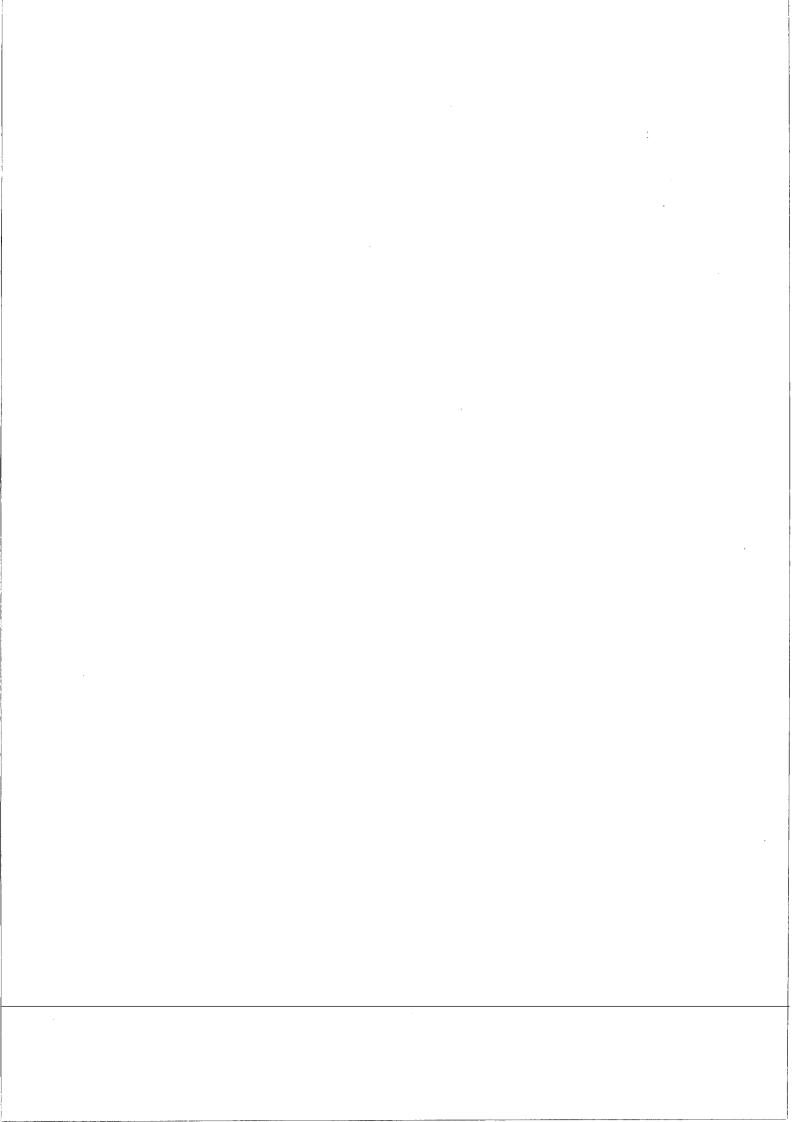


## HOLY SEE

Statement by H.E. Archbishop Silvano M. Tomasi Permanent Observer of the Holy See to the United Nations Office and Other International Organizations in Geneva

> at the **United Nations Economic and Social Council** 2007 Substantive Session - High-level Segment

> > Geneva, 4 July 2007



## Mr President,

- 1. The continued effort to address the plight of people trapped in poverty and to search for new ways and means to free them from its destructive consequences remains essential if the international community wants to achieve truly integral human development. The Delegation of the Holy See believes that the question of poverty "should be given the highest attention and priority, for the sake of poor and rich countries alike." The process of globalization has brought us to a new historical moment in the evolution of the economy. The world-wide impact of communication technology and the instant dissemination of information pre-socialize the poor, the young in particular, to expectations of a more decent and humane life-style, to which they are entitled. When such anticipations are frustrated, society faces a risk of violent reactions and peace is endangered for all.
- 2. Wealth has increased in recent decades lifting millions of persons out of extreme poverty as a result of the opening of markets, of scientific and technological progress, and the circulation of capital. Life expectancy has improved on every continent, literacy rate has increased, and also democracy is now more widespread than it was thirty years ago. Regrettably evidence shows the persistence of areas of poverty in different geographical regions and among segments of population within countries. In the fight against poverty the fact cannot be ignored that, instead of declining, the number of people living on less than 2 dollars a day grew to 1.37 billion and an estimated 854 million people world-wide are undernourished. In several regions of Africa and Asia, life expectancy is almost half of that in rich countries and illiteracy reaches high levels. Thus attainment of the Millennium Development Goals remains an urgent task. Based on current trends, it appears that most development countries will fail to meet the majority of these goals by 2015. The reaffirmed partnership in the search for and in the action to achieve greater equity requires the political will to reexamine in depth the reasons why developing countries are facing such difficulties with meeting these goals.
- 3. Poverty elimination demands an integration between the mechanisms that produce wealth and the mechanisms for the distribution of its benefits at the international, regional and national levels. Exclusion from technological and economic progress, even within the same national community, leads to entrenchement, not elimination, of poverty. An approach to economic growth based on absolute liberalization proves to be socially and, in the long run, economically non-sustainable. In a

<sup>&</sup>lt;sup>1</sup> His Holiness Benedict XVI to the Chancellor of Germany Angela Merkel, 16 December 2006

context of globally increasing wealth and availability of goods, a more systematic and comprehensive analysis is needed to understand how existing methods of trade and mechanisms of production should be modified in order to lift people out of poverty.

4. The 'big push' that generous donors had envisioned with carefully thought out plans has not yielded all the concrete results expected. Nor has the advantage provided by the cancellation of external debt always resulted in greater access to education, health and social services. The question to be posed is not whether but how additional aid should be given. The projects of multilateral institutions and developed countries aimed at reducing poverty and improving growth in poor regions, like the Millennium Development Goals, the Highly Indebted Poor Countries Initiative and the Poverty Reduction Strategy, have made some limited progress. More recently Decent Work Country Programs proposed by the International Labour Organization and supported by the ECOSOC 2006 Ministerial Declaration aim at generating employment opportunities and decent work. In fact, with employment opportunities a community can be taken out of poverty in a stable and sustainable way. Work is the only possibility for a community to generate its own value added that pays the way out of poverty. Then, empirical evidence shows that foreign aid, while improving living conditions for some individuals, has not been enough to end national-level poverty. Perhaps it is necessary to direct aid to more targeted and less generic projects that can bring about tangible, measurable and empowering change in the daily life-experience of individuals and families and in the social fabric of the community. Directing aid to the creation of jobs would fall within this approach. Such effective aid requires multiple channels of distribution and should reach the basic infrastructure of communities that is assured not only by governments but also by community-based organizations and institutions, including those sponsored by faith-groups, such as schools, hospitals and clinics, community centers, and youth training and recreation programs. In particular, education is a long term economic investment for everyone, and health provides a durable character to that investment. An educated person can be fully aware of his/her worth and dignity and that of every human being and can act accordingly. The value of education goes beyond its relationship with health. Consider the most important feature of the person: being relational with others. Educated people can establish among themselves social relations not based on force and abuse but on respect and friendship. In such an environment, it is easier to reduce corruption, one of the plagues of poor countries, and to improve respect for law and property rights, crucial for the positive functioning of an economic system. This form of public-private partnership not only delivers services but it helps change mentality and disposition toward development without losing

respect for local culture and tradition. Changing mentality at the local level becomes a winning strategy in the fight against poverty.

5. In order to promote development at the macroeconomic level it seems necessary to reinforce the productive capacity of the poorer countries by means of investment in technical formation; this allows for competition in today's knowledge-based economy and gives support to enterprises that create new jobs and decent work. In this regard, trans-national corporations carry a particular responsibility to facilitate the transfer of technology, sponsor capacity building in management, and enable local partners to provide more employment opportunities. Foreign investors need to contribute to the over-all development of the country in which they establish operations; this is particularly relevant for those engaged in the extraction industry and other short-term commercial enterprises. On their part, governments need to assure conditions that are favorable to ethical investment, including a well functioning juridical system, a stable system of taxation, protection of the right to property, and an infrastructure that allows access by local producers to regional and global markets. Corruption has a strong moral relationship with foreign aid. Although it is very difficult to condition foreign aid on such factors as corruption and democracy, nevertheless we have to consider that aid flows are based primarily on voluntary efforts by people in donor countries. Such trust could be destroyed by repeated misuse of aid flows by corrupt governments in receiving countries. Keeping the above observations in mind, it appears logical that the allocation of national resources should give priority to building social capital over military expenses. It is striking to note that worldwide military expenditures exceed 1,118 billion dollars each year, a sum far higher than the global investment for human development. Together with foreign aid, corporate transfer of resources, cancellation of external debt for the poorer countries, the increasing flows of migrations wisely managed can contribute to the elimination of poverty.

## Mr. President.

6. "The Holy See has repeatedly insisted that, while the Governments of poorer countries have a responsibility with regard to good governance and the elimination of poverty, the active involvement of international partners is indispensable... It is a grave and unconditional moral responsibility, founded on the unity of the human race, and on the common dignity and shared destiny of rich and poor alike, who are being drawn ever closer by the process of globalization."<sup>2</sup>

<sup>&</sup>lt;sup>2</sup> Ibid.

Working toward this goal in a coherent use of resources and strategies should allow all people to become "the artisans of their destiny". New international binding agreements to regulate the exploitation of natural resources, to report stolen public funds, to limit the arms trade, to eliminate distorting subsidies in agriculture, and similar initiatives, will go a long way to translate into concrete decisions the often stated goal of solidarity. But concrete persons are the motor of development. Eradication of poverty is a moral engagement. The various religions and cultures see its achievement as a most important task that frees people from much suffering and marginalization, that helps them to live peacefully together, and that provides individuals and communities the freedom to protect their dignity and actively contribute to the common good.

Thank you, Mr. President.

<sup>&</sup>lt;sup>3</sup> Pope Paul VI, Populorum Progressio, n. 65