

CONCLUSIONS TO PART III

1. Increased acquisition by individuals and families of the knowledge, skills and values required for better living and sound and sustainable development has been recognized as an important policy goal in most countries. Education has been crucial for the socialization of children and preparing them for productive employment as adults. In particular, research and technological innovations in information and communications have resulted in many significant changes in education, including lowering production costs and generating important productivity gains. These changes have enormous potential. On the one hand, they create opportunities to disadvantaged and weaker sections of society everywhere for access to information resources. On the other hand, they also enable their participation as players in the marketplace of the global economy.

2. Despite considerable barriers, primary school enrolment figures have gone up worldwide as countries continue to strive to attain universal education. Its quality, however, remains an the agenda of most countries. Persistent low enrolment, high dropout rates at the primary level and poor performance in many developing countries have prompted the rethinking of the primary school model as the only basis of education. Much of the impetus to spread primary education in developing countries has come from international donors, who regard it as being cheaper and more productive than secondary or tertiary education. In many countries, however, these issues and the relative priority given to different levels of education were contentious and sparked a vigorous debate. It has often been the case that the perceived benefits of primary education such as higher national productivity, fertility decline and improved family hygiene and sanitation, flow from higher levels and quality of schooling, and certainly not from primary education alone.

3. Privatization of schools and the subsequent imposition of user fees have tended to reduce access to education especially for the poorest. Civil war and ethnic strife have also affected children's access to education in a number of countries. Further, shortages of schools and teachers, inadequate school buildings, high student-teacher ratios, inferior and unavailable learning materials and poorly trained and/or low-paid teachers had to devastating impact on education as students dropped out. In countries afflicted by the HIV/AIDS epidemic, those has been a tragic loss of teaching. Strong disincentives for schooling have also included child labour, gender inequality, high unemployment rates

among both more and less educated individuals, and poverty of households that cannot pay minimum school expenses. Competition between state and private schools for public funds and the equity implications of the growing chasm between public and private schools have prompted some Governments to take distributive measures.

4. Access to quality education offers the prospect of upward mobility. The latter, however, is ultimately determined by the existence of productive employment opportunities and income security in changing economic circumstances. In recent years, the labour market underwent important changes. Globalization forces have led most countries to change working patterns and practices amidst an overall unfavourable global employment situation to the dismay of many, often young persons, everywhere. Enterprises reduced their reliance on a large permanent labour force, counting instead on a highly skilled core group of workers. Temporary and part-time work and fixed term contracts have risen, as well as franchising, teleworking from home and non-agricultural self-employment. These patterns increased the vulnerability of workers due to intermittent jobs, reductions in compensation, and more importantly, lack of access to social protection. Job security has indeed deteriorated for the large majority of the labour force in the developing world and some economies in transition, and even in developed countries. In the latter, the vast majority of the labour force is employed for a wage or salary. Self-employment has fallen steadily although it has revived somewhat in recent years. Unemployment in the United States has fallen to about 4 per cent, but on average unemployment in the European Union hovers at about 10 per cent. Despite higher unemployment rates, western European States aimed at maintaining the integrity of their welfare systems and developed national plans to attain full employment through a combination of policies mostly directed to employ the youth, women and disabled persons.

5. Economies in transition underwent substantial turmoil as they adjusted from a system of guaranteed employment to uncertain labour market conditions, often connected to restructuring and privatization. Changes in the ownership structure of the economy resulted in stagnant growth of employment in the private sector. There were also substantial changes in the sectoral distribution of employment away from manufacturing sector to services. Despite the tentative revival of output in a number of countries in transition, unemployment

levels there remained substantially above the European Union average. Lack of dynamism in job creation in most countries was accompanied by a significant rise in long-term unemployment, resulting in a number of negative consequences, including growing apathy and social indifference, alcohol and drug abuse, and crime.

6. In countries with slow economic structural change and growth, the proportion of the labour force in full time employment was low, and workers sought a living in many different activities that make up the informal sector. While most workers in this sector are poor and struggle to make a living, a few benefited from extralegal activities and experienced an increase in income security. In least developed countries, an important segment of the labour force continued to derive their living from agriculture. Informal workers usually had precarious jobs, with both low productivity and low compensation, and their social risks and those of their families were not covered under institutional social protection arrangements. Therefore, they became vulnerable to illness, invalidity or death. In addition to these events, which had the potential of being catastrophic for their well-being, informal workers were harassed not only by extortionists and criminal gangs but also by authorities and the police.

7. The incidence of occupational health risks was highest in developing countries and in some economies in transition due to poor and deteriorating working conditions. In many developing countries, outright exploitation of workers and even children continues to be a major issue in so-called "sweatshops". Wage disparities and more generally income disparities, which were already very high, dramatically increased in many countries in the past decade.

8. Income disparity was not the only reason leading to the growing inequity in the world. Differences in access to assets, such as land and capital, other material possessions, power, prestige, financial resources, social services and other life essentials, have continued to dominate social life. Despite global economic growth and robust world trade, world inequity increased in the 1990s. Over the last two decades, policies aimed at redistribution were heatedly debated. Many of these policies were said to generate disincentives among beneficiaries, distorting markets, undermining competitiveness, reducing economic efficiency and diminishing economic growth. In contrast, globalization and liberalization of markets were portrayed as crucial determinants of economic growth and personal income through the generation of employment and efficiency. But the evidence at the end of the millennium has shown that there are no automatic stabilizers that can resolve the domestic and global structural causes of the inequalities that have yet to be overcome. Hunger, high morbidity and mortality, lack of adequate shelter and little hope for improving long-

lasting poverty are conditions afflicting a large share of the world's population. The apparent overall progress in indicators of quality of life in the world was largely the result of strong improvement in developed and in some developing countries, which was accompanied in many cases by marked deterioration of living standards in poor countries.

9. A sufficient amount of food was actually available to feed the world population adequately due to technological advances, which substantially increased agricultural production. This process contributed to encouraging achievements in the fight against food insecurity. But several challenges remained. Gains are slow and uneven due to poverty, inequitable distribution of food supply, natural disasters and environmental degradation, diminishing resources, changing demographic pressures and demands, and prolonged armed conflict. Available estimates of the extent of hunger showed different trends in different regions and countries. For example, a favourable trend was found at the regional level in Asia, the Pacific region, North Africa and the Middle East. Minor gains were recorded in sub-Saharan Africa, and a mixed record was found in Latin America and the Caribbean. At the country level, it was argued that as income disparity grew, disparities in nutritional levels within countries rose substantially. These were only partially compensated for by special programmes -- national and international -- to provide subsidized or free food to the poor, and by other special programmes that would improve nutrition among children and other vulnerable groups.

10. The world health situation improved, thanks to more widespread early child immunization, the control of infectious diseases and advanced medical treatments, among other factors. Such indicators as under-five mortality, maternal mortality, life expectancy and greater prevalence of longevity showed improvement. But again, at the country level, progress was far from even. While all developed countries and the majority of developing countries improved the general health of their populations, poor developing countries and some economies in transition suffered major set backs. In some countries, life expectancy actually decreased. In Africa, the HIV/AIDS crisis is having a devastating effect, and in economies in transition, the breakdown of national health systems deteriorated those countries' health status. Other factors affecting poor health results included food-borne diseases, tobacco-related diseases, inadequate working conditions leading to work injuries, easy spread of infectious diseases, such as malaria and tuberculosis, and water- and mosquito-borne illnesses.

11. There has been a remarkable change in the causes of death at the global level. The leading causes of death now are cardiovascular diseases and cancer, accounting for 30 per cent and 23 per cent of mortality, respectively. Developing countries are currently facing

an unprecedented situation: they are acquiring the diseases of the more developed countries while not having successfully contained the traditional diseases. Thus, they are confronted with a double challenge which most of them are not in a position to meet adequately given available resources. Many countries adopted policies to raise the effectiveness and accessibility of their national health systems. These efforts were often accompanied by actions at the community level that aimed to cover the health needs of the more vulnerable, usually the working poor.

12. Just as happened with education, income and food, health conditions varied sharply among economic classes and income groups, by gender, ethnicity and race. For example, the incidence of tuberculosis among people in poverty is 2.6 times greater than among people not living in poverty. In developing countries with inadequate public capacity to provide basic health care, the disparities between middle- and high-income groups and low-income and poor groups remained very large or even increased.

13. Differences in available space and quality of dwellings and access to safe water -- on which health depends -- are probably the most dramatic manifestations of living standard disparities between the upper and lower income groups and between developed and developing countries. While in most developed countries and economies in transition adequate housing was available to most people, although with lower average

standards and quality in economies in transition, developing countries did not succeed in making decent housing widely available. Overcrowding, poor quality housing and lack of adequate water and sanitation, especially in the growing number of informal settlements, predominated, posing health, safety and environmental hazards. Homelessness, endemic in developing countries, was recently on the rise in developed countries and many economies in transition, and has added to social polarization and tension in urban areas.

14. The world's current concerns with living conditions and equity were the result of a complex combination of domestic and external causes, both structural and/or short-term. All these causes needed to be addressed by social players, but often, particularly in the developing world, the capacity of Governments, the market and civil society, to overcome external factors went beyond national ability. In the context of globalization and liberalization efforts, limited direct government action in the provision of needed social services and a clash of interests and needs among players added obstacles to the implementation of policies that attempted to reduce inequality. New information and communication technologies emerged as an opportunity to make the provision of public goods more efficient, but at the same time labour markets became even more segmented.