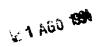


Fifteenth session of CDCC Santo Domingo, Dominican Republic 26-29 July 1994 GENERAL LC/CAR/G.420 9 May 1994 ORIGINAL: ENGLISH

ACTIVITIES RELATING TO THE UNITED NATIONS WORLD SUMMIT FOR SOCIAL DEVELOPMENT

(Copenhagen, 6-12 March 1995)





UNITED NATIONS

ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN Subregional Headquarters for the Caribbean

CARIBBEAN DEVELOPMENT AND COOPERATION COMMITTEE



TABLE OF CONTENTS

1.	INTRODUCTION	1
2.	BACKGROUND	2
3.	THEMATIC REVIEW	4
	Expansion of productive employment	4
	Alleviation and reduction of poverty	8
	Social integration	10
4.	CONCLUSION	13
	Expansion of productive employment	13
	Alleviation and reduction of poverty	14
	Social integration	14

	. *		
			i.

1. INTRODUCTION

- 1.1 By its resolution 47/92 of 16 December 1992, the United Nations General Assembly decided to convene a World Summit for Social Development at the level of Heads of State or Government, to be held early in 1995.
- 1.2 The resolution specifies the core issues to be addressed as follows: "The enhancement of social integration, particularly of the more disadvantaged and marginalized groups; the alleviation and reduction of poverty; and the expansion of productive employment".
- 1.3 Some of the objectives of the Summit outlined by resolution 47/92 are:
- (a) To express a shared worldwide commitment to put the needs of people at the centre of development and of international cooperation as a major priority of international relations:
- (b) To create international awareness of and address the modalities to attain the necessary balance between economic efficiency and social justice in a growth-oriented, equitable and sustainable development environment in accordance with nationally defined priorities;
- (c) To highlight the need to mobilize resources for social development at the local, national, regional and international levels.
- 1.4 The General Assembly requested that the regional commissions include in their programme of work for 1993 the World Summit for Social Development, with particular emphasis on the social situation in their respective regions, including proposals, and to prepare an integrated report to be submitted to the General Assembly at its forty-eighth session.
- 1.5 In compliance with that mandate, the Economic Commission for Latin America and the Caribbean (ECLAC), Subregional Headquarters for the Caribbean, secretariat of the Caribbean Development and Cooperation Committee (CDCC) has produced this note which is based on a Group of Experts Meeting, held in Port-of-Spain, (November 1993); a document prepared by ECLAC, Santiago, (October 1993); and the Secretary-General's Report (June 1993).
- 1.6 The World Summit will be held in Copenhagen, 11-12 March 1995.

2. BACKGROUND

- 2.1 The Summit takes place in a global environment which no longer has as its principal source of tension in international relations, the cold war. The environment is, however, filled with conflicts of ethnic, cultural and religious origin. Peace still eludes the world's people as we approach the end of this century.
- 2.2 According to the 1993 Human Development Report, internal conflicts afflict some 60 countries, and about 35 million people are refugees or internally displaced.
- 2.3 The ECLAC, Santiago, preparatory document on the Social Development Summit indicates that, "the unprecedented technological sophistication that characterizes the current moment in history, and the preeminence of the market as the primary determinant of resource allocation, have been unable to correct deep-rooted inequalities, even in the major developed economies."
- 2.4 This notion is substantiated by the United Nations Development Programme (UNDP) Report of 1993 which states that:

"Nearly one billion - 35% of the adult population are still illiterate; 2/3 of illiterates are women, and the drop-out rate at the primary level is still as high as 30%.

Almost one third of the total population or 1.3 billion people are in absolute poverty. Each day 34,000 young children still die from malnutrition and disease."

- 2.5 The Caribbean comes to the Social Summit not without its own difficulties. Despite attempts by Governments of the subregion, since the independence period, to provide a just and equitable life for people in the subregion, social problems persist.
- 2.6 The economic adjustments of the 1980s and 1990s have not resulted in fundamental resolutions of these gnawing problems. In the short run, poverty has increased, income distribution has generally worsened and social inequalities appear to have widened.
- 2.7 The subregion enters the close of the twentieth century with an estimated 10 million of its people living below the poverty line. Haiti alone accounts for about one half of this figure, and the Dominican Republic for about one third. Among the smaller countries, Jamaica, Guyana and Trinidad and Tobago also had a significant number of their populations living in poverty. Even those smaller Eastern Caribbean countries which generally had good economic performances in the 1980s still have pockets of poverty.

- 2.8 The income distribution in the subregion has not been satisfactory either. It is believed that high unemployment and eroding real income have worsened income distribution. The few available studies suggest that income distribution is highly skewed and not too dissimilar to Latin America, a region noted for having unequal income distribution.
- 2.9 Unemployment rates in the Caribbean have been generally quite high. Based on official statistics, the average open unemployment rates by the end of the 1980s were around 20 per cent of the labour force, and this is thought to have increased. In all countries for which data were available, female unemployment was higher than male unemployment. Teenage mothers in rural and urban areas and unskilled females bore the brunt of unemployment. In all countries, unemployment rates were highest among young people. Underemployment rates are believed to be as high as 40-50 per cent in several countries.
- 2.10 In the face of these difficulties within the social sector, the ECLAC/CDCC secretariat viewed it as essential that the Caribbean be brought directly into the preparatory process for the World Social Summit.
- 2.11 On 25-26 November 1993, the ECLAC/CDCC secretariat hosted a meeting of the Caribbean Working Group on Social Development, in Port-of-Spain, Trinidad and Tobago, the purpose of which was:
- (a) To provide a forum for the Caribbean subregion to focus on the social issues on the global agenda; and
- (b) To facilitate discussion as part of the process of formulating a Caribbean position paper for the World Summit, which could become part of the larger Latin American/Caribbean position for the Summit.
- 2.12 The meeting brought together 30 participants drawn from the Organization of Eastern Caribbean States (OECS) and CARICOM Secretariats, public sector officials, academics representatives of Non-Governmental Organizations (NGOs) and United Nations organizations in the subregion.
- 2.13 Three draft papers, one on each of the core issues for the World Summit, were presented for discussion. The first on "Expanding productive employment", was prepared by the International Labour Organisation (ILO), through its consultant, Dr. Ralph Henry, and the latter two, on "Enhancing social integration" and "Alleviating and reducing poverty", were prepared by ECLAC/CDCC.
- 2.14 The papers generated much discussion and revised papers will be available at a final preparatory ECLAC/CDCC meeting planned for later this year.

- 2.15 The international preparatory committee meetings were in session during the period 31 January-11 February 1994. The second session is carded for 22 August-2 September 1994, and the third session for 16-27 January 1995.
- 2.16 The Summit is not intended to be an end in itself nor an isolated event, but part of a process which results in greater priority being given to social progress.

3. THEMATIC REVIEW

Expansion of productive employment

- 3.1 The paper "Unemployment in the Caribbean: Reversing the trend in the nineties", presented by Dr. Ralph Henry for the ILO, gave an overview of the approaches followed in attacking what Dr. Henry described as an intractable problem of unemployment in the subregion. The paper suggests that the problem has been tackled without success for almost half a century by various approaches. It examines unemployment in its present configuration in the last decade of the twentieth century, the efficacy of the present model and identifies elements of a programme that may satisfy the requirement for improving the employment situation within the objective of genuine change and diversification of Caribbean economies in the early twenty-first century. The paper does not attempt to chart a grand strategy for employment expansion, but rather to specify where limited, but concerted, interventions may lead to an amelioration of the unemployment problem.
- 3.2 Dr. Henry outlines a "short list" of issues which configure the present contextual framework. It is within this context, according to Dr. Henry, that policy makers involved in the employment debate will have to grapple in order to find a resolution to the employment problems of the subregion. Decisions made on these issues, he suggests, will have some influence on the ability of the subregion to reverse the trend of unemployment in the future. The list includes:
- An awareness of the demographic factor The paper argued that the presumed benefits of emigration have to be weighed against the severe loss of skills in a subregion where human capital is invariably the main resource in a limited natural resource base.
- Deepening integration in the Americas It is suggested that initiatives such as the North American Free Trade Agreement (NAFTA), the Association of Caribbean States (ACS) and the Enterprise of the Americas Initiative (EAI) are going to change the economic relations between the subregion and the rest of the Americas. In addition because the entire matter of integration is in a state of flux, this creates an unclear environment for the targeting and capturing of markets.

- 2.8 The income distribution in the subregion has not been satisfactory either. It is believed that high unemployment and eroding real income have worsened income distribution. The few available studies suggest that income distribution is highly skewed and not too dissimilar to Latin America, a region noted for having unequal income distribution.
- 2.9 Unemployment rates in the Caribbean have been generally quite high. Based on official statistics, the average open unemployment rates by the end of the 1980s were around 20 per cent of the labour force, and this is thought to have increased. In all countries for which data were available, female unemployment was higher than male unemployment. Teenage mothers in rural and urban areas and unskilled females bore the brunt of unemployment. In all countries, unemployment rates were highest among young people. Underemployment rates are believed to be as high as 40-50 per cent in several countries.
- 2.10 In the face of these difficulties within the social sector, the ECLAC/CDCC secretariat viewed it as essential that the Caribbean be brought directly into the preparatory process for the World Social Summit.
- 2.11 On 25-26 November 1993, the ECLAC/CDCC secretariat hosted a meeting of the Caribbean Working Group on Social Development, in Port-of-Spain, Trinidad and Tobago, the purpose of which was:
- (a) To provide a forum for the Caribbean subregion to focus on the social issues on the global agenda; and
- (b) To facilitate discussion as part of the process of formulating a Caribbean position paper for the World Summit, which could become part of the larger Latin American/Caribbean position for the Summit.
- 2.12 The meeting brought together 30 participants drawn from the Organization of Eastern Caribbean States (OECS) and CARICOM Secretariats, public sector officials, academics representatives of Non-Governmental Organizations (NGOs) and United Nations organizations in the subregion.
- 2.13 Three draft papers, one on each of the core issues for the World Summit, were presented for discussion. The first on "Expanding productive employment", was prepared by the International Labour Organisation (ILO), through its consultant, Dr. Ralph Henry, and the latter two, on "Enhancing social integration" and "Alleviating and reducing poverty", were prepared by ECLAC/CDCC.
- 2.14 The papers generated much discussion and revised papers will be available at a final preparatory ECLAC/CDCC meeting planned for later this year.

- 2.15 The international preparatory committee meetings were in session during the period 31 January-11 February 1994. The second session is carded for 22 August-2 September 1994, and the third session for 16-27 January 1995.
- 2.16 The Summit is not intended to be an end in itself nor an isolated event, but part of a process which results in greater priority being given to social progress.

3. THEMATIC REVIEW

Expansion of productive employment

- 3.1 The paper "Unemployment in the Caribbean: Reversing the trend in the nineties", presented by Dr. Ralph Henry for the ILO, gave an overview of the approaches followed in attacking what Dr. Henry described as an intractable problem of unemployment in the subregion. The paper suggests that the problem has been tackled without success for almost half a century by various approaches. It examines unemployment in its present configuration in the last decade of the twentieth century, the efficacy of the present model and identifies elements of a programme that may satisfy the requirement for improving the employment situation within the objective of genuine change and diversification of Caribbean economies in the early twenty-first century. The paper does not attempt to chart a grand strategy for employment expansion, but rather to specify where limited, but concerted, interventions may lead to an amelioration of the unemployment problem.
- 3.2 Dr. Henry outlines a "short list" of issues which configure the present contextual framework. It is within this context, according to Dr. Henry, that policy makers involved in the employment debate will have to grapple in order to find a resolution to the employment problems of the subregion. Decisions made on these issues, he suggests, will have some influence on the ability of the subregion to reverse the trend of unemployment in the future. The list includes:
- An awareness of the demographic factor The paper argued that the presumed benefits of emigration have to be weighed against the severe loss of skills in a subregion where human capital is invariably the main resource in a limited natural resource base.
- Deepening integration in the Americas It is suggested that initiatives such as the North American Free Trade Agreement (NAFTA), the Association of Caribbean States (ACS) and the Enterprise of the Americas Initiative (EAI) are going to change the economic relations between the subregion and the rest of the Americas. In addition because the entire matter of integration is in a state of flux, this creates an unclear environment for the targeting and capturing of markets.

- The technological revolution The technological dynamic is all pervasive and the countries that fail to take necessary action to absorb and to adapt to the new technology are likely to witness an undermining of their productive base, even in areas where they were very competitive and had natural advantages over others. The base of technological ascendancy is knowledge. Moreover, the smaller the country and, therefore, the more closely its resource endowments are coterminous with its human resources, the more crucial would be its investment in people in determining its competitiveness. In other words, production and therefore high employment growth in the Caribbean depend on the level of investment made on human resources. In this regard, the countries of the subregion pale before the examples of Singapore, and South Korea, both poor in physical resources. This is partly reflected in the percentage of the age cohort 20-24 engaged in tertiary-level education and training.
- The march of technology suggests a limited life for some of the activities currently undertaken in EPZs. As a rule of thumb, one can accept the principle that whatever is subject to the routine application of unskilled labour can be robotised.
- Structure of international competition It is true that firms rather than countries engage in production for trade and international marketing. On the other hand, countries compete with one another to attract and keep firms, given the employment and income-generating potential to be derived from their presence. Total reliance on foreign direct investment, however, may lock the subregion on to a low-wage trajectory.
- International mobility of labour Given the importance of skilled, technical, managerial and professional manpower in the production frontier, the availability of high-level resources would be an absolute requirement in creating employment at other levels; in other words, the former are needed to create jobs for the latter. The subregion will have to look at novel arrangements for "redraining brains" and given its large presence as a North Atlantic diaspora, it will be necessary to keep large numbers of people with critical skills on tap available for short periods or in a real time basis, although not for permanent and long-term employment. In other words, it would need to organize its own technical assistance with its own people from abroad.
- Revamping the institutional structure Even as it learns by example, the Caribbean has to create its own model for the changed relationship among the social partners. Far more collective decision-making among the social partners was anticipated, rather than situations in which unions jostle one another in an environment of competitive unionism to win membership.
- Special employment programmes Owing to high levels of unemployment and the enormous change in the social fabric of the societies including the decline of the

extended family, employment relief programmes cannot be dismissed out of hand. It was recommended that such programmes strive for greater transparency and better targeting.

- Small business Structural adjustment, given its protracted nature, has led to the informalization of work and to the autonomous spread of small business. With help, they can be structured to make larger contribution to employment and genuine economic transformation. The infrastructural support in the form of training in product development and marketing cannot be overemphasized. This sector is likely to be the source of genuine entrepreneurship, and will also help in bringing a welcome change to the segmentation in the sociology of business in some parts of the subregion.
- The fall out A veritable industry has developed out of "human face" postures of the World Bank, the International Monetary Fund (IMF) and the Inter-American Development Bank (IDB). There are poverty studies, living standards surveys, etc. All these initiatives are useful except that few governments seem to consistently use the studies which they are indirectly funding to adjust their policies in a truly dynamic way.
- 3.3 The discussion which the paper generated, assisted in the formulation and articulation of recommendations regarding the expansion of productive employment in the subregion.
- 3.4 Participants felt it necessary to reiterate that unemployment was by no means just a problem of underdeveloped or developing countries, but was a global phenomenon of "jobless growth", affecting the industrialized countries.
- 3.5 In the Caribbean, however, the problem was not one of jobless growth, but underutilization of labour in various forms. There was a tendency to think that increased investment would automatically lead to increased employment; this had not been the case and strategies ought to be created in which investment was explicitly targeted to employment-intensive activities. However, in employment generation, the role of the government should change from one of creating jobs to facilitating job-creation and placement mechanisms.
- 3.6 In that light, participants identified a need to develop labour market information systems and build mechanisms to increase the efficiency of labour markets.
- 3.7 It was suggested that the main challenge confronting the subregion was training its people to become more responsive to opportunities and assisting them to acquire knowledge to achieve this. The position was taken that the knowledge factor in the technological revolution and investment in human capital were the two factors at the core of the current situation. There was a call for massive investment in human resources, in particular, in educational information, to be able to bridge the gap and to develop people who were able to seize opportunities.

- 3.8 There was a definite consensus on the need to support the micro-enterprise and small enterprise sector. The flexibility of its institutional setting, particularly with regard to labour standards and the direct linkage between labour and the performance of the economic unit, was seen as the main advantage of this sector. There was concern expressed for what was described as a certain level of ambivalence among policy makers and academics in their evaluation of this sector.
- 3.9 Governments were chided for formally pursuing policies to support the informal sector, but not fully legalizing the informal sector units and thereby almost excluding them from participation in tenders for selling their products or services to the public sector. It was felt that some change was needed in the work ethic in the subregion and that the home environment and the education system should be utilized to create new influences and needed changes.
- 3.10 It was noted that the high patterns of emigration in many Caribbean countries was reason for concern. It was suggested that this loss of human resources was hampering the ability of some Caribbean countries to recover from their present economic and social crisis and restructure their economies. This trend should be reversed.
- 3.11 The document by ECLAC, Santiago, on the Social Summit addresses the issue of expansion of productive employment within the context of insufficient creation of productive jobs and the steady increase in low-productivity and low-income occupations. The paper suggests that these problems continue to plague the countries of the subregion, albeit in a new context.
- 3.12 Not unlike the ECLAC/CDCC secretariat's assessment of the current context, the ECLAC, Santiago, paper identifies some elements as:
- The increasing globalization of the world economy The paper warns that although some may see international integration based on cheap labour as an attractive alternative, this type of specialization is not appropriate to the characteristics and needs of the countries of the subregion.
- Investment in capital formation Any attempt to improve productivity is doomed to failure unless a sustained effort is made to maintain high levels of capital formation.
- Policies to promote production and technologies The prevailing attitude is simply to abandon such policies regarding them as being more appropriate to closed economies, without there being any effective substitute for promoting competitiveness. Behind the argument for non-discriminatory policies may lie the naive and unsubstantiated belief that the mere functioning of markets is a sufficient tool for resolving issues related to technology, business, human resources, competitiveness and international standing.

- Investment in people The process of changing production patterns is affecting the demand for qualified manpower, requiring greater versatility and creativity and less specialization than in the past.
- Changes in enterprises' operating methods A new management paradigm has been emerging from the most successful experiences in which there are greater opportunities and greater needs for cooperation between workers and employers.

Alleviation and reduction of poverty

- 3.13 Although poverty is not a new phenomenon in the subregion, the unavoidable adjustment and economic restructuring processes that many countries undertook in the last decade increased the already high rates of income concentration and caused poverty levels to rise in relative and absolute terms.
- 3.14 The ECLAC/CDCC paper entitled: "Poverty issues and poverty alleviation in the Caribbean", provides information on approaches to poverty measurement and attempts to assess the magnitude of the problem in the Caribbean. The characteristics of poverty are explored and poverty reduction and alleviation strategies assessed.
- 3.15 Poverty is defined as a relational notion, as an assumption that there exists a level of well-being deemed to constitute a reasonable minimum by the standards of that society, below which individuals are considered to be in poverty. The concept of poverty therefore implies a situation in which sections of a population are considered relatively deprived, in terms of access to certain goods and services which are regarded as 'essential' or 'basic', when compared to the rest of the society.
- 3.16 The paper uses 1980 as the bench mark in light of the adoption of structural adjustment programmes in the subregion after that period. Comparing the period before 1980 and after, poverty is seen to increase in almost every country in the 1980s. For example, in the Bahamas, the indicator shows an increase from 1-7 per cent; in Barbados from 8-13 per cent; Guyana 40-74 per cent; Haiti from 74-84 per cent; Suriname from 17-25 per cent; Trinidad and Tobago up from 4.8-22.1 per cent.
- 3.17 The analysis concludes that the adjustment programmes implemented along the guidelines set by the international lending agencies had an adverse impact on the poor. This development prevented the poor from participating more fully in the production processes and retarded their access to health and education. Income inequality in the Caribbean was approaching the levels of some countries in Latin America which traditionally had the greatest levels of income inequality regionally.

- 3.18 Approaches to poverty measurement using basic needs, income distribution and socioeconomic indicators are examined. In addition, the paper explores the dimensions of rural and urban poverty and reviews the poverty reduction and alleviation strategies in use in the region currently.
- 3.19 Economic growth policies and those targeted to rural development which result in increased urban employment are outlined. Human resources development is seen as critical with its twin aspects of education and training, and health and nutrition.
- 3.20 Targeted strategies and policies to alleviate poverty include social security systems, food programmes, credit access schemes, public employment schemes and employment training programmes.
- 3.21 The paper concludes that given the "massive and entrenched character of poverty, even a major shift in resources is not likely to be sufficient to address it in full measure. New resources must be generated at national and international levels for any successful effort to reduce poverty."
- 3.22 At the local level, innovative and creative approaches must be developed to marshall the energies and skills of the poor through community-based programmes and projects. Nongovernmental agents of development can play a critical role of this regard.
- 3.23 At the national level, higher rates of growth, savings and capital formation need to be attained to generate resources for poverty reduction.
- 3.24 Steady growth will thus need to be complemented by targeted policies and strategies for the reduction and alleviation of poverty.
- 3.25 Reduced fertility rates will help poor households to achieve higher standards of consumption.
- 3.26 Three broad areas are identified to which recommendations are addressed: improved information and social support; enhancing health and nutrition status; and improving educational services.
- 3.27 During the discussion which followed the presentation of the paper, it was argued that the lack of data made it difficult to identify and develop targeted programmes to assist the poor and monitor these programmes. It was agreed that the skills to collect data were available but there seemed to be a paucity of skills to analyze data. Although many statistical offices were well equipped, there was a lack of capability in constructing and/or implementing social accounting matrices as well as a lack of commitment to using the measurement devices in the health and nutrition sectors. The lack of comparability of poverty studies in countries and in the subregion, as a whole, aggravated the lack of data and was attributed to the use of different approaches to poverty and to the multitude of agencies dealing with the same issues.

- 3.28 Some concern was expressed with targeted food programmes and training programmes. While the usefulness of these were generally acknowledged, it was pointed out that those programmes put pressure on the existing monitoring mechanisms to ensure that they yielded the intended results. With regard to the training programmes, the experience was that these programmes trained the poor in occupations where there was no demand or trained too many people for one occupation. In some cases, training programmes ceased to contribute to poverty reduction and the investment was wasted.
- 3.29 It was recommended that narrowing down social policy to a safety net concept was not a wise approach, as it too often focused on a welfare type of programme, resulting in transfers to the poor. A broader notion of social policy was advocated which saw social policy as an integrated part of the national development policy. In the same vein, a participatory approach to research on poverty was suggested.
- 3.30 The ECLAC, Santiago, document identifies three main groups of policy interventions for overcoming poverty. These are: policies to restore a sustained process of economic growth and capital accumulation; compensatory policies which meet the needs of people living in extreme poverty and others, such as retired persons and pensioners, who cannot be helped through the provision of employment; those targeted to increase the productivity of the poor by providing manpower training, as well as credit and technical assistance to small business and micro-enterprises. Various social investment funds have begun to be set up in countries of the region, with the task of implementing some of the programmes targeted at vulnerable groups.

Social integration

- 3.31 The ECLAC/CDCC paper entitled, "The enhancement of social integration in the Caribbean, with particular reference to the more disadvantaged and marginalized groups", suggests that the ability to measure the extent of social integration of any group in the society should not only be possible, but is also a desirable goal for policy makers in the subregion. The paper posits the following reasons for this suggestion:
 - (a) The open and fragile economic nature of our societies;
- (b) The historical, social structure which we have inherited and the new formations which are taking shape; and
- (c) The stated goals of our policy makers to build societies which can provide a sustainable level of human development and thus the requirements for social cohesion and stability.
- 3.32 Such action would provide planners with identifiable parameters signaling tendencies towards deepening integration or social disintegration. These signals would allow planners to take more proactive decisions and less reactive ones in the social sector. It would enhance

the formulation and implementation of targeted social plans to reduce the marginalization process of specific groups and increase the possibilities for human development in a given environment.

- 3.33 For the purposes of the paper, social integration is defined as the extent to which categories or groups of people are brought into equal membership in a given society. It suggests that the phenomenon can be measured not only by the extent of access to opportunity, but also by the extent of inclusion, acceptance, participation and control over the institutions and processes of social life, be they economic, cultural or political.
- 3.34 Using the Human Development Index (HDI) as a guidepost both for group identification and for measuring the extent of social integration, the paper recommends some criteria for analysis. These are access to political power both direct (as in voting) and indirect (as in ability to influence); economic power measured by the traditional variables of income, employment and ownership; education, measured both quantitatively and qualitatively, as well as training; health and well being, measured not only by the traditional health indicators but by factoring in new variables such as incidence of HIV infection, the number of AIDS cases, and the incidence of mental ill-health; and finally status, as perceived through acceptance and prominence of world view and the esteem given to those views by the wider society.
- 3.35 The paper notes that all three dimensions of social integration, economic, cultural and political, are of importance as the notion of social integration is not purely an economic phenomenon, nor is it one which modernization and development have adequately addressed. The world environment has witnessed instances when cultural differences have become the basis for inclusion or exclusion of groups of people from the political, socioeconomic or cultural processes of their society. It is on such occasions that culture has become a key dimension in the process of social integration.
- 3.36 Political management, it notes, in a plural society faces numerous challenges arising out of competing claims of different classes, ethnic groups and political actors. Even in countries endowed with a certain degree of cultural homogeneity, sharing of political power has not been easy. In most modern societies, where a plurality of cultures exists this task of empowering marginalized groups and ensuring the participation of people at all levels has proved to be most difficult.
- 3.37 The paper recommends that for some degree of social integration to be achieved, States have to recognize, validate and create mechanisms for decentralization and inclusion of the marginalized groups or communities who inhabit their territories.
- 3.38 To facilitate this task, a method for measuring the extent of social integration of groups within the society is proposed in the paper. The method involves collection and analysis of specific sets of social data over time. In an attempt to test the extent to which existing data would fit the proposed framework, the paper uses existing data to make an

assessment of three groups: (a) those which comprise the poorest; (b) women; and (c) male youth. In that process, some assessment of the position of each group is possible.

- 3.39 The paper concludes that engaging in a process of the measurement of the extent of social integration will allow social and economic planners to take a greater proactive approach to development policies that impact on the social sector; and that from this limited assessment of selected groups in the subregion, it would appear that young males hold the most disadvantaged position.
- 3.40 The discussion which followed added new dimensions to the discourse, and recommendations were elaborated. One identified the inclusion of the effects of the global environment on the level of social integration achieved at the national level. It was suggested that international factors such as economic access to resources, markets and political agendas could have adverse effects on the social integration achieved by any State, particularly small open economies such as are found in the Caribbean.
- 3.41 The paper had posited the question, "does a correlation between poverty and ethnicity or say poverty and youth, constitute a stronger factor for social disintegration than just poverty?" During the discussion, it was suggested that culture might also be a strong factor. If the above statement could be proved true, that groups who possessed differing world views might pose the most significant threat, then it was recommended that policy makers could define strategies which would facilitate greater equity between the differing cultural groups.
- 3.42 There was consensus on the recommendation that in order to achieve greater social integration and equity, it was essential for citizens to be more involved in the decision-making process. The need to build a participatory model was recommended, that would allow for institutionalized consultation between community groups and the national level of administrators.
- 3.43 One of the challenges identified for policy makers was the task of building genuinely consultative mechanisms at the national level, which could focus on the issues identified as basic to the upliftment of all groups.
- 3.44 The ECLAC, Santiago, document suggests that the region contains large segments of socially marginalized persons, who are mainly excluded in the region due to their poor economic status. This differs somewhat from the Caribbean perspective which, in addition to recognizing poverty as a critical feature of marginalization, also recognizes difficulties caused by an ethnically, culturally and religiously plural society.
- 3.45 The document continues to argue, however, as does the ECLAC/CDCC document, that "each of these groups (within the society) should be the target of specific initiatives, hence the need to precisely identify their characteristics and needs".

- 3.46 The paper identifies several integrating factors. These are defined as:
 - Democratically elected governments;
 - Strong family bonds;
 - Education and knowledge; and
 - Cultural pluralism.

4. CONCLUSION

4.1 Key issues arising out of the first round of discussions for consideration by policy makers are as follows:

Expansion of productive employment

- Production and high employment growth in the Caribbean are dependent on the level of investment made on human resources;
- Investment must be explicitly targeted to employment-intensive activities; the role of government should change from one of creating jobs to facilitating job-creation;
- The subregion needs to organize its own technical assistance programmes drawn from the large presence of its people in the North Atlantic diaspora;
- Labour market information systems must be developed and, so too, mechanisms to increase the efficiency of labour markets;
- The subregion must be wary of total reliance on foreign direct investment which may lock it into a low wage trajectory;
- More collective decision-making among the social partners needs to be achieved;
- Employment relief programmes must achieve greater transparency and better targeting;
- The small business and informal sectors require increased infrastructural support in the form of training in product development and marketing;

- Policy makers must consistently use studies on the social sector to adjust their policies in a truly dynamic way;
- Both the formal and the non-formal education systems must be utilized to create new influences to bring about positive changes in the work ethic of the subregion.

Alleviation and reduction of poverty

- Higher rates of growth, savings and capital formation need to be attained to generate resources for poverty reduction;
- New resources must be generated at national and international levels for any successful effort to reduce poverty;
- The energies and skills of the poor must be marshalled through community-based programmes and projects;
- Reduced fertility rates will help poor households improve their standards of consumption;
- Increased skills are required in the following areas: data analysis; and capability in constructing and/or implementing social accounting matrices. Commitment to use the measurement devices in the health and nutrition sectors is necessary;
- Comparability of poverty studies and better coordination between and among agencies dealing with poverty is necessary;
- A broader notion of social policy is advocated which moved away from the safety net concept which focused too narrowly on a welfare-type of programme, resulting in transfers to the poor.

Social integration

- Engaging in the process of the measurement of the extent of social integration is a useful effort; it would allow social and economic planners greater access to information which could result in a more proactive approach to development policies in the social sector;
- States have to recognize, validate and create mechanisms for decentralization and inclusion of the marginalized groups or communities which inhabit their territories;

- A participatory model is recommended that would allow for institutionalized consultation between community groups and national-level administrators;
- More opportunities for citizens to be better involved in the decision-making process must be created;
- Strengthening of the social statistical database and integration of such information into the economic planning processes of the subregion.
- 4.2 It is envisaged that upon completion of round two of the Caribbean preparatory process, the subregion will have achieved greater consensus on these issues and will have argued a Caribbean position for purposes of the regional and international meetings and for the World Summit for Social Development.

			•