



INDIA भारत

FIRST SUBSTANTIVE SESSION OF THE PREPARATORY
COMMITTEE OF THE WORLD SUMMIT FOR SOCIAL DEVELOPMENT.

Texts of Indian Interventions
on the following elements:

1. A Vision for the Summit: Elements of the Political Declaration
2. Eradication of Poverty.
3. Expansion of Productive Employment.
4. Social Integration.
5. Role of the United Nations and the International Financial Institutions.



A Vision for the Summit

Mr. Chairman,

The vision for the future that the Summit should project is a vision that poverty is a challenge to all mankind and not a concern merely of the poor and developing countries of the world, but to be handled in an atmosphere of total and complete harmony. The vision should project the recognition that the concerns of poverty (which in our view subsumes the concerns of social integration and full productive employment) are, like the concerns of peace, indivisible in the emerging context of integrated global markets. Hence the need for international cooperation for development over a wide area - between Governments, between Governments and U.N. institutions and other organizations, including the private sector - financial, industrial and commercial, both in the national and international context and between Governments and NGOs.

2. The concept of Human Rights should be given new content so as to make it mean that these are rights of the people to certain fundamental human needs that have a meaning for human dignity, namely, the right to work, the right to food and nutrition, the right to education, the right to health and the right to shelter - all of these firmly grounded in gender equity with special attention to populations that are disadvantaged on account of historical and social reasons. Children must get special attention, for they are the voiceless among the voiceless. This, for us, is human security, because, if armed with these rights, the dignity of no human being can be assaulted with ease.

3. Most importantly, the guarantee of these rights also guarantees a lowering of population levels which is absolutely central to poverty eradication and international security.

4. The recognition of these rights in the context of the eradication of poverty is important not so much as to produce a shopping list in the Summit Declaration as indeed the recognition of the responsibility to the poor on the part of every developing country itself, with timely, sensitive and strategic support from the developed world. Such expectation of support from the developed world would not be out of order considering the complementarity of markets and purchasing power, in an integrated global order of the future. This formulation would fully take care of the goodwill on the part of all men and women to which there is such a moving reference in the elements mentioned by the Secretariat in Working Paper 1.

5. While talking of sustainable economic growth, recognition must be given for political sustainability of economic development in the context of social consequences if the essential aspirations of the poor and the deprived are not pari passu taken care of, for fulfilment of these aspirations are absolutely fundamental to the stability of the developing world.

6. The lead role of the national Governments in the developing world at all times in the matter of poverty eradication, in promoting social integration and sustained and sustainable full employment and in creating the environment needed in terms of resource allocation and relevant policies should be emphasized but with the knowledge that the State and Government structures cannot successfully handle all problems of social development and that, therefore, at all times their vision should keep the people at the centre of the strategies of implementation so that people themselves are enabled and empowered through organizations of the poor, on the basis of awareness generation and empowerment techniques, assisted by the support structures provided by non-Government and voluntary organizations, to deal with their own problems. In other words, a bottom-up approach with people at the centre, with power to the people.

7. This, we believe, should be the principles that would integrate the basic concerns in the Declaration of both the developing and the developed countries.

Thank you, Mr.Chairman.

Fundação Cuidar o Futuro

ERADICATION OF POVERTY

Mr. Chairman,

Our delegation would like to emphasize that we should aim at eradication of poverty by the end of the century. It is not enough to talk of alleviation and reduction of poverty.

2. Mr. Chairman, this morning you emphasized that we should, at this stage, talk more of action plans than dwell on status or intentions. We agree with you fully and straightaway come to a plan of action for poverty eradication.

3. We have to have a two-pronged approach. One is to involve the poor themselves in the task of poverty eradication. The other is to clearly define and implement the elements of a Development Strategy which is conducive to elimination of poverty. Involving the poor themselves in the task of poverty eradication, will mainly include the following strategies:

i) Building Organizations of the Poor:

Through such organizations, poor can save and invest effectively, organize their production activities, market their products, access credit and inputs. Governments and N.G.Os. both can play a role in creating such organizations.

ii) Empowerment of the Poor:

The poor should be enabled to assert the right to resources (including credit) intended for them and enhance their dignity and self-respect. There has to be particular emphasis on empowering women. This is possible by organizing the poor, imparting knowledge to them by disseminating information and raise their levels of awareness.

iii) Creating Sensitive Support Mechanisms:

Support structures, including financial, of non-government organizations, banks for the poor, cooperatives, non-profit private groups and action research groups and sometimes even of Government.

4. This plan of action suggested by us is based on our own experience in India of success stories.

5. Important elements of a development strategy conducive to poverty eradication are:

i) Agriculture and Rural Development:

Most of the poor in the developing countries (of Asia and Africa) live in rural areas and depend directly or indirectly on agriculture. Wherever agriculture has achieved high levels of productivity, poverty has been significantly reduced or eliminated. An agricultural strategy would imply land reforms, strengthening of peasant agriculture based on availability of and inputs (including credit) and improvement in

rural infrastructure. Agricultural development needs to be supported by diversification of agriculture, development of agro-processing and other rural industries and promotion of agro-exports.

ii) Household Food Security:

A sharply-targeted and efficient public distribution system based on increased agricultural production that help stabilise food prices and ensure adequate availability of food to the poor at the household level at affordable prices.

iii) Labour-intensive pattern of industrialization:

A choice of a pattern of industrialisation which is relatively more employment-intensive. It is not through inferior technology that more employment-intensity should be achieved, but through a product mix which happens to be more employment-intensive, that admits use of the most modern technology.

iv) Human Development:

State support should continue to be provided for human development with special emphasis on nutrition, health, education, shelter, and self-employment with special emphasis on promoting the status of women and the rights of the child in the society.

Thank you, Mr. Chairman.

Fundação Cuidar o Futuro

Expansion of Productive Employment

Mr. Chairman,

My delegation believes that unemployment is the most disturbing social problem facing our societies today, and it is at the very root of most of the social evils that negate social development. Work is necessary not only for making a living but also for self-fulfilment and for a sense of dignity and participation in society. In this sense, for us, work is Right - to every member of the society - indeed a Human Right - to be guaranteed. And, therefore, Mr. Chairman, our aim has to be full employment, and not merely expansion of productive employment.

2. Unemployment is one problem which is, perhaps, of equal concern to both, the developed and the developing world. Levels of wages and income are related to the level of development (or per capita GDP), but unemployment is not. Unemployment may even be somewhat inversely related to the level of development. If this is the case, then, Mr. Chairman, we wonder how simply "growth", as conventionally understood, will alone solve the problem! Experience has been that unemployment has persisted with growth, even though societies have always aimed at "creating more jobs with growth". "Growth" has been creating jobs, but not enough to solve the problem of unemployment.

3. Therefore, Mr. Chairman, in the search for a real remedy, we have to look for the causes and the basic sources of the malady.

4. Modern growth is fuelled by technological development; it is fully technology-based. There is always the search for better technology which raises productivity. The overall trend of technological development has been such that productivity gains are defined largely in terms of labour saving, and not so much in terms of saving of the basic land-based resources - that is, energy, water, forests, minerals, environment and ecology. In fact, there has been a constant erosion of land-based basic resources, while labour saving has been achieved. On the one hand, we have created unemployment (by labour saving) and on the other, so greatly over-exploited have been the environmental resources, that growth is becoming increasingly unsustainable. We are thus creating a future that is bleak for the coming generations. Therefore, Mr. Chairman, my delegation believes that the first and the most important imperative of creating full employment conditions is giving a new direction to technological development so that a better or relevant technology comes to be defined as one which raises productivity by saving on land-based and environmental resources rather than by saving on labour. The Governments, the scientific community and industry have to arrive at a consensus on this point and have to cooperate in this endeavour.

5. The other important reason for persistent unemployment is institutional in character and is related to the trends in technological development. Production systems are increasingly getting organized on larger and larger scale - so as to reap the economy of scale. And the most significant economising has been the economising of labour - not so much of other resources and not at all of capital. The trend which started with the industrial revolution has reached such proportions that it has virtually eliminated all possibilities of self-employment in the production processes turning almost every member of the society into a paid worker or a person seeking work on wages - a mere wage slave, if I may say so. The small producer is lost in the world of giant corporations. When this trend is extended to agriculture - that is corporatisation of agricultural production, eliminating the peasant farmer, the results have been pretty disastrous overtime. Therefore, Mr.Chairman, there is need to reverse this tendency. The reversal of the process will involve:

- i) Encouraging small business, specially in production lines.
- ii) Widely dispersed entrepreneurship and
- iii) Widely dispersed holding of productive assets.

6. Big corporations should become umbrella organizations or start playing the role of support structures - providing technological, infrastructural and market support to large numbers of decentralized producers. In other words, Mr.Chairman, we call for a reversal of roles conventionally played by the big and the small. From now on, the Big should support the Small. Technology development has also to be guided in this direction. There are already success stories in this direction. The Flexible Manufacturing System is an example. Development of such technologies is feasible in this age of electronics and informatics.

7. It is in this context that my delegation welcomes the emphasis on land reforms, peasant agriculture, self-employment and the informal sector. But all these will have to be supported by productivity - raising technology. The educational and training systems have to be re-oriented with Gender Equity always at the centre, towards creating entrepreneurs rather than workers who only know how to follow instructions like automatons. And hence the importance of the role of Governments and of support structures, including the giant corporations, which could play a very fulfilling and inenlightened self-interest, perhaps, also a profitable role as support structures.



8. To conclude, Mr.Chairman, Social Development without full employment will not be sustainable for that alone gives a human being dignity, hope and protection. Unemployment, then, is a persistent social evil and should be dealt with as such.

9. At an appropriate stage later, Mr.Chairman, India would be happy to share with this Committee specific details of the programmes that it is putting on ground as part of a holistic approach to social development, particularly in rural India.

Thank you, Mr.Chairman.

Fundação Cuidar o Futuro

SOCIAL INTEGRATION

Mr. Chairman,

Our delegation is of the view that one of the most important elements in Social Integration is Human Development, and that it should be included in the list of main elements under "Social Development".

2. We have to effectively convey the message: "Social Integration is good for society in the interest of peace, stability and progress". This message must reach, effectively and convincingly, every member of the society.

3. The main action points in this context will be:

a) Emphasis on universalisation of education based on people's mobilisation ensuring its quality, access to basic health needs and ensuring certain other minimum needs of living such as household level food and nutrition security and shelter.

b) Evolving a set of values and building up a social consensus towards building of a system based on these values, which is equal and conducive to healthy relations in society with women, minorities and other disadvantaged sections of society as the main focus needing positive action.

c) Developing a system of communication/information involving non-governmental agencies in the process to achieve the value system mentioned at (b) above.

4. Mr. Chairman, another important element in the strategy for achieving social integration would be Promoting Institutions conducive to social integration and social development. An important aspect of this would be encouraging and strengthening participative self-governance at decentralized levels as is being attempted through the Panchayat Raj System in India. Such decentralized self-governing institutions have greater potential for paying the attention required to immediate human needs, for understanding of the sensitivities of the people and for adequate communication with them. Above all, by infusing a sense of participating among the people these foster self-help and cooperative action, so important for social integration. Other institutions could include confidence-inducing ones such as those in India like the National Statutory Commissions for Women, Minorities, Scheduled Castes and Tribes and Backward Classes that protect and safeguard the rights guaranteed to them by the Indian Constitution and various laws of the land.

Thank you, Mr. Chairman.

ROLE OF THE UNITED NATIONS AND INTERNATIONAL
FINANCIAL INSTITUTIONS

Thank you, Mr. Chairman, for your consideration.

At the very outset, my delegation would like to acknowledge the great contribution made by the multi-lateral institutions and the World Bank and the very considerable assistance we have received bi-laterally from the developed nations, in our development efforts over a long period. Some of the United Nations bodies like the UNICEF have made decisive contribution in our social development effort, both in their role of advocacy and in terms of small but very strategic and sensitive financial support. As for the Bank, they have been involved in the social sector areas in a very big way in India, in the Educational, Health, Nutrition and Women and Child Development Sectors with notable successes, even if such success has not been of a level we both would desire.

We should on this occasion report to you, Mr. Chairman, and this august assembly that when we of the SAARC nations namely India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan and the Maldives sat together on the Independent South Asian Commission on Poverty Alleviation and submitted our Report to our Heads of State or Government in April 1993 at the Dhaka Summit which was adopted by that Summit, it was the World Bank that took the lead in organising in November, 1993 a workshop of the SAARC at Annapolis near Washington as also many international organizations like the UNDP, ADB, IFAD, the IMF and many leading NGOs of South Asia. India appreciates this effort.

This was followed by consultations sponsored by the UNDP, first in Nepal and later with excellent results in New Delhi. India had the advantage of full participation in the World Bank and UNDP consultations.

The SAARC Poverty Commission's Report calls for a development strategy that makes the social mobilisation of the poor, with women's issues as priority, the centre of poverty eradication efforts. Mobilisation, we have said in our Report, should be built around people's own groups at the village level based on issues that are of every day significance to the poor, such mobilisation being backed by support structures - be they NGOs, be they Banks, be they academic and research bodies and even Government structures, where that is possible.

The Report has highlighted success stories of such mobilisation in all our seven countries, showing that social mobilisation and the organisation of the poor so as to raise awareness and empower them to deal with their own problems is perhaps the missing link in all our anti-poverty efforts. We would like to report to you, Mr. Chairman, that in the New Delhi deliberations of the 11th December 1993 sponsored by the UNDP, the representatives of India and Pakistan jointly made the proposal to the UNDP that the UNDP should adopt "mobilisation of the poor", as its charter, just as the UNICEF has the Child for its charter. My delegation would like to renew this proposal to the UNDP through you for consideration.

A word about Fund-Bank prescriptions and responses of the national governments and how we should proceed further would be in order. Some of the problems directly resulting from macro economic adjustment policies of the Fund and the Bank on the fiscal side relate to lowering of the budget deficits. There are many ways - some hard, some soft - by which countries of the developing world achieve this. The easiest and the softest and, therefore, the quickest resort is by cutting down on development expenditure, meant for the poor - nutrition, literacy, education, rural employment and self-employment generation programmes and health. We have a suspicion that the Fund or the Bank do not overly bother how deficits are cut so long as they are indeed cut. That is no way of helping the poor while simultaneously pleading lack of resources for new programmes, especially on the soft window - the IDA resources. In other words, there can be no deliberate, cold, dispassionate divorce of the micro needs of the poor from the macro needs of the economy. They have to go hand in hand and hence there is need for additional resources on soft terms for social development programmes. The Bank should not win battles while losing the war. For, the war against poverty is about 50% of the people of the underdeveloped world while the main thrust and results projected from the reforms at least initially - initially could even mean a decade - seem to be about 15 to 20% of the population of the developing countries. Let us not have Souths and Norths within the South itself.

How is this to be done?

Briefly, Mr. Chairman, cuts on public expenditure in national budgets would leave the social sectors enormously under-funded. That means lack of counter-part funding by the national Governments which in turn would mean non-absorption of the external funding made available by the

Bank, etc., Lower disbursement results and intended progress is stalled. The Bank has to devise some new mechanism - obviously by the creation of 'a Special Fund to assist Governments tide over this problem in the interregnum, so that our common objectives namely, reforms informed by equity are achieved. Ideas of this kind have to be developed in the run-up to the Summit. Resources for this can be easily found through surpluses coming from exchange rate movements resulting from financial and trade reforms plus additional resources to be mobilised to help the reforms along. What is called for is a plan of action supported by the developed and the developing worlds within a time frame, such time-frame being the credible period required (and spelt out) to make the structural reforms bring home the bacon, - for the poor.

Priority in this context for the Bank and other external donors must be in the areas of:

(i) rural wage employment programmes like India's Employment Assurance Scheme which seek to provide fuller employment that is non-farm but aimed at building productive socio-economic infrastructural assets, both public and private, that are capable of sustained economic activity as also those that help human resource development. Emphasis should be on land and water resources conservation and development, involving the best available technology; for land and water are central to the poor. The World Bank's recognition that labour is the greatest asset of the poor, would justify immediate action on these lines. We may add that the Bank is yet to get involved in a programme of this kind, specifically for the poor.

(ii) self-employment schemes based on the productive skills of rural artisans with special focus on women, based on the axiom that the "poor are rich" because they have skills and that these only need to be upgraded by training and backed up by modernised tools that make for higher productivity. This calls for large scale credit mobilisation from the banking system. This principle would apply to entrepreneurship among the urban youth as well, in the manufacturing and business sectors. India has programmes of this kind.

and

(iii) the entire gamut of the social rights programmes we touched upon these past 4 or 5 days - Education, Nutrition and Health, all of which have a meaning for lowering of population.

Involvement of genuine NGOs with a view to moving the poor to the centre of the strategies of implementation should inform these efforts.

These could be prioritised by the Bank and other institutions including in an area-development framework starting from the most backward areas, the remotest areas and areas that are resource-endowed poorly. The approach should range from direct building of assets by and for the poor to innovative credit institutions like the SEWA Women's Bank in Ahmedabad in India.

All this is not difficult, Mr. Chairman, and if not for idealistic or altruistic reasons, but for reasons of practical, enlightened self-interest the World Bank and other international funding agencies would have to look at social development ideas like these because with the throwing open of their economic doors by the reforming countries and the rapid flow in to these countries of Foreign Direct Investment (FDI) into sectors hitherto funded by credit, funds committed by the Bank and other financial institutions to those sectors become redundant and credible use for them through credible programmes requires to be thought of. This would be the strategy in the reform process with reference to their own budgetary outlays by national Governments like those of India. But that would take some time. Also, given the sheer numbers of the poor, our needs are great. Here, then, exists a convergence between a felt need and a definite availability of resources, to be rapidly operationalised in a given time frame. An immediate exercise by the Bank and other donors to readjust the deployment of resources in favour of the poor with such additional resources from the developed world as possible appears therefore essential as well as feasible, in consultation with the countries going forward with structural adjustments.

Thank you, Sir.

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