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**THE EUROPEAN UNION'S PRIORITIES FOR THE  
WORLD SUMMIT FOR SOCIAL DEVELOPMENT  
(COPENHAGEN, MARCH 1995)**

## Introduction

The globalization of the world economy and technological progress continually increase the degree of interdependence between nations. Simultaneously, the contrast between wealth and poverty is being reinforced, whether between or within nations. Thus, on the one hand, new development poles emerge while, on the other, some regions, which are not yet in a position to benefit from those trends, sink further into poverty. Similarly, all countries, industrialized and developing, are faced with the issue of dualisation of their societies: those economic operators who have been instrumental in boosting productivity, or have grasped the opportunities created by globalization, see their situation improve while those, chiefly the unskilled, who are being excluded from the labour market, underpaid or relegated to the informal sector, are as a result pushed gradually to the fringes of society. As a result, the tensions created by structural unemployment, extreme poverty and social exclusion are at work in all countries; they are aggravated by migration and by the evolution in family structures which make the weakest in society more isolated and vulnerable.

Such trends run counter to the notions of justice and cohesion of the United Nations Charter. They pose a threat to their internal stability, fuelling nationalist and fundamentalist movements, themselves a source of regional tensions and a spawning ground for international terrorism. They may also jeopardize the worldwide move towards democracy, stability, free trade, free movement of capital and market economies, and hence endanger world peace and security.

The World Summit for Social Development is one of a series of UN human development conferences already held (Rio, Vienna, Cairo) or due to take place (Beijing). It should be seized as an opportunity to raise the world's awareness of these imbalances. Its conclusions will permit the re-orientation of national economic systems and international cooperation along fairer and more cohesive lines on which stable growth and sustainable development hinge.

The EU, which has set itself as one of its prime objectives "the promotion of economic and social progress which is balanced and sustainable" (article B of the Common provisions of the TEU), is committed to contribute to this process of greater awareness on the basis of its experience. It wishes to promote at the Social Summit, principles and objectives defined hereafter and ensure their follow-up and the provision of resources to implement them.

### 1. Principles

Firstly, social development cannot be dissociated from democracy; the respect for human rights implies the participation of the whole of civil society, including via dialogue between employers and workers.

The integration of social policies into economic policies is necessary for allowing our societies to adapt continuously to a constantly changing world environment.

The opening-up of markets and the interplay of competitive forces , combined with appropriate macroeconomic policies , constitute a source of dynamism that cannot be substituted for. But it is also necessary that structural actions, on the national as well as international levels, take their place in economic policy-making with a view to ensuring the sustainability of growth and to preventing the development of too wide inequalities. In many instances the twin objectives of sustainability and fight against poverty are pursued through the same actions that are aimed at : enhancing the employment-creating effect of growth, promoting effective and fair access to productive resources (land, credit and education), providing public goods and services aimed at fostering respect for human dignity and eradicating extreme poverty (clean drinking water, food, housing, environment, welfare), improving equal opportunities (between men and women and in education, training and culture), providing minimum social protection against serious misfortune (such as sickness and industrial accidents) and facilitating labour mobility and placement (training, functioning of the labour market). Social integration, especially of migrant workers, should also be reinforced.

The EU has set out to bridge the gap between the various economic and social policies by singling out employment as a new priority. This is the subject of the two white papers presented by the Commission (one on growth, competitiveness and employment, the other on social policy) and of the short- and medium-term action plan for combating unemployment. It is also one of the main concerns of the Community's Broad Economic Policy Guidelines.

The White Paper on social policy outlined an overall strategy designed to bolster the European Union's social policy action and stressed that the creation of jobs, even in appreciable numbers, will not be enough to eliminate social exclusion and poverty and that other efforts are necessary to foster solidarity and muster the support of all those involved in combating social exclusion, foremost among them the Member States and the national, regional and local authorities.

## **2. Objectives**

Among the objectives already identified in the draft UN political declaration ahead of the Social Summit, the EU , taking into account the guidelines established in the White Paper on social policy, should above all strive:

### **(a) multilaterally**

- to secure a commitment from all countries to set and phase in social development objectives in accordance with their level of development. These would relate to: food, primary education, housing, access to drinking water and basic health facilities, schooling, health, jobs, equitable access to the market and to productive resources, the gradual development of social protection systems, higher education and continuing training;

- to advance social rights by encouraging countries to ratify ILO agreements, particularly those on the freedom of association and collective bargaining, and on child labour and forced labour, and ensuring compliance with them. This is because employment can only help reduce poverty and facilitate social integration if working conditions are satisfactory. The negotiations embarked upon at Marrakesh and set to continue within the World Trade Organization (WTO) will help ensure that international trade contributes to social development;

- to ensure that social development policy goals specifically aim to close the yawning gap in many poor and middle-income countries caused by unequal access to land, credit and education (particularly for women);

- to better coordinate cooperation and development policies towards the attainment of social development objectives, respect for social rights and reduction of excessive inequalities;

- to have social development included in the policies recommended and financially sponsored by international institutions such as the IMF and World Bank, particularly structural adjustment;

- to ensure that international free movement of capital, which is vital for the development of the South and modernization of the East, takes place within a legal framework so that precious development resources are not diverted towards criminal activities (drugs, corruption and terrorism) or improperly avoid taxation;

(b) bilaterally , to secure, from countries which receive financial aid from the Community or benefit from its trade preferences, reciprocal undertakings :

- to ratify and comply with the above multilateral agreements;

-to give priority to job creation and the fight against poverty in cooperation programmes for development between the EU and its partners by reducing inequalities and striving to have such goals included in their domestic policies;

- to give priority in granting aid and trade preferences to countries which undertake genuine and effective social development strategies.

- in Africa in particular, the EU should use its aid and cooperation instruments to support and strengthen domestic efforts to enable countries to gain a sounder foothold in world trade and foster investment growth;

- in Central and Eastern European countries in transition it is essential that the benefits of reform are realized as rapidly as possible while reducing the resultant social risks by assisting those most disadvantaged by the social effects of the changes under way. The EU will increasingly take into account the social dimension of development in programmes designed to support the economic and political reforms.

### **3. Means: resources and follow-up**

#### **(a) Resources**

The debate should not focus solely on the 0.7% objective for official development aid (ODA). Clearly, that target is still an important one and those countries which are furthest from meeting it should be encouraged to work towards it to spread the aid effort better. Further, cost/efficiency and targeting of ODA need to be improved.

However, the whole issue of development resources needs to be looked at in the much wider context of sound domestic policies and the growing role of exports and private capital flows between North and South through liberalized international markets.

Fundamental to the generation of sufficient development resources and their effective use are an increase in global savings through appropriate national macroeconomic policies (including a cut in excessive budget deficits) and moves to make investment more effective by liberalizing international financial markets and adopting domestic structural policies geared towards efficiency and fairness (by ensuring proper access to productive resources and markets in order to integrate the informal sector gradually into the economy).

Developing countries and countries in transition which are embarking on social development strategies should be encouraged to direct public spending away from heavy military spending towards precise social development objectives and to introduce fair systems of taxation in which incomes are taxed on a progressive basis. Reduction in military expenditure will be facilitated by the reinforcement of regional cooperation with the aim of creating a climate of trust and of reducing instability.

The international community must in turn support domestic policies for mobilizing resources for development by liberalizing markets to encourage the flow of capital and the transfer of technology and know-how, particularly through joint ventures, to developing countries and economies in transition. Ratification of the Uruguay Round agreements and implementation under the WTO of the Marrakesh agenda, including the link between trade and social development, are important in this regard. Similarly, ODA needs to be made more effective and the debt burden of heavily indebted countries, particularly in Africa, alleviated. The efforts of countries in transition should also be supported.

## (b) Follow-up

Responsibility for the follow-up of the Social Summit will lie primarily with national governments. At the same time, the Summit will offer a unique opportunity to push for fuller integration of social development issues within the UN. More specifically, the UN should offer a forum for countries to compare notes on the Summit's three central themes. Any follow-up must be take place within the framework of existing institutions, with the General Assembly, ECOSOC and a revitalized Social Development Commission all playing a role. It is also vital that UN bodies and specialized agencies, the Bretton Woods institutions and the WTO should play an active part in following up the Summit in those areas in which they are competent.. The Summit should also underscore the need to promote a coherent and coordinated approach to social development through closer cooperation with UN bodies and agencies, the ILO, the IMF, the World Bank and the WTO.

## Conclusions

The World Summit for Social Development should give meaning to the globalization of the economy by setting the goal of development centred on people and rooted in a set of principles and rules espoused across all continents and in all countries in order to avoid any risk of confrontation and to ensure maximum exchange and cooperation between countries. In the context of an international order which sets objectives and standards of fairness and social progress that mesh with policies for stable growth and sustainable development, national policies should be geared explicitly to reducing poverty, fostering productive employment and ensuring social integration whilst protecting the environment.

At national level, poverty and social exclusion must be tackled and prevented first and foremost by ensuring genuine and fair access for all to productive resources and markets and to a minimum of social protection. But eradication of poverty and exclusion also entails taking systematic action to tackle the problems at root: key facets of such action include participation founded on democracy and human rights (including equality between men and women), the satisfaction of basic needs in terms of decent housing, food and health through the solidarity of society as a whole, and the provision of education and training. Furthermore, action by voluntary associations close to the grass roots should be supported by the state and by the regional and local authorities.

At international level, respect for democracy and human rights must be widened and safeguarded and the multilateral negotiation of social standards encouraged, particularly through the ILO and ECOSOC. Those standards should be integrated into the policies of UN bodies and agencies, the WTO, the IMF and the World Bank, all of which should set clear and concrete human development objectives. Bilateral and multilateral aid devoted to social programmes should be stepped up in order to support the necessary transfers of internal resources to human development, in particular within public budgets.

Monitoring of national policies and international cooperation should be systematic so that substantial progress can be registered at the next Social Summit due to be held in 2005. For its part, the European Union will continue its efforts, while opening up its markets as wide as possible, to create the millions of jobs that are needed, to prevent social exclusion and to overhaul, with that object in view, its systems of social protection. It will strive to eradicate poverty and to integrate all sections of society.

Finally the European Union as major provider of development aid is determined to continue to make a substantial contribution to international action both in multilateral negotiations on standards and conventions and in cooperation with its partners among the developing countries.