



## COMMISSION FOR SOCIAL DEVELOPMENT

Fiftieth session, 1-10 February 2012

United Nations

### High-level panel discussion on the priority theme:

**“Poverty eradication, taking into account its relationship with social integration and full employment and decent work for all”**

**(1 February 2012, 3-6 PM)**

### Chair’s Summary

The Commission convened a High-level panel discussion on Poverty eradication, taking into account its relationship with social integration and full employment and decent work for all under sub-item 3 and heard presentations from Hoda Rashad, Director and Research Professor at the Social Research Centre of the American University in Cairo, Egypt; Armando Barrientos, Professor and Research Director at the Brooks World Poverty Institute in Manchester, United Kingdom; Su Guoxia, Deputy Director at the Department of Policy and Regulations of China’s State Council Leading Group Office of Poverty Alleviation and Development; and Jesper Oestrup Zwisler, Permanent Secretary in the Ministry of Social Affairs of Denmark, who represented Minister Karen Haekkerup.

It was noted that poverty eradication remains the overarching objective of national and international development efforts since the 1995 World Summit for Social Development. Empowering people through inclusive and sustainable social policies is the only path towards a future free from poverty. In order to eradicate poverty, social policies must focus on job creation, reducing inequalities and providing social protection thereby empowering people to escape poverty. Failure to acknowledge the multidimensional nature of poverty and the social impact of economic policies during the last three decades partly explains why poverty reduction efforts have been insufficient. Deregulation, liberalization, privatization and restrictive macroeconomic policies pursued by many countries at the advice of international financial institutions have failed to address the root causes of poverty and their linkages to inequality. These shortfalls have been further compounded by the unequal distribution of the benefits of globalization and cuts in public provisioning of social services. Unequal social relations and processes of economic, social and political exclusion and marginalization compound the poverty predicament faced by many.

### Social Protection

It was noted that social protection is an important instrument for reducing poverty and inequality and promoting sustainable development. Countries that have developed comprehensive, universal social protection policies covering the majority of the population have successfully reduced poverty and improved social conditions on a broad scale. For countries at a given income level, higher levels of expenditure on social protection are correlated with lower poverty

levels. It is particularly important for governments to provide basic social protection to mitigate the impact of crises.

In recent years, social protection has increased dramatically in developing countries; 1 billion people in developing countries have been reached by some form of social assistance. It is important to focus on the medium- and long-term impact of assistance programmes in addition to their immediate impacts. Despite recent progress, there remains a substantial deficit in resources and capacity for the implementation of social protection programmes, and thus there is an important role for international assistance. It is essential for countries to transition funding programs from international to domestic sources to ensure legitimacy and long-term stability. In addition to social protection, it is important that wages are sufficient to enable people to support themselves.

### **Social integration**

It was also noted that social integration is important for creating a strong sense of solidarity and willingness to share costs among members of society. The current high youth unemployment rate is particularly pressing given that many countries are faced with an ageing population. 2012 is the European Year for Active Ageing and Solidarity between Generations. The Year, which aimed to raise awareness of active ageing, especially in employment, participation in society and independent living by older people, will encourage stakeholders and policymakers to set commitments in those areas and take concrete action, such as enacting legislative reform and new strategies to reduce poverty among the elderly. Further, it was noted that people should not be left dependent on the family or the state without educational and training opportunities. Governments must also do their utmost prevent the transmission of poverty and ill health between generations.

### **The case of Egypt**

The primary focus for poverty reduction in Egypt has been on encouraging economic growth. While growth did materialize, it also came with social dissatisfaction and high unemployment. Poverty levels have stayed almost unchanged despite economic growth. Lack of trust and ownership, lack of institutional capacity, insufficient practical tools and the need for government to work more closely with civil society and academia are some key factors impeding poverty eradication programmes. Improving respect for rights, inclusive participation, and including impact evaluations in the policy cycle are some ways to increase the effectiveness of poverty reduction programmes.

### **The case of China**

In China, poverty reduction is driven by economic development, led by the government through empowering people. The Government provides targeted support to farmers and others in poor areas. Through this support, some key poor areas have experienced faster growth than the national average. They also provide free education and have recently implemented a rural cooperative medicare system with very high participation rate. China's policies have resulted in significant achievements in improving the living and working conditions in key poor areas. Despite these successes, there is still a lot of work to be done to address poverty and the

widening income gap in China. The Government plan to implement and expand poverty reduction programmes and make considerable efforts to learn from others and share experiences.

In light of the presentations, one conclusion can be drawn. It has been proved that economic growth, per se, does not guarantee poverty reduction. Multifaceted social protection policies that contribute to the social inclusion of all human beings should be promoted.

More information at:

<http://social.un.org/index/CommissionforSocialDevelopment/Sessions/2012/PanelDiscussions.aspx>