapy. Increasing and improving schools, teacher training, and textbooks and other materials are needed to increase literacy and improve basic education, which are valuable objectives in themselves as well as a basis for economic productivity. Clean water for drinking and other uses, roads, telephone systems and other transportation and communications facilities are also essential. Urban areas require more extensive social services, notably for sanitation, fire protection, and policies and programmes to ensure adequate shelter for existing residents and the often large numbers of new migrants.

109. Governments must establish and maintain just and effective legal and administrative systems to provide the security and stability people require to develop and improve living conditions. A system of law, applied equally, must ensure basic rights, including those relating to property and employment, with particular attention to protecting the rights of the poor and vulnerable. Public security, including police services and safety inspections, must be provided to protect people from crime, violence, illegal exploitation and other threats to their social, economic and physical welfare. Developing and improving such public services, systems and social structures is essential to helping poor people in their efforts to escape from poverty and to others in their efforts to improve their lives and avoid the calamities that could drive them into poverty.

Alleviating and reducing rural poverty

110. Over 80 per cent of the world's poor live in rural areas, with the great majority in Asia and Africa. Sixty per cent of the rural population of sub-Saharan Africa live in poverty, as do 31 per cent of the rural population of Asia. In Latin America, the rural population is substantially smaller, both absolutely and proportionately, but national estimates indicate that 61 per cent of the rural population is poor. For the least developed countries, agriculture constitutes nearly 40 per cent of GDP. The reduction of poverty on a global scale will therefore depend to a very large extent on rural development, especially in large parts of Asia and sub-Saharan Africa.

111. The rural poor are mostly landless or have farms that are too small to yield an adequate income. As a consequence, there is a strong correlation

between rural poverty and asset deprivation. Unequal land distribution results in a concentration of economic and political power, which has a negative impact on the poor. Experience over the past two decades has shown that while agrarian reform is potentially a powerful instrument to be used in striving for more equitable growth and poverty reduction, it is not a panacea. In densely populated rural areas, land is often too scarce for a meaningful distribution to be possible. Moreover, land reform by itself is not sufficient to bring about an increase in productivity. Correct pricing policies and improved access to credit, seeds, fertilizer, equipment, irrigation and water supply systems, as well as extension services, are often as important as land reform in determining returns to land and labour. Other crucial elements in efforts to augment and better distribute the fruits of agricultural production are the introduction of appropriate technologies, multi-cropping, provision of adequate storage, marketing and transportation facilities, raising the basic education and literacy levels of the rural poor and improving employment conditions for rural women. This is especially important since in several regions women are the main food producers but are not given access to modern means to improve their production.

- 112. A comprehensive rural development strategy must foster an increasing number of rural non-farm activities and promote development linkages between non-farm enterprises and an agricultural sector with increasing productivity and a more equitable pattern of distribution. Raising the incomes of the rural poor will tend to increase the effective demand for locally produced goods and services, thereby supporting the growth of rural non-farm production. Such a stimulus to the growth of employment and incomes in the non-farm economy can give further impetus to consumption-production linkages within the rural sector.
- 113. In view of the seasonality of agriculture and the large, underutilized rural labour force in many developing countries, labour-intensive investment policies have shown considerable potential for poverty alleviation, although their actual success is also determined by programme design and early involvement of the local population. The construction and maintenance of labour-intensive infrastructure, in addition to offering short-term income opportunities, can provide rural communities with durable assets, often using local resources. Illustrative of such economic and social infrastructure are access and feeder roads, small irrigation canals, dispensaries, schools, clinics and storage facilities. Some public works programmes have improved food security for the poorest people through food payments, often financed by food aid, in place of wage payments. Although food-for-work programmes have to guard against harmful distortions to domestic food prices or consumption habits, they can be useful incentives to poor and undernourished populations to participate in self-help projects.
- 114. Although not confined to rural areas, social investment funds have in recent years proven useful for financing a large number of small projects targeted in particular on poorer segments of the population. In addition to social infrastructure projects, activities may include support for income-generating production activities and social assistance projects, including nutritional assistance for vulnerable groups outside the labour force. In certain countries, emergency social funds and social investment funds have proven useful for mitigating some of the social costs of economic reform.

115. As illustrated by labour-intensive investment policies, giving the poor a voice is another key element in breaking the chains of poverty. Local participation has been shown to be a powerful tool for rural development efforts in particular. The provision and management of water supplies, the improvement of health care, and the construction and maintenance of basic infrastructure are illustrative of areas where the active involvement of local populations can contribute to and help sustain efforts to lift them out of poverty. Being given an opportunity to express their development needs, as well as their opinions on how best to meet them, adds to the incentive to keep up such facilities once outside assistance has been withdrawn. Local initiatives can help break ties of economic and cultural dependence and create conditions for further self-help.

Reducing poverty and promoting sustainable development in fragile ecosystems

116. In ecologically vulnerable regions of developing countries, including arid and semi-arid areas, mountainous regions and low-lying coastal regions, poverty often forces people to cultivate marginal lands, to overgraze grasslands, to deplete forest resources and to overexploit water supplies, leading to degradation of the soil and water resources, declining agricultural productivity and greater poverty. Most of the rural poor in the world live in areas of low agricultural productivity and have little alternative to unsustainable practices that will make it even more difficult for their children to escape from poverty. The poor are also particularly vulnerable to natural disasters such as drought, floods and storms, having little or no margin for survival when their housing, possessions and means of production are destroyed. While those threats are in part a consequence of the natural environment, they also have social causes in that poor people are often pushed into marginal areas, regions occupied by poor people generally receive less protection from natural disasters, and poor communities may be subject to air and water pollution and other hazards from urban and industrial areas.

117. In ecologically vulnerable areas, efforts to protect the environment and efforts to reduce poverty must be integrated, as activities designed solely for one purpose will often have unintended harmful effects in another. However, finding ways to improve agricultural production and standards of living in sustainable ways poses great difficulties and requires better understanding, through both traditional and scientific knowledge, of the natural processes involved. Since many countries are affected by such problems and since the problems are due in part to global environmental processes, the research required needs to be done on an international cooperative basis. Based on such research, information on suitable crops and cultivation techniques, provision of basic services and infrastructure, improved access to markets and land tenure reform can promote sustainable development with increasing production and standards of living. In particularly fragile and overpopulated areas, programmes to assist poor people in moving to more productive areas where their needs can be met on a sustainable basis may be necessary. The problems of sustainable development in environmentally vulnerable areas were addressed in detail at the United Nations Conference on Environment and Development and programmes to address those problems are contained in Agenda 21. $\underline{2}$ /

Tackling urban poverty in developing countries

- 118. Section D below, which examines the expansion of productive employment, includes a discussion of the urban informal sector. The focus there is on the more dynamic segments of the sector, which can be made more productive through correct policy design and adequate assistance. However, the vast majority of the urban poor are seeking to survive under even more precarious economic circumstances. They engage in a host of activities, some legal, others illegal, which are characterized by their casual and generally insecure nature. Among these are domestic workers, street vendors, hawkers, shoe-shiners, out-workers and the many other types of labourers engaged in petty service activities offering meagre incomes and very little or no social protection. Population and urban migration pressures, together with the effects of depressed economic conditions and austerity measures, have increased their numbers since the early 1980s in most developing countries. Generally speaking, assistance measures should not particularly aim to enhance the performance of marginal activities that have no future but should rather aim to improve the welfare and the social protection of the poorest groups.
- 119. As part of family or household survival strategies, all members are often compelled to contribute to the limited earnings of the household and to accept whatever work is available. This often includes children, who are among the most vulnerable and exploited in their working relations. While the children of some impoverished families both work and attend school, the income requirements of the household, together with the direct and indirect costs of going to school, combine to deprive many others of the opportunity to obtain a basic education. Child labour and the impoverishment of children are not uniquely urban phenomena. Some of the worst manifestations are to be found in rural areas, but with increased crowding into shanty towns and urban slums, as well as the growing plight of street children in many large cities, the effects of poverty on children are becoming more well-known. Children in slum neighbourhoods are often the most exposed to the hazards of urban poverty, and the morbidity and mortality rates are three to four times higher than the average for their age group. As was pointed out on the occasion of the World Summit for Children, while a disease is usually the immediate cause of a child's death, the underlying causes tend to be such symptoms of poverty as malnutrition, ignorance of basic hygiene, illiteracy and lack of access to water and sanitation. Making available primary health care and piped water to poor neighbourhoods along with low-cost technologies for collecting and treating urban sewage can upgrade living conditions and help to reduce infant and child mortality.
- 120. A rational and integrated shelter policy is another key element in overall efforts to overcome urban poverty. Mass shelter provision has to include the promotion of low-cost rental housing, but the housing needs of the absolute poor still will have to be dealt with as a social welfare matter. At the same time, any housing strategy, particularly when it involves relocation, must incorporate the provision of basic services if it is to remain viable.
- 121. The informed participation and active involvement of the target groups is important to the upgrading of poor urban communities. The urban poor must be empowered to contribute to the solution of their own problems, and the importance of empowering women to help lift their communities out of urban poverty cannot be overstressed. They carry the main responsibility for

nutrition, health care and hygiene and are increasing contributors to the economic livelihood of the family. It is essential that they receive equal, and sometimes even preferential, access to education, training, credit, extension services and labour-saving technologies. Investment in women, in urban as in rural societies, constitutes a big step forward in efforts to overcome poverty.

122. In developing countries, most poor people are not eligible for government social security or welfare assistance. In some cases, workers who have been employed in large enterprises or by the State have earned pensions or other benefits through their work, but the large majority of people, including the rural population and workers in the informal sector, are without protection if they cannot be supported by family or friends. In various societies, people have developed a variety of informal mechanisms, including local community funds and group investment funds, to help each other in times of need. It would be useful for Governments to examine how State policy could encourage and support such mechanisms and for Governments to exchange information on such mechanisms.

Formulating social security policies and programmes

- 123. In the developed countries, and some developing countries, poor people are, under certain conditions, eligible for economic and social assistance through a variety of government programmes at the national or local level. In many countries, however, a variety of factors, including rising unemployment, the breakdown of family structures and an increasing proportion of older people, has resulted in rapid increases in the cost of social security and social protection programmes. The rising cost of social programmes, together with declines in economic growth rates and popular opposition to higher taxes and welfare spending, have put great pressure on Governments to reduce welfare programmes.
- 124. It is generally agreed that the best way to reduce welfare spending is to encourage those capable of working to find jobs. A variety of approaches have been and are being tried, including making benefits conditional on efforts to find employment, employing welfare clients on temporary "workfare" public jobs, limiting the duration and amount of welfare benefits, providing financial incentives for employment, providing retraining and apprenticeships, and arranging child care for single parents. These programmes, however, have not been fully successful in limiting welfare spending while adequately meeting the needs of poor people, especially in the absence of job creation. There is no general agreement on the best ways to support the unemployed and others who cannot support themselves, and international exchange of information on the results of various experimental programmes in different countries would be useful.
- 125. Aside from the limitations on the resources available to Governments, the role of government in supporting poor people is itself a controversial question in many societies, and there is little general agreement on the ideal way to care for those who cannot support themselves. Many people feel that family, friends, community groups and other non-governmental sources are the preferred and most effective means of support for the poor, and that government programmes should complement but not replace such traditional support systems or should serve only as a means of last resort. Others feel that public support programmes as a recognized economic right are the best means for ensuring that

those who cannot support themselves can live in dignity as well as some degree of comfort. The question of who deserves government support, how much and for how long, is one of the most difficult questions facing many societies, and societies seem often to fluctuate between liberal periods of expanding government social programmes and conservative periods of restricting eligibility and benefits. Since many of the questions are common to a variety of countries, in particular among countries with similar economic structures, exchange of information on the effects of various policies can be useful to all countries in developing effective and consistent national policies.

126. Social security programmes include both programmes of universal coverage and targeted or means-tested programmes that provide benefits specifically for the poor. Universal programmes, such as pensions, family allowances and health care programmes, as well as unemployment benefits that are structured as insurance programmes, are very effective in preventing people from falling into poverty, but are expensive since they provide benefits to large numbers of people who can afford to support themselves. As a means of combating poverty, targeted programmes have the advantage of concentrating benefits on those who most need them, but have the disadvantage of stigmatizing their recipients as poor or welfare cases. In periods of economic stress, the non-poor majority may demand cuts in "unaffordable" welfare programmes while resisting cuts in universal programmes. The choice of which social security programmes to provide as universal benefits to prevent poverty and which to provide as targeted benefits to assist the poor is a political decision to be made by each society. During periods of economic stress, it is even more important to consider how social protection can be enhanced by combining various programmes and responsibilities at different levels.

127. While employment and social security programmes are the major factors determining who falls into or escapes from poverty, a variety of other social and economic factors are also influential, including the tax structure, the extent of public services, and government support and subsidies for housing, public transportation and other services. The effects of the tax structure and government spending on public services are complex and may have unexpected redistributive effects. Analyses have shown, for example, that under some circumstances, public education programmes can result in a net transfer of resources to the wealthy, who make greater use of the educational system, particularly at the higher levels. Poor neighbourhoods often receive poorer public services such as sanitation, security and street maintenance, even in relation to their share of tax revenues. A careful analysis is therefore required to determine the effects of public services on poverty and inequality.

128. While employment in developed countries usually ensures that an individual or family will not be poor, there are a substantial number of "working poor", whose work does not provide enough income to raise them above the poverty level, either because the legal minimum wage leaves them below the poverty line or because their jobs are not covered by minimum wage regulations. While wage and salary levels for different occupations are determined in part by the market and by minimum wage legislation, they are also affected by social and cultural attitudes and by the standards set by Governments in their employment and contracting activities. The problem of the working poor has become more visible in recent years in countries where the incomes of the higher strata have

increased substantially while the wages of the lower strata have stagnated or declined. Economic growth, even when accompanied by increasing employment, may thus not be sufficient to ensure reduced poverty, and decisions in the private sector, as well as by Governments, determine the rate at which people fall into or escape from poverty.

- 129. While much of the public debate about poverty and welfare in developed countries tends to assume that the poor are a relatively fixed group, in fact there is substantial mobility into and out of poverty. A significant portion of the poor have recently fallen into poverty as a result of losing a job, falling victim to illness, crime or disaster, or some other misfortune, and will, with temporary public support, soon recover and escape from poverty through their own initiative. The number of people who will be poor and receive public assistance at some time in their lives is therefore much greater than the number of poor at any given time. If the number of people falling into poverty could be reduced, the number of poor people would decline through normal mobility.
- 130. The dissolution of households in recent decades, frequently leaving women alone with their dependents, the double burden placed on women to earn incomes and also provide care-taking, combined with a lack of protection for the children involved, limited child-care facilities and limited economic opportunities for women have resulted in a substantial increase in the number of women and children living in poverty and in the proportion of the poor that they represent, a phenomenon termed the "feminization of poverty". Societies are making a variety of efforts, involving changes in both public and private social structures, to encourage responsible parenthood, to ensure that the children of single parents receive the material and social support they need, and to assist single parents in finding employment that meets their economic and parental needs. Those efforts, however, have not been fully adequate for protecting women and children from a disproportionate risk of falling into poverty.
- 131. Overall, and from the various perspectives on the question of poverty suggested above, deprivation and suffering among children is a most dramatic and pressing issue. There is strong evidence, supported by a variety of data, that millions of children are deprived of a decent childhood and deprived of the health and knowledge which would enable them to enter adult life with some chance of success. For example, in developing countries, it appears that 35 per cent of children still suffer from obvious malnutrition. In some parts of Asia and Africa, the proportion is 50 per cent and more. In the developing world as a whole, it seems that approximately 25 per cent of children of primary school age still do not enjoy the basic human right to education. In parts of Africa, 40 per cent of children are deprived of any schooling. And, almost everywhere, young girls suffer comparatively more than young boys.
- 132. In many urban slums throughout the world, street children, without parents, or whose parents are too poor to provide for them, struggle for survival against hunger, illness, exposure and violence. The struggle for survival forces other children into hard and often dangerous employment with long hours and very low pay. Those children have little or no access to education and health care, and even less to the playful enjoyment of childhood. There is an urgent need to protect poor children from the dangerous conditions of street life and harsh labour and ensure that their basic needs for food, shelter, health care and

education are met. The greatest need, however, is for a general reduction of poverty so that all children can be provided for by their families.

D. Expansion of productive employment

133. As already noted, the expansion of productive employment is central to the alleviation and reduction of poverty, and the enhancement of social integration. Yet for well over a decade now, employment in most regions (with the notable exception of East and parts of South-East Asia) has deteriorated in both quantitative and qualitative terms. Increasing unemployment levels are prevalent in industrialized countries, while in many developing countries a stand-still in job creation has been accompanied by higher levels of open unemployment than in the past, together with massive declines in real wages in the formal sector. Moreover, a growing share of the labour force has been pushed into unprotected, precarious jobs in the urban informal and rural sectors. In Eastern Europe most countries are now experiencing mass unemployment, and in the countries of the former Soviet Union, unemployment, while still low, is rising rapidly.

134. Of the world labour force of 2.8 billion people, an estimated 30 per cent are not productively employed. Open unemployment stands at more than 120 million. These are people who seek and are available for work, but cannot find it. Many more - estimated at 700 million - are underemployed. They generally work for long hours, yet do not earn enough to lift themselves and their families out of poverty. They form the bulk of the estimated 1.1 billion absolute poor in the world. An increasing proportion of the economically active are women. Given the increasing influx of new entrants into the labour force, the employment challenge will rise further in the years to come.

135. Against this backdrop, there are three fundamental policy concerns to be addressed at both the international and national levels: (i) how to achieve higher rates of economic growth (addressed at the outset of this chapter); (ii) how to ensure that growth creates jobs; and (iii) how to achieve an acceptable balance between the quantity and quality of jobs.

Ensuring that growth creates jobs

136. Employment is the result of a number of interlinked factors. On the supply side, population growth, labour force participation rates, migration, and education and skills development affect the growth and pattern of employment. On the demand side, while the expansion of output is, in general, the major determinant of employment creation, it is also influenced by the labour intensity of the technology used, productivity increase, various structural factors and the way available work is distributed. There is nothing new about these explanatory factors, although the pace of technological change appears to have quickened in recent years and population and labour force growth rates are on the increase in many developing countries. What appears to be different today, in addition to higher rates and longer periods of unemployment in large parts of the world, is a more pervasive feeling of employment insecurity and a concern that even a resumption of higher rates of economic growth may not

markedly improve job prospects. This latter preoccupation is increasingly captured by the notion of "jobless growth".

- 137. There is no miracle cure for unemployment, nor any single blueprint for expanding productive employment. For each country, the level of development and initial resource endowment influence the scope for various policy interventions. But generally, employment outcomes will be affected by some combination of macroeconomic policy, sectoral policies and programmes, targeted employment-creation schemes and labour market measures, on all of which there is some evidence of what is required.
- 138. As macroeconomic policy has already been touched upon above, it only remains to add that the likely employment effects of macroeconomic interventions must be taken into account in formulating such measures. While fiscal and monetary policies now tend to be used more to keep price inflation as low as possible rather than to stimulate economic activity and create jobs, such interventions affect employment. Government taxation and spending, under some circumstances, can be used effectively to stimulate growth in employment, and even when used for other purposes, can be designed to promote job creation and equity. To the fullest extent possible, the use of different policy instruments should be complementary, thereby reinforcing, not offsetting, one another.

Modifying patterns of investment and economic activity

- 139. To restore employment-generating economic growth implies not only increasing savings and investment but also modifying its pattern. Since most jobs in the near future are likely to be created by the private sector, well-designed incentive structures have an important role to play in attracting and channelling private investment for job growth. Given the current competition to attract foreign direct investment, many countries, particularly the poorer ones, will have to make a greater effort to generate investible resources through innovative savings schemes and other local resource mobilization measures.
- 140. One of the tasks of the State is to create the enabling environment for the private sector to create more and better jobs. Among the conditions for private sector investment and growth are a proper legal framework, a stable investment environment, and development and maintenance of basic infrastructure, which remains a major inducement for private investment.
- 141. At present large enterprises have ceased to be a major source of employment growth. Short of a fundamental change in their approach to production and competition, this trend is likely to continue. There is a growing tendency for large enterprises to subcontract to small firms the provision of many components and services. Promotion of small and medium-sized enterprises is therefore essential. An increasing proportion of these are owned and managed by women. Small enterprises, in particular, in addition to promoting savings and investment, can encourage private initiative, respond more flexibly to economic changes and distribute income-generating opportunities more broadly. But if small enterprises are to fully realize their employment-creating potential, their chances first for survival, and then for further growth, must be improved. This implies removing, or at least simplifying, regulations and procedures that

place them at a disadvantage with respect to larger enterprises, as well as facilitating their access to credit, markets, training and various other forms of assistance.

- 142. Turning more specifically to sectoral policies, priorities need to take account of geographical distribution of population, level of development and the effects of the prolonged economic crisis dating back to the beginning of the 1980s. For the least developed countries, agriculture remains the dominant sector of the economy, contributing nearly 40 per cent of GDP and accounting for the bulk of the labour force. In 1991, agriculture provided over one third of sub-Saharan Africa's exports, or 44 per cent if the region's largest oil producer is excluded. Such exports have suffered massive price declines in recent years, but as export crops are likely to represent the main engine of growth of most African countries for the foreseeable future, agriculture must be revived and the rural economy vastly improved.
- 143. This calls for encouraging food production and absorbing labour through a combination of measures aimed at boosting agricultural productivity and expanding and diversifying the range of farm and off-farm activities. These include correct food pricing, improving agricultural techniques, promoting rural non-farm activities with employment linkages to the agricultural sector, constructing and maintaining rural infrastructure using labour-intensive technologies, and undertaking environmentally appropriate programmes, such as afforestation and soil and water conservation. Given the preponderant role of women in food production, these programmes must be designed to reach them. In addition, efforts by poor developing countries to boost their economies and lay the foundation for job growth would be facilitated if they could count on the international community for a steady flow of well-targeted development assistance aimed at medium— to long-term development.
- 144. For large parts of the developing world, there has to be fuller recognition and increased support for the informal sector as a major source of economic activity, useful goods and services, and jobs. For a majority of an estimated 300 million persons engaged in informal sector activity, the sector provides the sole means for eking out a subsistence living. But the informal sector, particularly the urban informal sector, also comprises small and micro-enterprises with a demonstrated capacity to accumulate capital and expand employment. It is this more dynamic segment which should be encouraged. The first requirement is to put an end to policies and practices which discriminate against the informal sector. Secondly, the informal sector should be assisted through easier access to credit, training in basic skills and management, expanded markets and improved premises. More enterprising informal sector establishments could be encouraged to develop linkages with formal sector enterprises. Elimination of the barriers separating the two might even be set as a policy objective.
- 145. For a growing number of economies in East and South-East Asia and now several in Latin America, the sectoral requirements of job creation are quite different. The first generation of newly industrializing countries demonstrated that, against a backdrop of internal policy reforms and freer access to foreign markets, it is possible to achieve high rates of economic growth and employment expansion through an export-oriented industrialization strategy. Generally

speaking, an aggressive penetration of export markets, with reliance on low-wage labour-intensive methods of production in a first phase was followed by a second phase, where export diversification and skill-intensive technologies assumed growing importance.

146. But as these countries are increasingly pushed, in the growing competition for foreign direct investment, by a second generation and now even a third generation of newly industrializing countries, they have turned to the next stage of technology in product and process development. The significance of the East Asian experience is that it demonstrates the value of investing heavily in basic education, diversifying exports and continuously reassessing a country's comparative advantage in the global marketplace. Also, Governments have played an active role in the economic transformation of these countries.

147. For industrializing and more industrialized countries, as labour has moved from agriculture to industry, the historical trend has been for manufacturing industry to serve as the engine of growth. The subsequent emergence of a dynamic service sector has been regarded as the hallmark of a post-industrial society. Over time the demand that manufacturing industry generates for services assumes growing importance in relation to the manufacturing sector's direct economic contribution. In OECD countries, the service sector represents some 67 per cent of total employment. However, it is now, much more than in the past, affected by labour-displacing technological and structural change, as well as increased competition from foreign service companies, and a large proportion of service employment consists of low-paying "low tech" jobs. But, here, three important qualifications should be added. First, the protection of the environment, the health care and other personal services required by aging populations, and the travel, leisure and other services increasingly sought by middle-to-upper-income families, can be expected to continue to grow and generate new jobs. Even where such jobs are lower paid than jobs in manufacturing, they may offer greater job satisfaction, and rising demand may over time bid up their compensation. Second, many service sector jobs are well paid and, adjusting for hours worked and quality improvements, show rising productivity. Third, in some countries as the recession winds down, it is professionals and managers in services who are experiencing large proportional increases in rehiring and new job creation. At the same time, manufacturing still offers OECD countries opportunities to capitalize on their comparative advantage in various specialized product lines, highly advanced technological applications and service-intensive manufacturing operations.

Improving labour markets and targeted interventions

148. For enterprises, changing competitive conditions require changing product lines and production techniques and increasing labour productivity. Labour market flexibility becomes an important part of this adaptation process. For all those in the labour forces, well-being is essentially defined in terms of both employment security and income security. Yet it seems that the possibilities of spending a lifetime performing the same or related jobs with a single employer are declining rapidly. Moreover, in recent years many workers have had to sacrifice some income to ensure continuing employment, often with a new employer. Occupational mobility, while economically efficient, can be a source of psychological and social disruption. Governments and enterprises,

along with other involved institutions, have an increased responsibility to facilitate worker adaptation and mobility and to offer training and social protection during transition periods.

149. With a view to improving labour market operations so as to maximize productive employment and minimize unemployment and underemployment, renewed attention is being given to active labour market policies and programmes. Such policies aim to influence the level and composition of labour demand within a labour market through: (a) self-employment, entrepreneurial skills development and small-enterprise support programmes; (b) public works programmes and projects; and (c) community development activities focused on job creation. They seek to enhance the quantity or quality of the labour supply or alter its distribution across occupations or locations through provision of: (a) training and retraining; (b) geographic labour mobility assistance, including active help in job search; (c) incentives to occupational and inter-enterprise mobility, particularly portability of pensions and other entitlements; and (d) support services, including help with child care, housing and transportation. Also, within the framework of these policies, public employment services can be designed or restructured to play a more active role in steering people towards and preparing them for different jobs, and unemployment compensation programmes can be adapted to encourage labour mobility and productive re-employment.

150. Successful development experience tends to demonstrate the value of heavy investment in education and training. There is increasing evidence that a good general education at primary and secondary levels not only provides a broad knowledge base but also lays a foundation for the subsequent acquisition of more narrowly defined skills and for renewing, adapting or changing them more rapidly. But education systems must safeguard against excessive rigidity and be able to adjust to the changing needs of the economy and society as a whole. Education has to be both broad-based and flexible enough to prepare people for new roles at work and in society. It is also necessary to improve schemes offering training and retraining to those who have lost their jobs and seek redeployment. A further need is for enterprise-based training, which in addition to redistributing training costs, is an efficient way of rapidly meeting new skill and changing technological requirements. Finally, for many countries, well-designed and adaptable vocational and apprenticeship training programmes continue to play an important role. Traditional apprenticeship in a craftsman's workshop has in many countries proved to be an effective way of training workers in the informal sector and can create employment in the process.

151. Minimum wages are often viewed as a labour-market adjustment issue. Yet minimum wages are very low in most developing countries and also in Eastern Europe, and throughout the 1980s, real urban minimum wages declined in almost every country of Latin America. Perhaps it suffices to say that minimum wages should be based on the recognition of their proper role, which is to protect the vulnerable segments of workers who are without bargaining power, yet without pricing labour above levels which discourage the employment of the lowest-skilled workers.

Targeted interventions for vulnerable groups

- 152. Young people have always borne a disproportionately high share of total unemployment. Over the past decade this tendency has increased. The youth unemployment rate in several countries in Latin America exceeds 20 per cent. Increased levels of youth unemployment are also reported for North Africa and the Middle East, sub-Saharan Africa and the economies in transition of Eastern Europe. Youth unemployment has also been disturbingly high in a number of OECD countries, with some reporting rates above 30 per cent, and the average duration of youth unemployment is on the increase. Moreover, unemployment of the educated and serious skill mismatches comprise an important part of the youth unemployment problem. While a general increase in labour demand and more flexible training and retraining programmes would help to reduce the level of youth unemployment, there is a continuing need for special employment programmes specifically targeted on the youth population.
- 153. The participation of women in the labour force has risen in most countries of the world. While some of this increase is demand-induced, it also reflects the changing aspirations and higher education of women. Many women join the labour force initially in order to enhance the household's subsistence income. In the case of female-headed households, women generally represent the sole adult source of income support. Many women, especially in developing countries, work long hours in low-paying, arduous jobs of a marginal character. Women also provide the main source of labour in high-growth sectors in many countries. Skill development programmes designed to retain them and permit their advancement appear to be successful.
- 154. Specific target groups for active employment policies include the disabled, migrant workers, indigenous and tribal peoples, older workers and the long-term unemployed. What all such groups share in common is that they are not readily touched by other policy measures. Experience has also shown, however, that they are ill-served by hastily cobbled ad hoc measures. Consistent decisions have to be taken with respect to goals, institutional requirements and participant selection. Ultimately all such special programmes must be judged by whether they are well targeted, reach their intended beneficiaries and produce effects which are sustainable.

International migration

- 155. There is, of course, an international dimension to labour market functioning and associated employment policy. Although international migration has increased substantially over the past decade and a half, the movement of labour has been much more constrained than that of capital. While the pressure for international migration has been rising, mounting fear over unemployment has led a number of major immigration countries to further restrict migrant flows. Globally speaking, the number of migrants is relatively small. An estimated 30 to 35 million economically active migrants comprise 1.3 per cent of a global labour force of 2.5 billion. Of course, these proportions vary considerably from country to country.
- 156. Most migrant workers improve their employment and income in comparison with their pre-migration status. Moreover, remittances to their home countries have an estimated value that places these second only to crude oil as a foreign-exchange earner. As for the receiving country, when the hiring of foreigners is

demand-driven, it tends to be entirely beneficial. Vacancies are filled, inflationary bottlenecks are avoided, goods are produced, services provided and incomes generated. Under recessionary economic conditions, however, questions are raised about possible gains and losses to a host country. What can be noted, however, is that migrants, who tend to move from low-productivity to higher-productivity economies, achieve productive gains that far exceed what was possible in their countries of origin. World output, income and purchasing power thereby increase. In view of the economic and labour market contribution of migrants, host country Governments should outlaw de jure discrimination, seek to combat de facto discrimination and aim to integrate migrant workers and their families socially

A broader approach to employment and worklife

157. It might be appropriate to consider whether the nature of the employment challenge, particularly in the most developed countries, is qualitatively different today than in the past. In poor countries, atypical forms of employment and alternative patterns of work have long been part of survival strategies and have come to be viewed in the context of development. But in industrialized countries where, for many decades, the traditional life cycle consisted of a period of education, generally followed by a single job or career and subsequent retirement and greater leisure, fundamental questions may now be in order. Can and should societies organize production and work to allow for a more equitable sharing of available employment opportunities? Can remunerated work be distributed differently over the course of the individual's life cycle with greater alternation between paid employment, volunteer and other useful forms of work, education and training or retraining, leisure and retirement? How will those who are not employed be supported, and in this regard, can the link between employment and income be loosened? In fact, part-time employment already is on the increase. In a vast number of countries, initiatives involving work-sharing, job-sharing, novel flexi-time arrangements, sabbaticals and phased retirement are being tried out. Without sacrificing other efforts to expand productive employment, the effectiveness and replication possibilities of such initiatives might usefully be examined. It might well turn out that an approach to employment based on a broader conception of work and worklife will offer the best hope in the future for harmonizing the needs of the individual with those of society.

Achieving an acceptable balance between the quantity and quality of jobs

158. Although productive and freely chosen employment constitutes the key link between job creation and poverty alleviation, much work today is precarious, imposes inhumane working conditions and is often of marginal value. At the same time, there are many service activities valuable to society which go undone. While no country has yet found the formula to achieve a balance between good jobs and more jobs, the international community, through the adoption of a body of international labour standards, has established certain goals and principles to guide national action. There does not, in any case, need to be a trade-off between the quality of jobs and the long-term generation of more jobs. A well-motivated, educated and healthy labour force is as essential for growth, development and thus for job creation as are other factors of production.

- 159. Standards which set out the basic rights of workers and which have been widely ratified by Governments concern the abolition of forced labour, freedom of association, the right to organize, and collective bargaining, equal remuneration, the abolition of child labour and the elimination of discrimination in employment. Only employment which safeguards the basic rights of workers should be promoted. Employment which fails to meet minimum standards needs to be upgraded as a major means of advancing social justice.
- 160. There are economic as well as social arguments for upgrading the quality of employment. Intensified international competition has led to increased pressure on enterprises to remain flexible and to adjust continuously to changing market opportunities and production requirements. In such a job setting, satisfactory working conditions, sound industrial relations practices and adequate remuneration could all be expected to contribute to higher levels of economic performance by a firm. Moreover, the initial competitive advantage that may be conferred by low wages can be quickly lost to other entrants to the global marketplace. Further growth must then rely more on other cost, production and distribution advantages. With continuing progress in economic development, working conditions, in turn, can be steadily improved.
- 161. While "high tech" industries are not immune from offering poor working conditions, it is clear that the most serious abuses of workers' rights tend to be found in less technologically advanced, generally unorganized sectors and branches of economic activity. Where unskilled labour is abundant, there is much less incentive to offer adequate wages, reduce drudgery or ensure safe working conditions. Yet even in these circumstances, improvements in working conditions and the quality of jobs can lead to increased employment creation. For instance, there is empirical evidence that better safety and health management in small and informal sector enterprises leads to more orderly and efficient production processes. Such enterprises also tend to invest more heavily in training and allow for greater workers' participation. As they are more productive, they are able to provide better wages and employment conditions. Hence the quality of employment is not competing with its quantity, since it is the most productive enterprises that directly or indirectly create the most employment over time.
- 162. In the end, decisions on job quality involve fundamental choices which must be governed by more than pure economics. At issue is the value of individual human beings and their role in development. A sound development strategy will view productive employment as the principal means of reducing poverty and fostering development and will seek to add to the stock of jobs, while respecting the rights and safeguarding the well-being of the individual worker. Even if this were to imply some initial degree of trade-off, the provision of social safety nets and social services, combined with measures to upgrade skills and to improve labour mobility, should act as a buffer until appropriate work can be found.
 - IV. TYPES OF RECOMMENDATIONS WHICH COULD BE CONSIDERED BY THE SUMMIT

- 163. Within the context of its consideration of the three core issues selected by the General Assembly, the Summit may wish to formulate an approach to social problems and to state or recall a number of principles, orientations and objectives which should provide broad guidelines for social progress in the years ahead. These guidelines would be proposed to all actors influencing the course of social development, including national Governments and regional and international organizations, as well as public and private institutions.
- 164. A declaration might be the vehicle for expressing such principles, orientations and objectives for social development, greater social integration, less poverty and more productive employment. In addition, the Summit might wish to consider a plan of action or additional document of that type which would provide an elaboration of the strategies and policies for achieving objectives pertaining to the three core issues and to their relationships. These strategies and policies would essentially be addressed to national Governments and to regional and international organizations. In the present report, there has been no attempt to make systematic distinctions between the national and international aspects of the issues under analysis. Many of the points relate to national action. This is because social development is primarily within the realm of national Governments and societies, as highlighted by the President of the Economic and Social Council in his summary of the debate in the high-level segment of the Council in 1993. Through the deliberations of the Preparatory Committee, recommendations on strategies and policies will progressively emerge.
- 165. The international community, and in particular the United Nations system, has a supportive role to play with regard to social development and social progress in the world. In order to assist both the Preparatory Committee and the Summit in taking decisions and making recommendations on the most suitable forms of international cooperation for social development, a typology of such forms would be useful. At this stage, it is proposed to identify five types of international cooperation: (i) raising awareness, (ii) exchanging information and experience, (iii) establishing a policy dialogue in areas of international concern, (iv) developing norms, standards, conventions and other international instruments, and (v) identifying areas of cooperation and direct support of developing countries. Some comments are provided below on these five types of international cooperation and on the possible use of global targets.

Raising awareness

166. The Summit might wish to consider how the international community, and the United Nations system in particular, could increase awareness of the importance of social aspects of development and of actions that societies can take to improve social conditions. While the Summit itself will play a valuable role in focusing attention on the need for enhancing social integration, reducing poverty and expanding productive employment, other bodies of the United Nations system can contribute on a continuing basis to bringing social problems and efforts to solve them to world attention. International activities, including conferences, high-level meetings, operational programmes and publications, can increase the visibility of social concerns arising at various levels and of successful efforts to address those concerns.

167. Many different international strategies have been devised over the years to raise global public awareness of social issues, big or small, general or specific. Special events have proved popular. They include commemorative days, years and decades intended to generate interest or focus attention, galvanize support and spur action. In some instances, such special events have had remarkable success in broadening understanding and bringing issues before a new international audience. The Summit might look at what factors were important in contributing to such successes, and on the negative side, on the possible deleterious effect of a proliferation of special events. It would also seem appropriate to examine closely the methods of raising awareness traditionally used in the United Nations, and how the customary practices might be refashioned and updated. The Summit might wish to put forward suggestions on how the existing intergovernmental machinery of the United Nations, specifically the Charter organs and their subsidiary bodies, can be used to better effect in advancing social objectives, inter alia, through well-directed efforts at raising awareness.

Exchanging information and experience

168. The World Summit for Social Development provides an excellent forum for an open exchange of policy experience and for learning from the successes, but also the mistakes, of past policy action. As the present report has pointed out, notwithstanding the problems that remain to be overcome, tremendous social progress has been achieved with respect to certain key development indicators. Some countries and regions have demonstrated that improved and sustained economic performance over time can be combined with and contribute to major improvements in the social well-being of their populations. The Summit may therefore wish to consider the replicability of such development experience and ways in which the lessons learned may have to be adapted to allow for different levels of development and new economic realities.

169. There is a wealth of data and experience in the United Nations system for assisting in the formulation of policies on social development. However, much of this information is difficult to access at present. Faster progress in linking information systems, as well as better harmonization of statistical definitions, country groupings and the methodologies used, would help to systematize data collection and thereby contribute to improved analyses and projections. The Summit may wish to express its views on improvements in the collection and systematization of data within the United Nations system, including social indicators which could help in assessing social trends and social progress.

Establishing a policy dialogue in areas of special or emerging concern

170. The Summit is part of an ongoing policy dialogue involving Governments, international organizations and non-governmental organizations. The Summit may wish to consider how, in the future, this policy dialogue might be improved and focused on priority issues of common concern. The intergovernmental bodies of the United Nations system offer forums for discussing issues and coordinating policies on a global basis, while a variety of regional organizations and ad hoc multilateral and bilateral forums can be used for policy discussions on issues of interest to particular groups of countries.

171. Agreement on the broad lines of a development approach would represent a big step towards achieving greater coherence in the programme activities of the United Nations system. But the Summit might also define mechanisms to facilitate more timely as well as more coherent and better coordinated responses by the system, including the more speedy adjustment of policy advice and programme support to changing realities at the national level. The Summit might outline procedures whereby progress towards social integration, poverty alleviation and employment creation in all countries and regions could be regularly monitored and evaluated, the reasons for successes and failures analysed, and timely action taken nationally or internationally to deal with cases of severe deterioration in one or more areas of social development.

Developing norms, standards, conventions and other international instruments

- 172. While it is for each country to choose its own precise social and other policies for reducing unemployment and poverty and promoting greater social integration, the normative and supportive role of international organizations has been recognized since the creation of the International Labour Organization and is emphasized in the Charter of the United Nations. It is particularly through the development and implementation of legal instruments that the world community of nations attempts to provide for the basic conditions for social progress.
- 173. There exists a very large set of such legal instruments, some of which, notably the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, are waiting for enough ratifications to come into force. Apart from the Charter of the United Nations and the Universal Declaration of Human Rights, the most comprehensive instruments are the International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights. Both covenants, but especially the Covenant on Economic, Social and Cultural Rights, are of direct relevance to the preparation and follow-up of the World Summit for Social Development. So, too, is the Convention on the Elimination of All Forms of Discrimination against Women, which has specific policy injunctions related to economy and society. There are also a large number of standards which have been adopted by the International Labour Organization and which have been embodied in conventions. Other organizations and specialized agencies of the United Nations system have over time adopted guidelines that pertain to the core issues of the Summit and sometimes focus on particular groups.
- 174. It will be necessary to build upon the results of the World Conference on Human Rights, which in June 1993 adopted the Vienna Declaration and Programme of Action. The World Conference, inter alia, affirmed that "extreme poverty and social exclusion constitute a violation of human dignity and that urgent steps are necessary to achieve better knowledge of extreme poverty and its causes, including those related to the problem of development, in order to promote the human rights of the poorest, and to put an end to extreme poverty and social exclusion and to promote the enjoyment of the fruits of social progress". 7/ The World Conference also reaffirmed "the right to development, as established in the Declaration on the Right to Development, as a universal and inalienable right and an integral part of fundamental human rights". 8/

175. The Summit might wish to take stock of all the international legal instruments which have a bearing on social development and the three core issues; it might also assess their level of implementation, using the results of the existing monitoring procedures and mechanisms; it might further wish to consider whether the existing instruments are sufficiently comprehensive and respond adequately to present conditions and circumstances.

Identifying areas of cooperation and direct support of developing countries by the international community

176. The Summit will draw attention to the very serious social deterioration that beset many countries in the 1980s, particularly the poorest and least developed. The Summit may wish to identify priority areas for cooperation and direct support by the international community and promote a major effort of international cooperation aimed at helping such countries to develop the productive structures, human resources and social safety nets that would allow them to advance both socially and economically.

177. The Summit may wish to review existing programmes of international cooperation in social development undertaken by the United Nations system and to consider how the needs of Member States and the international community at large are being met. The Summit could consider gaps and redundancies between existing programmes, as well as new policies and procedures that could provide more effective support to Governments and regional or local organizations. The Summit might also wish to consider whether the fundamental principles and practices of international cooperation and support of developing countries for social development, including transfer of resources, need to be strengthened.

National and international targets

178. The Summit might wish to address the question of the use of quantified targets. The experience of the United Nations system with precise and quantified targets could be the subject of a full review during the preparatory process. A number of global targets have been adopted at various times, ranging from comprehensive global targets for economic growth or official development assistance to global targets in respect of certain sectors and detailed targets encompassing both objectives and policy measures in respect of specific population groups or issues. Quantitative targets have proved most useful where it was possible to specify the range of policy measures required to achieve a particular target together with the agents responsible for implementation. utility of targets also depends, of course, on the existence of institutions and programmes whose performance can be monitored with respect to the targets. The positive example given by the United Nations Children's Fund (UNICEF) and the follow-up of the World Summit for Children could be considered together with other positive examples pertaining to issues of a more complex nature. The Summit could then decide whether to recommend global targets in certain core areas. It could also be the forum for reviewing the progress achieved towards targets set earlier, for instance at the World Summit for Children.

- $\underline{1}/$ See Report on the World Social Situation, 1993 (United Nations publication, Sales No. E.93.IV.2), chap. VII, sect. C.
- <u>2</u>/ Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992, vol. I, Resolutions Adopted by the Conference (United Nations publication, Sales No. E.93.I.8 and corrigendum), resolution 1, annex II.
- 3/ See Globalization and Developing Countries: Investment, Trade and Technology Linkages in the 1990s (booklet highlighting the United Nations Symposium in The Hague, 30 March 1992, organized by the Transnational Corporations and Management Division of the former Department of Economic and Social Development of the United Nations Secretariat, in cooperation with the United Nations Conference on Trade and Development, with the financial support of the Government of the Netherlands).
- $\underline{4}/$ United Nations Development Programme, $\underline{\text{Human Development Report, 1993}}$ (New York and Oxford, Oxford University Press, 1993), "Human development indicators", table 30.
- 5/ Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992, vol. I, Resolutions Adopted by the Conference (United Nations publication, Sales No. E.93.I.8 and corrigendum), resolution 1, annex I.
- $\underline{6}/$ United Nations Development Programme, $\underline{\text{Human Development Report, 1993}}$ (New York and Oxford, Oxford University Press, 1993), box 2.3.
 - 7/ A/CONF.157/24 (Part I), chap. III, sect. I, para. 25.
 - <u>8</u>/ Ibid., para. 10.
