

Report of the plenary session on the eradication of poverty

Friday, July 21, 2000

The first guest speaker, Mr. Hector de la Cueva, a member of the Hemispheric Social Alliance (HSA), reminded participants that the HSA exists to examine the risks connected with the creation of the Free Trade Area of the Americas (FTAA), and to act as a representative of civil society, which is excluded from the negotiations under way. He stated that it is paradoxical that there is much talk everywhere about the fight against poverty, that the Heads of State make commitments to eliminate it and create increasing numbers of programs to that aim, and yet the situation is deteriorating, and the gap between rich and poor is widening, which proportionally increases the risks to the security and stability of States.

To illustrate his point of view, he delivered a long series of statistics which bring out the fact that despite the economic growth and the optimistic discourse of the different Heads of State on economic integration, the figures demonstrate weaknesses, failings, even considerable backsliding, and an increase in poverty. This is the situation in Canada, in the United States and in Mexico, despite the spinoffs and several as yet unfulfilled expectations of NAFTA. The same is true in Latin America and in the Caribbean, where the foreign debt is slowing down development tremendously, where the development of the informal economy is not accompanied by any measure of social protection nor by significant positive repercussions on human development for the population as a whole. In Latin America, it is also noted that there has been a levelling off of the level of literacy over the past 30 years, and a considerable degradation of the environment.

He does not believe that one can talk of a veritable fight against poverty as long as, on the one hand, the Heads of State push forward economic development according to a single model that they seek to apply on a "one size fits all" basis, while at the same time, other governmental authorities will try to limit, on a piecemeal basis, the damage resulting from that economic model. On the contrary, the fight against poverty, according to him, depends on greater democracy, on greater participation of society in the consultations and decisions on development, and on the international discussions upon which the living conditions of the population as a whole depend. He proposes calling into question the economic model and reorienting economic policies, since they have produced a polarization within the population and have further increased the gaps between rich and poor.

Among other priorities, he suggests attacking the problem of the foreign debt, which is slowing down sustainable development. He also demands greater transparency on the part of the leadership, as well as the dissemination of the results of the negotiations under way concerning the creation of the FTAA, and calls for the real participation of the populations in the decisions that will affect the destiny of all the peoples of the Americas.

The second guest speaker, Mr. Eduardo A. Doryan, Vice-President and Director of the World Bank's Human Development Network, began his presentation with a reflection on the ethics of development in which he invited us above all never to lose sight of the objectives aimed at, by seeking out and selecting the right means whereby to achieve them. In particular, he recalled:

- that economic growth is not automatically synonymous with progress for the entire population, on account of the different forms of inequity;
- that poverty imperils the peace and stability of societies;
- that economic development must not be envisaged separately from human development;
- that the developed countries must demonstrate in actuality much more openness toward fostering progress in the developing countries;
- that social and environmental concerns must be part of all debates on development.

Finally, he emphasized that the geopolitical rules of the hemisphere have changed and that transparency must be at the centre of the democratic reforms under way, at the same time favouring the increased participation of the population in the decisions that orient their destiny.

He then presented some statistics that demonstrate the stumbling in the fight against poverty. While recognizing that growth is an objectively beneficial thing, he reminded participants that if it does not go hand in hand with equity, there is a serious risk that it will not have any real effects on the reduction of poverty. Moreover, by observing the growing gaps between rich and poor, he pointed out that it is the responsibility of parliamentarians to design policies and strategies to enable the populations to benefit from the new opportunities of globalization while reducing the risks of their being the victims of inequities at the global and continental level, and even within a given country, which also requires concrete efforts on the part of parliamentarians to eradicate any form of corruption. He included in his definition of poverty not only material shortages, but also deprivations as essential as life expectancy, access to communications and to reading, and a dignified standard of living.

Finally, in accordance with the vision of development advocated by the World Bank, he recalled the interdependence between the macroeconomic and financial aspects, and the structural, social and human issues, which must be treated together as two sides of the same coin. Among the elements of the World Bank's "Comprehensive Development Framework", the following must be included: an honest government, an effective legal and juridical system, a well-organized financial system with good supervision, a network of social security and social programs, educational institutions, issues relating to health and to the population, potable water supply and sewage systems, energy, road systems, transport and telecommunications, sustainable development, environmental and cultural issues, a strategy for rural areas, a strategy for urban areas, a strategy for the private sector, and specific national issues.

Without an integrated approach that takes into account this range of components, effective development becomes impossible and there is then a breakdown of the community spirit, which leads to many forms of exclusion. Among other things, given the phenomenon of globalization, which has a tendency to make things uniform and level off differences, it is necessary to avoid single solutions applied uniformly in all cases, since there is a strong risk that they will not be feasible because of the great diversity of the hemisphere.

The third guest speaker, Ms. Yakin Ertürk, Director of the Division for the Advancement of Women of the United Nations, recalled firstly the overall objectives of the United Nations between now and 2015 to combat poverty, namely:

- to reduce extreme poverty by 50%;
- to provide primary education to all and to eliminate the existing gaps in education between genders;
- to reduce by 66% the rate of mortality among infants and children;
- to reduce by 75% the rate of mortality of mothers during childbirth;
- to ensure universal access to health services in the area of reproduction;

Although these objectives have been a matter of consensus in principle, she underlined delays in the concrete application of corrective measures. For example, according to the World Bank, the number of persons living on \$1 per day has risen from 1.2 billion in 1987 to 1.5 billion in 1998, and is expected to reach 1.9 billion in 2015. For the region of Latin America and the Caribbean alone, the number of persons living in poverty increased by 3 million per year between 1990 and 1995. The traditional definition of poverty, based on the concept of "material deprivation", increasingly includes that of the negation of opportunities for human development which also arise out of basic shortages.

Ms. Ertürk pointed out that studies show that poverty does not affect men and women in the same way. Among the main factors that delay the improvement of economic conditions for women and contribute to the feminization of poverty, she emphasized: persistent discrimination against women in the labour market, wage gaps, unequal access to productive resources, to capital, to education and to professional training, and sociocultural factors which continue to define women based on their reproductive functions.

Generally, to correct the injustices against women, governments have promoted employment and paid activities for women in cities and in rural areas, as well as to provide basic services and social security. The increase in microcredit and other financial tools has also made it possible to improve the level of autonomy of a number of groups of women around the world. It was also noted that investments in the education of women have had a multiplier effect on all the members of the family, and a certain regulating effect on the birth rate. However, no progress is as yet possible without a clearly stated political will and the provision of the resources necessary for the implementation of the measures arising from the major objectives.

The result of globalization is that the fight against poverty is no longer only carried on at the national level, since macroeconomic decisions also have an immense impact on the destiny of local populations. It has therefore become necessary: to redefine the existing institutions and structures in order to adapt them to a changing world order, to create new institutions to fight poverty on the global scale, and to create new alliances and new partnerships to reinforce the common efforts.