

**RETHINKING AND STRENGTHENING SOCIAL DEVELOPMENT
IN THE CONTEMPORARY WORLD, WITH A FOCUS ON INEQUITIES**

2016

International Presentation Association, a Non-Governmental Organization with Special accreditation to the ECOSOC at the United Nations, believes that rethinking social development in the modern context calls for action which addresses the root causes of poverty and inequality. In this regard, we concur with the United Nation's policy brief on Combating Poverty and Inequality that piecemeal approaches to poverty eradication are inadequate in lifting deep seated systemic malaise. For this reason IPA welcomes in particular Sustainable Development Goal #10: Reduce inequality within and between countries.

While the top 1% of the world's population is set to control more than 50% of the world's wealth by 2016, more than 1 billion people remain entrenched below the poverty line. This inequality, which has grown as a result of decades of economic policy steeped in market fundamentalism and neoliberal policy, can likewise only be addressed through the implementation of effective policy targeted at achieving a more just distribution of wealth amongst society – an argument which a new wave of prominent economists such as Joseph Stiglitz have brought into the public consciousness.

For IPA, rethinking development in the contemporary world offers an opportunity to revisit those principles of redistribution of wealth and equality of opportunities as expressed in the Copenhagen program of action. We wholeheartedly support the 10 commitments enunciated at Copenhagen where nations pledged to eradicate poverty, generate full employment, and foster social integration. In particular, commitment 2 contains a pledge to eradicate poverty as an ethical, social, political, and economic imperative of humankind with a focus on eliminating inequalities in the national context. As this commitment recognizes, extreme poverty is a human rights issue and thus governments have a duty to reduce inequality within society in fulfillment of the inherent rights of their citizens.

Very few countries, rich or poor, have achieved a level of social integration in which all their citizens can thrive. For example, despite awareness programs and education in Thailand, the need to feed one's family leads many into drug trafficking with all its personal and societal results. The United States wastes \$165 billion in food each year (about 40% of its food supply) while hunger remains a problem in many communities (one in six Americans struggles with food insecurity). Despite full time employment, many workers remain below the poverty line in the United States as a result of an unsustainable minimum wage kept low by vested interests.

Copenhagen recognized that in order to address these issues, "the challenge is to establish a people-centred framework for social development to guide us now and in the future, to build a culture of cooperation and partnership, and to respond to the immediate needs of those who are most affected by

human distress.” We believe, in line with this declaration, that people must once again be placed at the centre of all social development policy.

Rethinking social development must also force us to look at systemic injustices that perpetuate poverty, inequality, objectification of human persons, and the plundering of nature. The decades of ascendancy of neoliberal politics have resulted in an unquestioned trust in market forces, mass deregulation, and widespread privatization. As Pope Francis pointed out, both environmental degradation and extreme poverty follow in the wake of such unchecked market forces. What has resulted is the accumulation of so much wealth by so few, who are then able to use that wealth to ensure any attempt to redress this injustice is quashed. The prosperity for the few is driving the poverty of the many. A paradigm shift from consumerism to an embrace of the common good ethic is needed.

Often overlooked in these discussions is the enormous amount of money which is directed towards military spending across the world. Numerous studies have demonstrated a clear link between countries' military expenditure and their level of income inequality. An estimated \$1.7 trillion (USD) was spent in 2014 across the globe - money which feeds into the military industrial complex and contributes to the perpetuation of armed conflict. Governments of the world must have the courage to break from this dangerous obsession with military spending and begin to redirect these funds into social programs which will help alleviate inequality and empower their citizens. If we truly wish to beat our swords into ploughshares, we must stop the destructive and crippling military expenditure which comes at the expense of social cohesion and development.

Expanding opportunities for people to live in dignity and enhancing capacity to flourish, not select private sector wealth accumulation, must be the focus of development endeavours. Effective implementation of the UN Guiding Principles on Business and Human Rights - protect, respect, and remedy - could do much to move all humanity to a better place.

IPA joins its voice with all who seek:

- Protection of land, water, and other natural resources from exploitation by transnational corporation
- Equality of opportunities
- Social protection for all
- Prohibition of privatization of essential services such as education, health, sanitation, drinking water,
- Progressive taxation and carbon taxation
- Development of technology that benefits people
- Promotion of policies to equitably share wealth
- Prevention of exploitation of the developing world for profit of the developed world

Structural change to generate employment is essential and policy is crucial for making structural change. While each country needs to determine the structure that best meets its needs, analysis of success in various places reveals some common features:

- Public investment in infrastructure
- Channeling credit to activities identified as productive
- Well-managed industrial policies regarding subsidies and tax credits
- Thoughtful and transparent land redistribution
- Appropriate agricultural subsidies
- Nurturing development of strategic industries without control by private for-profit entities
- Oversight of investment export/import interconnections
- Social policies that improve skill levels and welfare of the population.

While all the above are important the first and the last in the list are critical. Extreme poverty cannot be eradicated without social protection. In the absence of violent political upheaval, the fall into extreme poverty is usually triggered by unemployment, sickness, and chronic ill health. While movement to extreme poverty is often sudden, escape from this status is extremely slow and sometimes impossible. Universal social protection is the best prevention of extreme poverty.

Infrastructure, social (education, health care, sanitation) and physical (transportation, energy, environmental protection) is essential for human life to flourish on all levels - physical, mental, spiritual, social, economic.

The vision of International Presentation Association in rethinking social development includes:

- Reducing or eliminating subsidies to large scale corporate farms and providing subsidies to community based farmers and cooperatives.
- Quashing production aimed only at increasing consumption
- Enhancing production to meet human needs for healthy and dignified lives for everyone.
- Regulation of capital sequestration and taxing of profit with the tax revenue applied to social protection and essential services.

If the world is serious about eliminating poverty and addressing inequities then the focus of national action plans and international trade agreements must be more on collective well-being than on individual profits.

The false dichotomy that has been constructed between equality and efficiency must be abandoned. The pursuit of economic growth at any cost, based on the belief that increasing the size of the 'pie' will

benefit all, has resulted in inequality on a scale not seen since the Great Depression. Trickle-down economics has failed. The resulting inequality is crippling for social cohesion and development and leads to unfair and unjust societies. We have the ability to reorient our priorities into the development of policy that places people, and planet, directly at the centre of social development.

This Statement is endorsed by:

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