

NEWS AND VIEWS . . . from ICSW

I usually leave a conference with at least one or two strong impressions. I have a very outstanding recall of one paper presented at the ICSW 32nd global conference held in Brasilia in July 2006.¹ The paper, 'Entry Points for ICSW to Promote Social Justice in National Poverty Reduction Strategy Processes', was a challenge to ICSW from one of our donors.

Since 2000 poverty reduction has become a narrow concept through an obsession with the Millennium Development Goals (MDGs). It is ironical to call them goals as the MDGs represent minimum targets. Poverty reduction is more multi-faceted than the MDGs, since it requires a comprehensive approach to social policy and a balance between economics, society and environment.

The multi-dimensional approach to poverty reduction requires an interrelationship between economics (income, consumption and assets); politics (rights, freedoms, voice and influence); social cultural issues (status, respect and dignity); human needs (health, education, food and water); and security (risk, vulnerability, social protection and social risk management). The multi-dimensional approach is in stark contrast to our present reality. The international financial institutions are focused on targeted, efficiency-based policies. These policies have eliminated the concept of the universal provision of services.

Donor agencies and the international financial institutions have over the last decades changed their approach to poverty reduction from donor-driven projects to structural adjustment programmes and, more recently, budget support. The budget support is to assist countries to implement their national poverty reduction strategies.

ICSW has been critical of the structural adjustment programmes, which are imposed from above as a condition of large loans to countries. The structural adjustment programmes arose from the

'Washington consensus', a grid of economic policies that were imposed on all countries regardless of local needs and conditions. South American countries in particular suffered under neo-liberal enforced policies. Privatization of pensions was one imposition that was introduced in many of these countries, with disastrous consequences for individuals when private pension schemes collapsed.

An underlying assumption of structural adjustment programmes was that social benefits would flow from the economic changes. No attempt was made to combine the three components of development – social, economic and environmental.

Even with the move to a policy of budget support by the international financial institutions, the imbalance remains at national and global level. It is worth considering the structural reasons why this imbalance exists. First, at the national level the economic ministries of government are the most powerful part of government. Social ministries are seen as spending departments. In the neo-liberal environment spending on welfare and health is at best a necessary evil. At the worst, welfare and health are not seen as the business of government. Neo-liberal economists prefer to outsource the provision of services, so that they do not draw on the government budget. This links with the concept of individual responsibility rather than a society that seeks social inclusion.

The politics of influence has changed at national level with the rise of privatized services: a new or enhanced actor has arrived. This is the business lobby. In the past this lobby concerned itself with matters directly related to commerce and industry, but it has extended its interests. It is now representing the interests of the commercial providers of services. A generation ago water, health, gas and electricity were considered public goods. No longer. They are now owned by companies. These companies have a great influence on government policies and budgets in the provision of what were once public goods.

But, and it is a big but, what is the countervailing lobby to economic and commercial interests? If we turn to welfare, we find a poorly organized and underresourced lobby. The civil society lobby cannot match the influence of commercial interests to create a balance between economic and social.

Turning to the global level, I have referred above to the international financial institutions, the best known of which are the World Bank and the International Monetary Fund. They cover the economics of poverty and within the environment of international financial institutions they have developed consistent

economic policies. But the social side of development is seen as the responsibility of the United Nations and the International Labour Organization (ILO). Here lies a big problem. The UN agencies are notoriously fragmented. Consider the multitude of separate agencies, for example: the World Health Organization (WHO), the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), UNAIDS. What chance do we have for a coherent approach to global social policy when international social policy is the province of multiple fragmented agencies?

ICSW seeks to create a balance between economic and social development. To achieve a balance, ICSW works to strengthen the ability of civil society to link economic and social development.

Influencing debates and policy occurs at different levels. A consistent impact on policy makers requires that each level is mutually dependent. The first level is the local level, the second is the national level, the third is the regional level and the fourth is global. A gap in any of the four levels reduces the impact on policy and programmes.

The building blocks in ICSW's strategy are the national umbrella organizations for social welfare and development. As the major instruments of ICSW's long-term strategy, national councils are the most important part of the ICSW membership. Umbrella organizations are genuinely rooted in their own countries. They are indigenous and autonomous in each country and are not subsidiaries of international NGOs. They have direct links to the poor and disadvantaged sections of society through their members, who form a democratic structure. Unfortunately the building of these organizations has a history of intermittent effort coupled with inadequate resources. No wonder then that civil society continues to have a small impact on poverty reduction strategies in many countries. And this is not only in the South. During 2007, ICSW is conducting workshops at the World Social Forum and the Commonwealth People's Forum, on building national councils and influencing government budgets. Intensive training in the same areas will be occurring at country level throughout the year.

ICSW wishes to see international NGOs become major actors in the UN agencies, the ILO and the World Bank. This requires new resources to strengthen social policy in these environments.

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Note

1. The details of the ICSW workshops and the papers presented in Brasilia appear on the ICSW website:
<http://www.icsw.org/globalconference.htm>