

**STATEMENT BY AMBASSADOR BAGHER ASADI (ISLAMIC REPUBLIC OF IRAN),
CHAIRMAN OF THE GROUP OF 77, ON AGENDA ITEM I(a): "ENHANCING SOCIAL
PROTECTION AND REDUCING VULNERABILITY IN A GLOBALIZING WORLD", 39th
SESSION OF THE COMMISSION FOR SOCIAL DEVELOPMENT**

New York, 14 February 2001

Madame Chair,

It is indeed a pleasure for me to offer, on behalf of the Group of 77 and China, our heartfelt felicitations to you and other distinguished members of the Bureau for your meritorious election to this important office. Your proven record and self-dedication to the cause of social development will certainly be instrumental to a more committed and sincere response by all negotiating partners and stakeholders to the challenges lying ahead as well as to a more gainful outcome for social protection of all, especially for those most in need.

I would also like to express my gratitude to the Secretariat for their hard work and professionalism as well as for the rich documents prepared for the consideration of the commission.

Madame Chair,

The Group of 77 and China attaches great importance to social protection and vulnerability as focused in the title of the priority theme of the 39th Session of Commission for Social Development and views them as significant components of social development which have to be defined and outlined in the light and context of Copenhagen outcome. This may easily be inferred from the Copenhagen document as far as social protection is concerned that poverty eradication is the umbrella priority and thus the principal objective in any attempt to define social protection or its functions.

According to Programme of Action of the World Summit for Social Development, social protection systems should protect people from poverty through inter alia: ensuring that social safety nets associated with economic restructuring are considered as complementary strategies to overall poverty reduction, increase in productive employment, exploring a variety of means for raising revenues to strengthen social protection programmes, ensuring that social protection and social support programmes meet the needs of women, particular efforts to protect children and youth, promoting family stability, promoting the innovative efforts of self-help organizations, professional associations and other organizations of civil society in this sphere. Poverty has various manifestations, including lack of income and productive resources sufficient to ensure sustainable livelihoods; hunger and malnutrition; ill-health; limited or lack of access to education and other basic services; increased morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments; and social discrimination and exclusion. It is also characterized by a lack of participation in decision-making and in civil, social and cultural life.

The report of the Secretary-General acknowledges that there are substantial differences among societies in terms of how they approach and define social protection. Differing traditions, cultures and organizational and political structures affect definitions of social protection, as well as the choice about how members of society should receive that protection. As agreed in the Copenhagen document, poverty is a complex multidimensional problem with origins in both the national and international domains, and hence not subject to a uniform solution to be applied globally. Rather, the solution is to be found in country-specific approaches to the phenomenon of poverty. Social protection, as an overriding priority in poverty eradication, is also subject to the same principle.

The report of the Secretary-General accurately reflects the varying conditions in different countries with

regard to their different approaches towards funding of social protection, inter alia, in the public sector where the composition of expenditures and the share of tax revenue in the national income reflect the degree and type of government intervention. Some governments grant social protection rights to their citizens and therefore universal and accessible coverage lead to large public social expenditures. On the other extreme, governments may adopt a market-oriented approach to social protection, and may therefore regard the latter as a service to be provided and delivered by for-profit market mechanisms. In this case, governments explicitly shrink their social expenditures and provide a minimum base line to the very vulnerable.

The issues of social protection and reducing vulnerability are not new to the Commission for Social Development. As we all know, they were addressed in Copenhagen. The existence of social protection systems promotes more humane societies and can be recognized as one of the great social achievements of the twentieth century. The Group of 77 and China considers social sector expenditures as productive and supports the notion of mutual supportiveness of economic development and social protection in circumstances where there is "adequate resources" available. In other words, as accurately outlined by Mr. Desai, a process of economic growth which generates resources is necessary to address social protection and vulnerabilities. Therefore, social protection programmes should not be approached or, worse still, labeled as unproductive financial burdens but as an investment for social cohesion and betterment of condition of human beings, and hence, of the society in its entirety. It is, of course, understood and granted that these programmes should be cost-effective and benefit country specific situations and the level of development of the country concerned. Moreover, we all need to have a fresh analytical look at the issues of social protection and reducing vulnerabilities in the light of the still on-going globalization process and its impact on social development.

Globalization remains a potentially powerful dynamic force for growth and development. It carries the potential of improving the overall performance of developing countries in social arenas by, among others, opening up market opportunities for their exports, promoting the transfer of technology and by increasing the financial resources available for investment. Maximizing the benefits and minimizing the risks of globalization requires that the international community address the imbalances and asymmetries in the international economy. Particular attention is called for in the field of information technology and the digital divide, which if not bridged, will inevitably be unfortunate as it will result in further widening the gap between the poor and the rich, thus rendering many possible changes in social arena impossible or meaningless. "Sustainability" has little meaning in a world marked by poverty and inequality. It should be quite clear to all of us now that globalization, albeit a reality, is nevertheless subject to policy options. Nowadays, social development and provision of social protection should be understood and approached in a dynamic manner, and thus reflective of unfolding developments and evolution of vulnerabilities or emerging forms of underdevelopment. Going back to the question of digital divide, let me underline in very clear terms that if serious and expeditious attempts are not made by the international community to bridge the ever-widening chasm between the developed and developing countries, we will be facing, on a massive scale, new and more complex forms of vulnerability.

In Copenhagen, governments committed themselves at the national level to develop and implement policies to ensure that all people have adequate economic and social protection during unemployment, ill-health, maternity, child-rearing, orphanhood, widowhood, disability and old age. And, at the international level, the commitment was made to promote and implement policies to create a supportive external economic environment, through, inter alia, cooperation in the formulation and implementation of macroeconomic policies, trade liberalization, mobilization and/or provision of new and additional financial resources that are both adequate and predictable and mobilized in a way that maximizes the availability of such resources for sustainable development, using all available funding sources and mechanisms, enhanced financial stability, and more equitable access of developing countries to global markets, productive investments and technologies and appropriate knowledge. Now, six years after the Social Summit and given the higher state of our deliberations, it appears that the issues of vulnerability and social protection still need to be addressed in

the context of globalization and its social offshoots. Moreover, in light of the lessons learnt from the financial crises in recent years as well as the growing global inequality and its negative impact on social development, a complex process in itself, a more vigorous consideration of distributive justice at all levels is very much needed to serve as an effective shield against new vulnerabilities and the consequent social and economic instability.

Madame Chair,

Mobilization of resources for social development is difficult without strong and sustained economic growth, which in its turn allows countries to generate the fiscal resources that are needed to fund the introduction of effective social protection programmes. However, the formative and complementary nature of the mobilization of international resources to the resources mobilized through national strives hardly, if at all, needs to be emphasized.

Madame Chair,

To conclude, let me wish you all the best and just underscore, once more, that the Group of 77 and China is looking forward to cooperate with you for the best possible results and engage in any constructive dialogue aimed at contributing to a better future for all, especially the most vulnerable ones.

Thank you very much, Madame Chair.