

24th Special Session of the General Assembly: World Summit for Social Development and beyond: Achieving Social Development for All in a Globalizing World

Statement by Hon'ble Mr. K.C. Pant, Deputy Chairman, Planning Commission,

on June 26, 2000

Mr. President,

The Social Summit held in Copenhagen in 1995 made a commitment to improve the quality of life of people in all regions of the world. While it was agreed that the primary responsibility for poverty eradication and social development rested with national governments, the international community including the UN and its development agencies would provide effective support for that effort. For developing countries, who accepted the goals of the Summit by consensus, international support was considered crucial. A review of the progress in the last five years indicates that the goals set out in the Copenhagen Programme of Action have been only partially achieved. We are now considering new initiatives to ensure attainment of these objectives. In his report to the Millennium Summit, the Secretary General has also challenged our leaders to agree to a set of tasks and objectives which draw on the commitments of the Copenhagen Programme of Action.

We also have to achieve our goals in the specific context of globalisation. It is now widely acknowledged that through the demands globalisation places on governments, on traditions, on social units and on individuals, a market economy in an era of globalisation involves enormous destabilising social costs and pressures. The challenge then is how to secure benefits of globalisation, particularly for vulnerable societies, and safeguard social systems.

Mr. President,

We agreed with Professor Amartya Sen, as all diplomatic governments will, that development is the process of expanding human freedoms, and the assessment of development has to be informed by this consideration. However, there is a tendency to attribute problems and lags in development to failures of governance, described sometimes as the weak link in social development. This assumption needs to be looked at closely. Governance must be democratic, open and participatory; these are preconditions for success, but, in an era of globalisation, governments are rarely the most powerful actors even in their own countries.

The World Bank's Comprehensive Development Programme acknowledges that the process of development now presupposes a cooperative relationship between governments, donors, the private sector, and civil society. However, though governments are only one of the players involved, often weaker than some of the others, it is they who bear the responsibility for failures.

As the Committee for Development Policy recommends in its latest report, "the achievements or otherwise of international development strategy objectives and targets

should be reviewed not only for the developing countries, individually and in groups, but equally for the developed countries and indeed for the international economic system generally". It is only when we view failures and achievements in this broader perspective that we can get a clear idea of the problems that need to be addressed.

At this Special Session, in this international setting, we should focus on areas where progress will be impossible without international support and action.

I will refer briefly to some areas where international cooperation will be critical of our success. The first is the eradication of poverty, Commitment 2 in the Programme of Action, which is crucial to social development. As per UNDP's Poverty Report the number of poor in the developing world has been estimated at 1.2 billion in 1998. The WHO has listed extreme poverty in its International Classification of Diseases, reminding us that over one billion people have entered the 21st century "with their lives cut short or scarred by this ruthless disease". It is, therefore, natural that poverty reduction through growth and social development is a key global objective. The IMF now has the Poverty Reduction and Growth Facility (PRGF) which seeks to promote both growth and social development. Without sustained economic growth, poverty will not be reduced, let alone eradicated. We accept all the caveats of the 1996 Human Development Report - growth must not be jobless, ruthless, voiceless, rootless or futureless. But without sustained growth at a level of 6-7% per annum, much of the developing world will remain mired in poverty. Nationally, several countries have formulated their own strategies for poverty eradication. Broadly, the strategy is a three-pronged one: (i) economic growth (ii) direct state intervention through programmes of poverty alleviation and (iii) investment in human capital. In most developing countries, including India, agriculture and allied activities are the primary source of livelihood for the majority of their population. Therefore, investment in these sectors through development of appropriate technologies would generate both higher levels of output and greater employment. Support also needs to be extended to micro enterprises, village and small industries, as the scope for stepping up organised sector employment in the short run is limited. However, we should be cognisant of the warnings of the Committee for Development Policy, issued in April that targets for poverty reduction set in the past were unrealistic in that they provided no useful basis to monitor either what developing countries had done to improve livelihoods, or what industrialised countries had done to establish and implement supportive policies of trade and aid. While ambitious targets are desirable, it is equally important to link them to both domestic and international effort.

Let me add that in all efforts at poverty eradication special care has to be taken to meet the needs of women and other marginalised and vulnerable groups. Gender inequalities are rooted in the socio-cultural milieu of many countries. These call for affirmative action. In India, the empowerment of women and socially disadvantaged groups has been woven into our development effort and comprehensive legislation has been enacted for persons with disabilities.

Crucial to the global effort are the problems of the youth of the world, that have rarely been addressed. The problems of children have been considered in a Summit and are a continuing concern of UNICEF, those of young women were submitted in the discussions at the World Conference and the recent Special Session on Women, but no forum and no organisation looks at the special problem of adolescents and youth, though in most developing countries they constitute an increasingly dominating proportion of these

countries' population, a critical human resource and the severest challenge. Commitment 3 cannot be implemented when the ILO estimates that there are at least 60 million young people currently unemployed, with their numbers rising. In his report to the Millennium Summit, the Secretary General has asked the international community to develop strategies that will give young people everywhere the chance of finding decent work. In its report to the Preparatory Committee, the UNDP has also emphasised the importance of promoting sustainable youth livelihoods as part of a strategy of social development. We believe that youth employment must be a priority for all of us.

In India as in many developing countries a large proportion of the labour force as a whole works in the unorganised sector, but often at distinctly lower levels of wages and productivity. For those, who are unable to earn enough for subsistence there are state-funded programmes, which create supplementary employment and incomes. And for those who are not in the work force but are poor, social assistance is provided by Government. Access to food at affordable prices is an integral part of the strategy of poverty eradication.

As for today's children, it is necessary to build their capabilities and to make them more employable as tomorrow's workforce. This calls for greater investment in education and health, and qualitative improvements to make the delivery system more efficient and cost effective. Priority needs to be given to education of the girl child. Vocational education, training and skill upgradation must be important elements in any strategy to impart employment skills to facilitate productive employment. It is necessary to establish a link between education and the job market.

Similarly, access to primary health care is vital. India has one of the largest primary health care networks in the world. Its role in improving the health status of our population is reflected in improvements in our health indicators. Life expectancy has increased from 32 years in 1951 to 61 years in 1996. Crude death Rate has declined from 25.1 to 9.0 over the same time span. These are largely due to control of communicable diseases.

I would also like to stress the effectiveness of participatory approaches to development. There are several instances of successful involvement of people in programmes for poverty eradication and social development through elected local bodies, user groups and the civil society. People's participation is aimed at bringing about greater transparency and accountability through a process of social audit.

Central to our success is the perennial problem of resources. The World Education Forum, held in Dakar in April, estimated that an additional \$8 billion would be needed per year only to meet the target of universal primary education, one of the agreed objectives of Commitment 6. On health, the figures put out by the World Health Organisation are truly revealing. Of the \$60 billion spent each year on health research, only 10% is devoted to the health problems endemic in the developing countries. The WHO estimated last year that malaria alone had an economic cost to Africa equivalent to 1% of the continent's GDP. Tuberculosis is making a comeback. The economic and social costs of HIV/AIDS, 95% of whose victims are in the developing world, have not yet been accurately assessed, but will be even more steep. The WHO notes, TRIPS could help in the development of new drugs and vaccines to treat the diseases of the poor, but it could also make matters worse by leading to steep increases in prices. This has happened already, and is a problem that can only be tackled through international cooperation.

The shortfall in resources simply to meet these two essential social goals - universal primary education and basic health care - is huge, and clearly beyond the capacity of the developing countries to meet. It shows why Official Development Assistance has a critical role to play in social development, in which the private sector rarely invests. Which is why it is disturbing that the levels of ODA continue to fall. As the World Bank has noted, though the fiscal problems given as the reason for the drop in ODA have eased, with fiscal deficits in the OECD declining from 4.3% of GDP in 1993 to 1.3% in 1997, ODA also fell by 14% in this period. The developed world has to recognise that a reversal of this trend is essential to meet the ambitious goals set at the Copenhagen Summit.

It bears underlining that the progress of Africa will be key to the success of the developing world. Progress on Commitment 7 has been uneven. The series of reports on Africa brought out in recent months drives home the enormity of the challenge and the imperative need for the international community to do more. We are heartened by the World Bank's assessment in its recent report "Can Africa Claim the 21st Century?" that, "with effective regional cooperation and donor support, including for international public goods such as new vaccines, Africa could solve its human development crisis in one generation". For this, however, as the Bank again notes, the goal must be "trade with aid" rather than "trade not aid". And, as it reminds us, African GDP needs to grow at a sustained rate of 7% to break the back of poverty. There is a huge financing gap that needs to be bridged if Africa is to do this.

International cooperation is also essential to defeat the forces of the global "uncivil society". These are much too powerful for governments to counter alone. Terrorism, transnational crime, drug trafficking and xenophobia undermine social development and social values; drawing up international strategies to defeat them must be a priority for all of us.

As the World Bank has also pointed out, the well-being of the poor depends increasingly on forces originating outside country borders. The impact of globalisation is of course so well documented that it needs no further illustration. What is of central concern to the poor of the world is that the spin-offs from globalisation must translate into social benefits for the 1.2 billion marginalised people. India would favour any move to channel as much as possible of the gains of globalisation into time bound poverty eradication initiatives. The Human Development Report estimated in 1992 that if the industrialised countries followed less restrictive trade policies, the developing world would earn in trade ten times what is received as ODA. And, as the Bank notes, the solutions to major problems faced by the developing world also need the investment of resources in the industrialised world on research to overcome challenges facing developing countries. Resources do not only mean a greater flow of funds in the form of aid, external assistance and direct foreign investment but also of knowledge and technology. These various forms of support have to be organised on an international scale and in a manner which makes them accessible to the poor. In this age of the knowledge society, Information, Education and Communication (IEC) should be a powerful tool for human development. Global networking will enable us to pool our resources in our fight against poverty, which is a stigma on the face of all humanity and not just of a particular region or nation. While we welcome the flow of capital, the developed countries must seriously consider the disadvantages imposed on developing countries by restrictions on mobility of labour. In today's global village, peace and sustainable development will ultimately rest on our sensitivity to each other's concerns.

Mr. President,

Let this session be remembered for giving a firm commitment to pool all global resources to eradicate poverty, which, despite all our efforts, continues to afflict large populations across the globe.