

Briefing Document

Achieving Social Inclusion – A Global Challenge

Wednesday, 12th February 2014, 14:00 – 16:00 (followed by Aperitif)

SDC, Freiburgstrasse 130, Berne (Room A2023)

Traverse Events

Traverse is an SDC platform for controversial public debate on themes related to international cooperation. High-profile personalities from the scientific, political, economic, societal, and cultural sectors are invited to discuss current issues from a wide range of viewpoints. Traverse is an opportunity to air differences of opinion and to get involved in critical and self-critical debate. Participants include staff of the SDC and other Federal offices, as well as representatives from the scientific, cultural, political, and economic communities, NGOs, and the interested public.

Background

Significant progress has been achieved in terms of poverty reduction and human development worldwide over the last decades. However, many groups remain excluded from these positive trends. Income inequality is rising in many countries, and, in the aftermath of the financial crisis, the issue is increasingly receiving attention from the civil society and decision-makers. Calls for more inclusive growth, with a fairer distribution of its benefits and providing opportunities for all, are intensifying. If growth generates opportunities, additional efforts are necessary for individuals and groups to actually benefit from these opportunities. As stressed by UNDP's Human Development Report 2013, *"Economic prosperity alone cannot end group discrimination that leads to horizontal inequality"*.

Whereas income inequalities draw a lot of attention, there are many other types of inequalities – based on location, gender, race, caste, age, ethnicity, religion, or disability status. Addressing inequality in its different dimensions remains a critical development challenge. Social exclusion is often associated to poverty and inequalities, which both affect most individuals and groups that are discriminated against. The recent report of the World Bank *"Inclusion Matters: The Foundation for Shared Prosperity"* proposes a broad definition of social inclusion as *"the process of improving the terms for individuals and groups to take part in society"*.

Social inclusion is a challenge at the national level: Exclusion bears numerous risks and costs, which may be economic, social or indeed political, as exclusion is often associated with the lack of political voice for excluded groups. But social inclusion is also a global challenge: Social exclusion may take different forms in different contexts, but, as an obstacle to shared prosperity and stability, it is relevant to every category of countries – low-, middle- and high-income – and every region of the world. It is also a fact that global trends – such as demographic changes, migration flows, climate change or urbanization – have different impacts on different groups. Social inclusion is also relevant in the context of the *"new geography of global poverty"*, with the majority of poor people no longer living in poor countries: Despite rising income levels, some countries may indeed face significant challenges in terms of inequalities and social exclusion, which prevent further progress on poverty reduction. At a global level, failing to address discriminations and inequalities thus brings the risk that poverty reduction efforts stall.

In the context of income inequalities, some argue that rising inequality at the national level is driving global inequality upwards¹. This in turn creates instability at the global level. In the same vein, societal risks associated with income disparity – defined as widening gaps between the richest and poorest citizens threatening social and political stability as well as economic development – are identified in the World Economic Forum’s 2014 Report on Global Risks as being “*among the most worrying of issues*”.

Against this background, tackling inequalities, achieving social inclusion and providing equal opportunities have emerged as central issues in the context of the discussions on the post-2015 framework and the definition of sustainable development goals. The High Level Panel Report on the Post-2015 Development Agenda, released in May 2013, called for the need to “*ensure that no person – regardless of ethnicity, gender, geography, disability, race or other status – is denied universal human rights and basic economic opportunities*” and to “*design goals that focus on reaching excluded groups, for example by making sure we track progress at all levels of income, and by providing social protection to help people build resilience to life’s uncertainties.*”

The challenges related to social inclusion are indeed impressive. However, there are many positive experiences of how social inclusion can be enhanced. A famous and often-cited example is the Brazilian Bolsa Família conditional cash transfer program, which contributed to lift millions of people out of poverty. Yet, the 2013 popular protests in Brazil against (among others) inadequate provision of social services illustrate that social inclusion is a continuous task. Around the world, certain countries are setting a focus on the *quality* of growth, for instance several Southeast Asian countries as highlighted in the 2014 Economic Outlook for Southeast Asia, China and India, published by the OECD Development Centre. Many examples illustrate how critical the political dimension of social inclusion is: Achieving social inclusion is a long-term process, which requires the right policies as well as political will.

Because of its dimensions and implications, social inclusion is undeniably relevant to the work of development cooperation agencies. SDC has experience in promoting social inclusion and empowering disadvantaged groups in different regions. Fostering social inclusion also raises very practical questions, such as how to find political leverage, how to engage key actors and how to monitor progress. Finally, a social inclusion approach may also be very relevant to poverty reduction efforts in middle-income countries.

Relevant questions

Against this background and in light of international discussions and experiences from different regions, the panel of experts will address in particular the following questions:

- 1) What is social inclusion? How does it relate to poverty and inequalities? What challenges does it imply? Are there specific challenges in middle-income countries? What are the risks of exclusion?
- 2) How can social inclusion be enhanced? How can change towards social inclusion be induced? Who are the key actors?
- 3) What are the implications for international cooperation and for SDC in particular? Are new approaches, new tools, needed? What are the implications for the post-2015 agenda?

We are looking forward to a lively debate!

SDC Analysis & Policy Division, 4 February 2014

¹ See Andrew Norton, Fear of disorder versus hope for change: the politics of global inequality, *Overseas Development Institute*, 6 January 2014, <http://www.odi.org.uk/opinion/8099-inequality-rising-zeitgeist-fear-disorder-hope-change-deblasio-tax>

Panelists:

Maitreyi BORDIA DAS

Maitreyi Bordia Das is Lead Social Development Specialist and Team Leader for Social Inclusion in the Social Development Department of the World Bank in Washington, D.C.. She is the lead author of the recent World Bank Group report *"Inclusion Matters: The Foundation for Shared Prosperity"*. Maitreyi started her career as a lecturer in St Stephen's College, University of Delhi, has been a MacArthur Fellow at the Harvard Center of Population and Development Studies, and worked as advisor to the United Nations Development Program. She has a Ph.D. in Sociology (Demography) from the University of Maryland. Before joining the World Bank, Maitreyi was in the Indian Administrative Service.

Rafael GUERREIRO OSÓRIO

Rafael Guerreiro Osorio is Director of Social Studies and Policies at the Instituto de Pesquisa Econômica Aplicada, IPEA, of the Brazilian Presidency of the Republic. He graduated in Social Sciences and has a PhD in Sociology at the University of Brasilia, and most of his research work is on the field of social stratification and mobility, social policies, and the non-economic dimensions of inequality, such as race and gender. Before joining IPEA, he worked at the International Poverty Centre of the United Nations Development Programme, UNDP, and, previously, as an independent consultant for the Brazilian Government and International Organizations.

Žarko ŠUNDERIĆ

Zarko Sunderic is the Team Leader of the Social Inclusion and Poverty Reduction Unit (SIPRU) in the Government of the Republic of Serbia. The SIPRU provides support to the Government of the Republic of Serbia to coordinate, oversee and report on its activities in the field of social inclusion. Mr Sunderic has been working in various reform initiatives in the Government of Serbia since 2005. From 1999 through 2004 he worked in the civil society sector, first in the local NGO "Civic Initiatives" and from 2001 in the USAID's community development program. Mr Sunderic graduated from the Faculty for Media and Communications and completed an Advanced Degree in Social Sciences (Finance Concentration) at the Belgrade Open School.

Kensuke TANAKA

Kensuke Tanaka is the Head of the Asia Desk of the OECD Development Centre (in France). He is in charge of several publications including the annual regional economic outlook *"Economic Outlook for Southeast Asia, China and India"* and multi-dimensional country reviews for Asian countries. He also leads several related projects including the construction of indicators, for instance the ASEAN-OECD Narrowing Development Gaps Indicators (NDGIs). Before joining the OECD Development Centre, Mr. Tanaka was a Programme Manager at the OECD, Centre for Co-operation with Non-members. He also worked at a public research institute and taught at a university in Japan as well as in France (Sciences Po).

Moderator: Nathalie DUCOMMUN

Nathalie Ducommun is a Swiss journalist. Since 2013, she is deputy Editor-in-Chief for the News radio Department at RTS (Swiss National Television and Radio). She joined RTS in 2009, as Producer and Presenter of "Forum", a very popular evening news program debating on Swiss and international politics. In 2012, she launched a new interactive program called "En Ligne Directe", covering various social and political subjects. She studied at Lancaster University (UK) and at the University of Geneva (CH), where she graduated from social and economic sciences in 1997, and worked as a researcher in sociology for 3 years.