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# World Picture of Poverty, Unemployment, Inequality and Injustice portrayed During Summit Talks & Quest for Solutions

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— A.B. Bardhan

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April 21, 1995

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Unemployment, Inequality and Injustice conveyed  
during Summit talks  
A Quest for Solutions

### **In Lieu of a Preface**

This booklet is a compilation of facts and expressive cartoons about the issues discussed at the World Summit in Copenhagen (March 6 to 12, 1995). They tell the story forcefully, and require only occasional comments.

They are reproduced and printed here because of their educative value. We acknowledge our debt to the original contributors.

A.S. Bhatnagar

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**D**eliberations leading upto, and during the World Social Summit at **Copenhagen** have focussed attention on the vast dimensions of the problems that have accumulated in the world today, and the disaster that looms on the horizon if these are not urgently tackled. It became the occasion when a wealth of facts and figures were revealed about the actual situation that exists in relation to poverty, unemployment and the unjust and inequitable sharing of the world's wealth and resources. It gave the lie to capitalism's claim of the humane society under its system, and exposed the New World Order that it seeks to project.

Billions of words were spoken and tons of papers written on the themes of poverty and its eradication, on unemployment and how to remove it, on threats to the environment and how to protect it, on growth and development, on aid and trade, on social and gender inequality and how to change it, and so on.

The naive would be easily taken in by all the honeyed words and beautiful phrases in the speeches and declarations of official spokesmen and heads of states and governments who gathered at Copenhagen, taking time off from their preoccupation with the more serious business of power and governance to talk about poverty, unemployment and social integration! But then people have learnt from many earlier summits, which were not so dramatic, as to what is the ultimate outcome. In the host country of Denmark a poll had been conducted on the eve of the Summit. Only 15 percent of those who were questioned thought that the Summit would contribute to alleviation of poverty. The expectations were not exactly pitched high!

As discussions proceeded within the official committees and working groups, or among the various groupings of countries, - the G-7, the G-77 (which actually includes 132 countries, plus China), the European Union, the O.E.C.D. the ASEAN, the Organisation of African Unity, the Latin Americans and so on, or within the hundreds of NGO caucuses holding parallel

meetings at the Holmen Centre, it became more than ever clear that the prevailing world capitalist system has failed to solve the problems of poverty, unemployment, environment etc., or undertake even a prudent and equitable management of the world's fast depleting resources. Nor had the leaders of this capitalist world any radical solution, any sure remedy to offer, except for thrashing out ambiguous formulae and inane compromises which, if anything, show a total absence of political will. It was rightly said in a Danish paper that there is "All bark and no bite at the poverty talks"!

**Fidel Castro** in his characteristic frank and hard-hitting style, exposed the hypocrisy of the developed capitalist countries, — the lie and the absolute swindle hidden behind their high sounding words. Those who were soaring high on a lofty plane were rudely brought down to terra firma by Castro's speech.

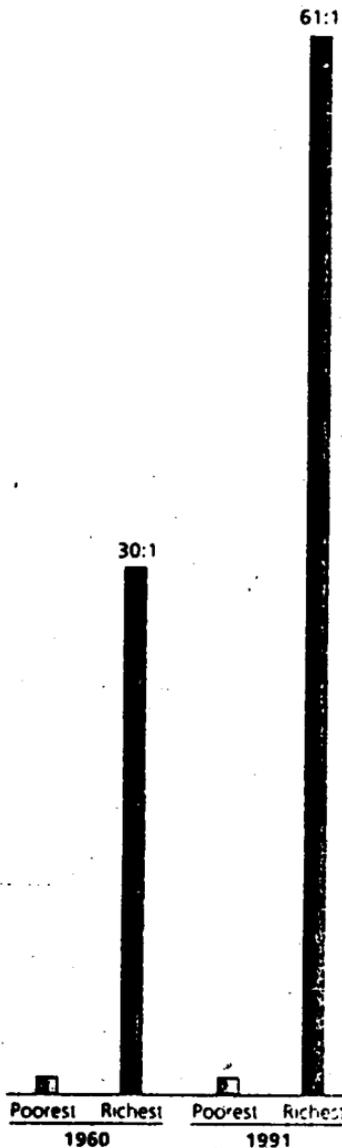
Then what was the rationale behind this global exercise which impelled 190 countries and more than 110 heads of states or governments to participate? It was the realisation that the accumulated problems affect not only the world's poor and deprived, but constitute a threat to the system as a whole. There is genuine worry among far-sighted leaders and thinkers. Among them are some who are earnest about the need to tackle the problems that stare them in the face, even if they do not see any way to radically change the system, to transform it in a revolutionary direction.

One of the most sincere among them had this to say about the Summit Declaration : "It is not a total disaster, but certainly not a visionary charter for a new social order in the 21st century" (*Mahbub ul Haque : Press Interview*).

Let us have a look at the state of the world today, as revealed by the facts and figures put out at the Copenhagen talks and culled from the documents circulated there :

\* 1.3 billion people out of a world population of 5.6 billion

FIGURE 2.6



**The widening gap between the rich and the poor**

Ratio of income shares —  
richest 20% . poorest 20%  
of world population

still continue to live in absolute poverty and on the edge of starvation.

\* 800 million people actually go to bed hungry. And all this at a time when the world's resources, its production potential and the advance in science and technology are capable of meeting their requirements in food and other necessities.

A computerised poverty clock put up at the NGO Forum dramatically showed that in just six days while the Summit deliberated, 473, 548 more people were added to the global toll of people living in absolute poverty. During the week 210,000 children around the world died from poverty-related hunger and disease. Similarly, each year 3.2 million children die for lack of sanitary water. This underlines the urgency of the problem.

The growing dichotomy of the rich and poor among people and countries is glaringly demonstrated by the following figures :

\* The richest 20 percent of the world's population hold almost 83 percent of the

world's wealth. The poorest 20% control only 1.4%. This was 2.4% only 30 years ago.

- \* The poorest of the developing countries have more than half of the world's population, but only 5.6% of the world's income.
- \* Throughout the world as a whole, 358 people control over 62 billion dollars and therefore command a corresponding share of world's goods.

**Control over resources** is the only way to have control over livelihood and advance towards development and prosperity. How is this control shared among people and countries?

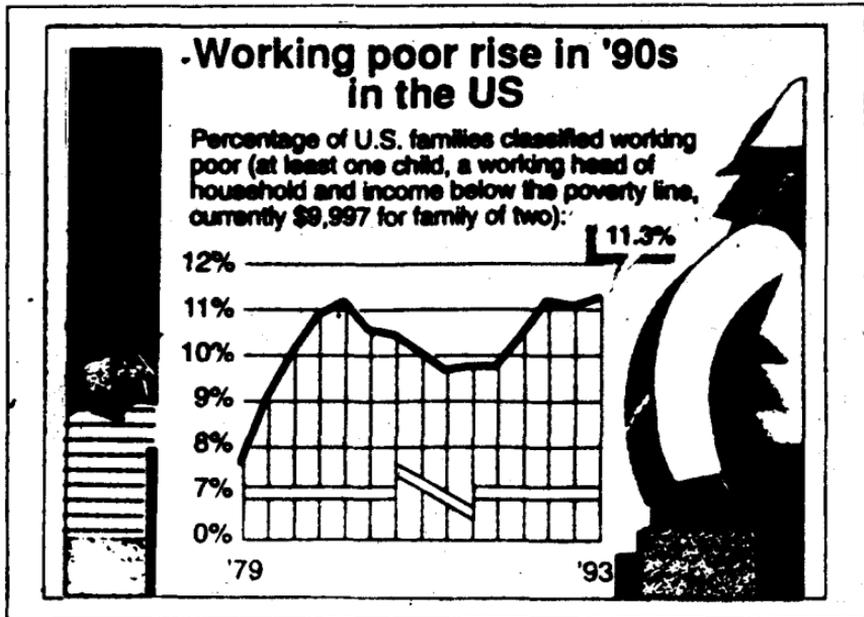
- \* The handful of industrialised countries consume 70 percent of the world's energy, 75 percent of its metals and 85 percent of its woods. Naturally, they generate a similar proportion of waste in this 'One World' which is the common habitat of all. They are supposed to be a model for the developing countries to emulate. To these developing countries though, they preach the obligation, not to pollute the environment.



Then again, there are —

- \* 20 percent of the world's population have more than 85 percent of economic opportunities like trade, investment or commercial credit.

There are of course large areas of poverty and misery even within the developed countries, just as there are islets of rich and affluent in the Third World countries. One can see this growing poverty in that Eldorado of capitalism — the United States.



There is good deal of talk about **environmental standards** today. People have woken up, even though rather late, about preventing environmental pollution and protecting the ecological balance. Voices from the developed capitalist countries are the loudest on this score. Actually the profligate consumption in which the world's rich indulge is the single biggest factor in destroying the environment, and upsetting the ecological balance. Thus :

- \* U.S. alone accounts for 23 percent of the world's carbon

dioxide emissions. It is the acme of a profligate and 'consumerist' society, which it preaches to others with the backing of the entire media which it controls.

- \* The Asia Pacific Region where geographically the world's large forests were located has suffered a reduction of 9 percent or by about 45 million hectares between 1980 and 1990. The yearly average forest loss is nearly double the annual replanting rate of 2.1 million hectares.
- \* The Amazon forests are being denuded by capitalist predators at a rate which can spell disaster for global ecological balance.
- \* Global warming is at the root of the largest iceberg in world history breaking off from the Antarctic ice-cap and floating loose in the oceans. Dangerous fissures have been noticed in the ice-cap.

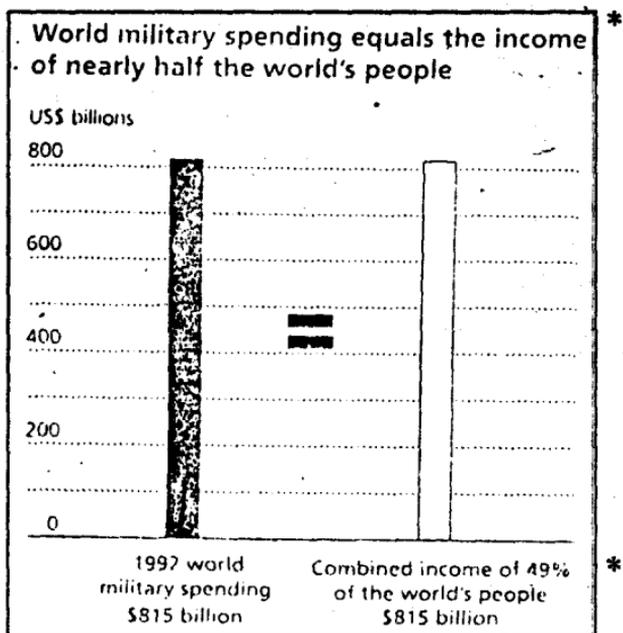
When there is talk of **labour standards**, uppermost in people's minds is the dimension and plight of child labour.

- \* Throughout the world, some 80 million children between the ages of 10 and 14 are employed in work that interferes with their normal development. When we consider that in India, for instance, children above the age of 6 are also dragooned for work in industries that are hazardous, the picture is even more grim. These children are exposed not only to exploitation, but also to moral, physical and sexual abuse - especially the girl child.
- \* Another 30 million live in city streets. Incidentally, calculations have been made that, in order to,
  - provide universal access to and completion of primary school,
  - reduce severe and moderate malnutrition to half the 1990 level for children under 5,
  - halve the 1990 maternal mortality rate,

- reduce infant mortality by 1/3rd or to 50 per 1000 live births,
- reduce under 5 child mortality by 1/3rd or to 70 per 1000 live births,
- assure universal access to safe drinking water and to basic sanitation,
- and other basic goals,

about 40 billion dollars per year would have to be spent for the rest of the decade.

Is this feasible? Is it possible? Let us have a look on what and where money is spent liberally.



The world military spending in 1992 amounted to 815 billion dollars. This is equal to the total income of nearly half the world's people.

Even a reduction of 2.5 percent

in money spent on buying and building weapons every year would be enough to educate 130 million children in the developing countries who at present do not go to school. Many of them cannot be pulled out of child labour to which they are condemned, because they have no access to schools, nor are there incentives and

conditions to keep them in schools once they are there. Even a one percent cut in military spending would provide basic education for 50 million more children.



- \* Unfortunately, the developing countries themselves provide a highly profitable market for the military - industrial complex of the developed countries, for the manufacturers of lethal weapons based on the latest state of art technology so that they can acquire the most sophisticated method of killing each other.
- \* Developing countries spend no less than 130 billion U.S. dollars every year on military hardware. Nevertheless there are some parties and people at the top in every country who are 'super patriots', and who always find grounds for demanding further hefty increases in such

military spending. When guns and explosives accumulate, killings and conflicts inevitably follow. Thus, it has been estimated that since the end of World War II, nearly 23 million have been killed mostly in the developing world, as a result of war. In the Third World, the chances of dying from malnutrition and disease are 33 times greater than the chances of dying in a war. Yet here we have 20 soldiers for every doctor.

It was accepted on all hands that **unemployment is a primary cause of poverty**. Therefore any policy of growth which does not pay attention to the removal of unemployment, — what is termed as 'jobless growth,' cannot eliminate poverty for the affected sections.

\* Within the world labour force of 2.8 billion, 1 out of every 10 cannot find work at a living wage. In the developed world there exists a system of unemployment allowance as an element of social security. This came about as an integral part of the concept of a 'welfare state', mainly under the impact of the existing socialist world and the Keynesian economic belief which was then the rage. In recent times though, there are moves to cut down on social spending, and hence reduce the allowance paid to the unemployed. In developing countries, where we do not yet have a regular scheme of unemployment allowance, unemployment reduces a job-seeker and his dependents to acute penury. Here unemployment and poverty have a linear connection.

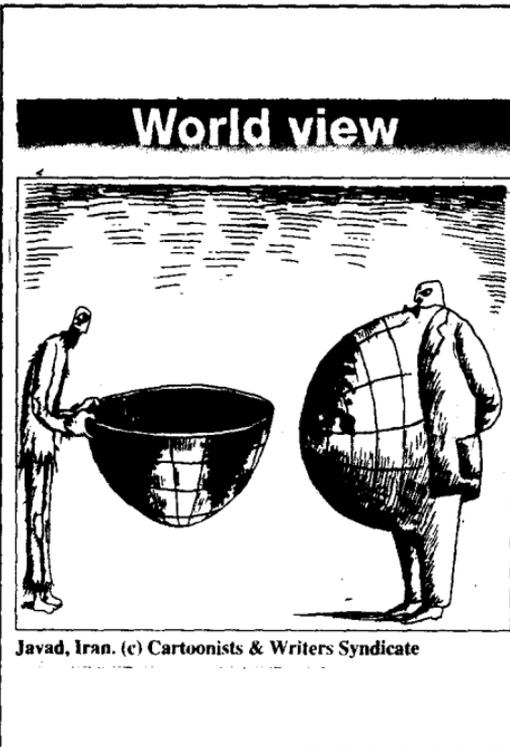
\* Household work done by women is not computed anywhere, irrespective of whether the woman concerned holds any other job outside the home. In rural areas especially, and in some informal sectors worldwide, 40% of women work for no wages at all.

There is a good deal of talk about Aid from the developed countries for the developing countries. Years back, under the aegis of the United Nations, these countries were urged to contribute **0.7 percent of their G.N.P.** towards Overseas Development Aid. It turns out that only very few countries,—Scandinavian mostly, had reached this target or exceeded it.

For all the lofty talk at the Summit, the developed countries did not commit themselves to honour this earlier plea, either with immediate effect, or within a reasonable period. Only France admitted that it had by now come up to 0.63 percent, and hopes to come up to 0.7 percent in the next few years.

The U.S. First Lady, **Hillary Clinton**, making an appearance at the World Summit from which her husband preferred to keep away, chose March 8, International Women's Day, to announce that the U.S. would grant 100 million dollars towards educational

programme for girls in poor countries. When we divide this amount among three continents —Asia, Africa and Latin America, and spread it out over 10 years (as intended), then the 'magnanimous' gesture turns out to be nothing but a mere pittance, a drop in the ocean. This practice is typical of Big Capital which expropriates billions in profits and interests, and then doles out a pretty penny in charity to ease its conscience.



Javad, Iran. (c) Cartoonists & Writers Syndicate

\* Actually, the aid given by industrialised countries fell markedly in 1993 after remaining stable for the past 20 years. It declined from 61 billion dollars disbursed in 1992 to 56 billion dollars in 1993.

Western nations shot down a G-77 proposal for the creation of an International Fund for Social Development at the Summit Talks.

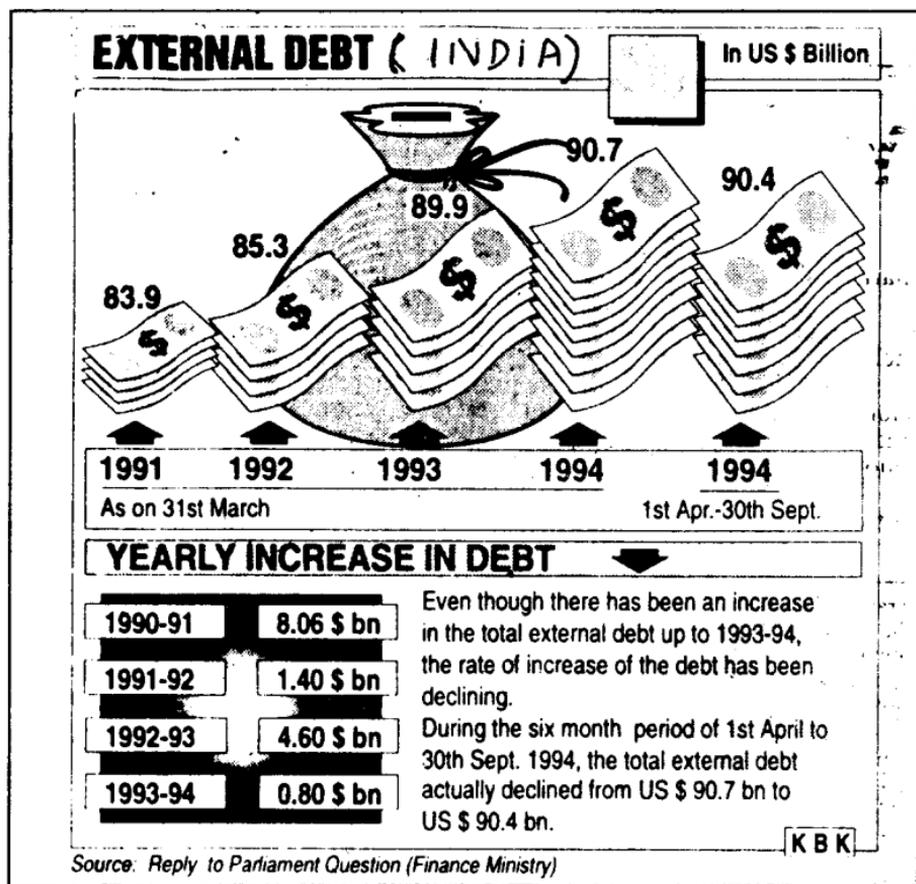
**Mr. Tobin**, winner of the 1981 Nobel Prize for economics, had drawn attention to the fact that about 1 trillion dollars cross the international frontiers every 24 hours in response to the slightest tremor in interest or currency rates and for speculative purposes in stock exchanges. Money transactions in the foreign exchange markets are purely speculative, not for international trade. Moreover, such global transfer of capital per year is more than 30 times as high as regular global trade. It represents the vast scale of operation of 'foot loose hot money', of finance capital on the rampage. A mere 0.5 per cent speculation tax would generate upwards of 150 billion dollars a year, - which is three times the money donor countries currently say they give to poor countries. This proposal, which has come to be known as *Tobin Tax*, was however only talked of in the lobbies, or in the unofficial meetings of the NGO's and in a few newspaper columns. Nobody in official circles took serious note of what in fact is a stupendous problem, and an infinite reservoir of money.

What can be the possibility of diverting or earmarking resources for social development in the poor countries if they are enmeshed in debt and have to set apart anything from 50 to 75 percent of their budgetary resources towards payment of interest, not to speak of principal? A number of countries are already in the debt trap, and India is perilously close to the brink.

\* **Foreign debts of the developing countries currently amount to more than 1.3 trillion dollars.**

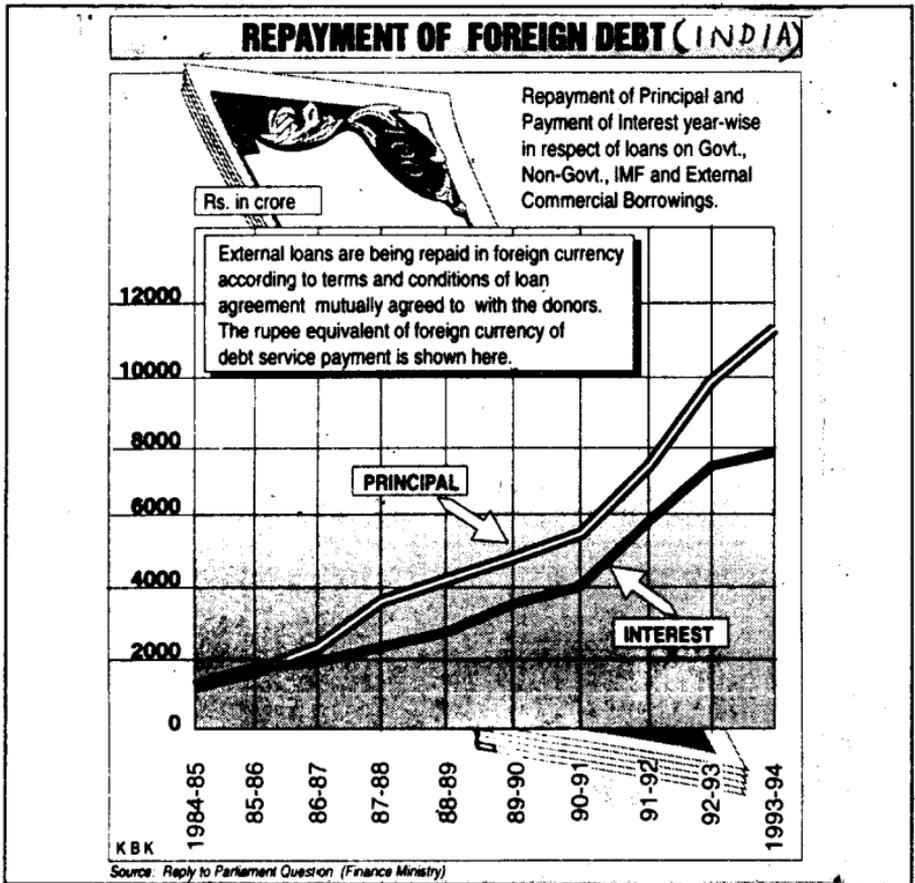
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Mainly due to payment of interest on these debts, and repatriation of profits on investments as well as negative balances of trade, the net transfer of resources to the developing countries has turned from a positive flow of nearly 43 billion dollars in 1981 to a negative flow of nearly 33 billion dollars in 1988. Since then, the trend has worsened.



For every dollar of debt repayment, there is a corresponding cut in the poor countries' capacity to feed their own people, to educate their children, to fight back disease. It expresses itself in a good deal of human despair. The time has come to cancel debts, for in most cases they are arithmetically and humanly unpayable. In the long run it would also affect the creditor countries, for the

developing countries would lack the purchasing power to buy their products.



Denmark showed the courage to write off 166 million dollars. Austria followed by writing off 118 million dollars. Yet the bigger industrialised countries refused to follow these examples. They showed no willingness to cancel debts owed to them. The so-called compromise reached on this issue assures nothing except further dialogue and case by case decisions. This can only mean that the cases of countries which are of political and strategic interest to the particular creditor country might be favourably considered. Not so, the others. Just as

debt was a political weapon, its cancellation would also become so.

As to the IMF, World Bank and the IDB, it was stated that they will not write off debts. It is in their charters and they cannot be changed just to enable cancellation. But under the pressure of public opinion it was stated, "other alternatives are being studied". One wonders, what other alternatives?

Most noticeable in the discussions (not only in the nonofficial, but also in the lobbies of the Official Summit), was the distrust in relation to the IMF and the World Bank. These two Bretton Woods Institutions, whose golden jubilees are being observed now, are the avowed instruments of the Developed Capitalist countries, with America virtually calling the shots. They were at the receiving end almost in all debates, and were loth to appear in any confrontation, even though repeatedly invited. One journal actually came out with the headline, "World Bank and IMF Run Away", to underline their shyness. During the Summit week there was a militant demonstration against the two, in which representatives from all continents participated.

The two institutions are brazen and powerful enough to weather such storm, but one thing became clear : The global tide is running against the IMF/WB dictating conditionalities and imposing adjustment models on the developing countries who are required to approach them to meet their difficulties.

It was pointed out with irrefutable facts and figures, that the structural adjustment policies of the IMF and World Bank had in most cases actually worsened the situation of the poor. The dichotomy of the rich and the poor has widened. Real wages have dropped. Access to health and education has been reduced. Measures of social security have received a set back, and funds available for this purpose have shrunk. In some countries, as a result, the decline in infant mortality has slowed down or has

stopped entirely, and this can be directly attributed to the policies pushed forward by the IMF and the World Bank.

**The budget has made fiscal adjustment even more difficult because there is a shortfall in excise and custom revenue.**

### FISCAL FACT FILE

	82-83	83-84	84-85	
GDP Growth	5.8	2.1	3.6	5.3
Wholesale Price Index	12.1	12.1	8.6	8.4
Consumer Price Index	13.6	13.1	8.9	10.4
Gross Final Deficit	8.2	8.2	7.3	6.7
Overall Deficit (Rs crores)	7,208	7,208	9,060	8,000

ET Graphics / JAYEETA

In fact the World Health Organisation in its Report published on the eve of the Summit has squarely blamed the World Bank policy of health privatisation. It has pointed out that the poor are the casualty of such health reforms.

Who does not recall that till even a year ago, Mexico was upheld as the model country for restructuring. It was hailed as a miracle, a grand show piece. Now, Mexico is hit by multiple crises, not to mention the revolt of the poor peasants, the Chiapas Revolt.

Mexico is today pointed out as a bitter lesson to others. A former Secretary of Finance in India, who is today among the executives of the IMF, found it necessary to address a communication to those who manage India's finances and run its economy, to draw appropriate lessons from the Mexican example. The latter however pretend to be cocksure of themselves and their 'reforms'. The stock reply is, "India is not Mexico, and Mexico would not be repeated here, because we are wiser and careful from the beginning".

No doubt, every country is different from the rest. But wisdom demands that one should draw lessons from the fate or experience of other countries.

Here in India, it is only after a series of hard knocks at the hustings, that **the ruling party has rediscovered the poor!** They now talk about the need for a 'human face' to their policy of 'liberalisation'. After an agonising reappraisal at their top level conclave, they continued to claim that their economic reforms have helped the country and enhanced its prestige internationally, BUT (and it is a 'but' in capital letters), time has come to undertake a review of emphasis on different components of the economic reforms without compromising the basic structure. They stated: "We should give a clear pro-poor image by making available to the common man through public distribution system rice, wheat, edible oil, salt and pulses at cheaper rates. We should give emphasis on housing for the poor and fertiliser subsidy should be extended to all farmers", and so on and so forth.

They then immediately set about projecting this 'pro-poor image', by talking profusely about the poor in their Budget

presentation, and announcing several schemes, though most of them are not backed by any corresponding budgetary allocations.

Institutions like the IMF or World Bank, are of course, not expected to remain on the defensive. They cannot be deflected from the path they are relentlessly pursuing in accordance with their well thought-out class policies. While avoiding public debate or confrontation, they lobbied with all the resources at their command. There were speeches from their spokesmen at the Summit, which identified the three pillars on which the New World Order of their making is to be based, viz., the IMF, the World Bank and the newly born WTO!

Along with the IMF and World Bank, the so-called '**market-oriented policies**' advocated by them, came in for sharp attack. Only a couple of years back, it was being asserted that the "market knows best". The philosophy of the Free Market, and of market-oriented economy was being preached feverishly by the high priests of capitalism, especially after the collapse of the Soviet model of planned and state-controlled economy. Some of their Indian pupils in government, administration, and of course, business, continue to repeat this in parrot-like fashion. But at the World Summit, it was repeatedly brought out, that the free market economy cannot solve all the problems. There has to be a place for state intervention in certain vital sectors of the economy, and more so in the sphere of infrastructure, both social and physical.

At an international trade union gathering, (of leaders who cannot be accused of any 'ideological predilections') on the very eve of the Summit, it was forcefully put that economic reform through market-oriented policies has become the golden calf, the idol that the IMF and the WB sponsor. But one has to see the danger in making the market master and not servant of goals related to socio-economic self-sufficiency. The market has proved to be a reckless force that destroys jobs and communities; that drags down wages and environmental standards, and that results

in polarisation within the communities. Privatisation which is the child of the market-driven economy has resulted in wide-spread unemployment. Such orthodox economic adjustments instead of distributing wealth, concentrate it in few hands.

Experience has borne this out, that the capitalist market cannot, and does not,

- Show any sign of ending the deep gulf between the rich and the poor inside a country, or between rich and poor nations.
- It is no respecter of human needs, and whenever profit demands so, people and their rights are scrapped as a matter of course; people do not matter, least of all, those who have little say or access in the routine activities of the market.
- It bothers little about protecting the environment and the common heritage of all, including the future generations.

The 'Free Market' dominated by the MNCs, the monopolists, the speculators, in which prices are manipulated, artificial demands are created as also scarcity, is a misnomer. Both, state and civil society have to step in to regulate the market, curb evil practices, and protect people's interests.

The instability of the market was vividly seen even while the Summit was in progress. There was a dramatic fall of the US dollar in terms of other currencies, exposing the crisis of the international monetary system and of the US dollar as the key currency.

There is an impression that only those who are steeped in socialist dogma rail against the market-driven policies. Therefore it is worthwhile quoting from the speeches of some world leaders on this question.

The prime minister of Norway, **Ms. Gro Harlem Brundtland** in a very telling speech, said, "One hundred years ago we were among the poorest countries of Europe. Then, as now, markets did little to promote equity and social justice". She went on to say, "However well the market forces allocate resources, they do not respond to common needs".

The **French President Mitterand**, was even more forthright. In a remarkable speech, he declared, "I asked myself the question : 'Should we let the world transform itself into a global market with no other law than that of the strongest, with no other objective than to make as such profit as possible in the shortest possible time, a world where speculation in a few hours can ruin the work of millions of women and men and threaten the result of long negotiations like these?' I asked myself : 'Should we abandon future generations to the blind forces of speculation, are we able to construct an international order based on progress and above all, social progress?'"

Noting that there is poverty and unemployment even where there is prosperity and affluence, the President of Colombia said, that what is needed is an "alternative model to the formula of world capitalism". There were several such observations by a wide range of leaders and spokesmen from different countries and institutions.

It would be wrong to dismiss all these speeches, by saying that some of the world leaders let themselves go, seeing that they had to discuss the problems of poverty, unemployment etc.

Markets have been there for centuries, long before the capitalist system came into being. And they will be there long after capitalism ceases to be the system that rules the world. They play an important role in many ways. But it is only the agents of the imperialists and the apologists of capitalism, who are making a fetish of the market today. They preach about the 'free market' and expect the developing countries to open up their markets so that they can earn superprofits by dumping their goods in these markets. At the same time, they put every conceivable obstruction to prevent the developing countries gaining access to their markets. Sometimes the plea is about the absence of labour standards or environmental standards prevailing in the developing countries (the so-called 'social clause'); sometimes

the plea is that there are hidden subsidies in the products that these third world countries wish to sell; at other times, the plea is that the garments,—the 'skirts' for instance, are made of inflammable material and are not really traditional products, and so on and so forth.

The South—where 80 per cent of the world's population lives, only controls 20 per cent of world trade. There were cheers and hurrahs when the GATT Treaty on 'Free Trade' was signed. It was said that there will be a tremendous accretion of wealth in the world due to the 'Free Trade' regime that will now come into being. But who will be the beneficiaries? Less than 23 per cent of the increased earning will fall to the share of the developing countries taken together. As a result their share in total world trade will dwindle even from the present 20 per cent.

There will be serious negative consequences also on the agriculture of a number of other countries, depending on the nature of their production.

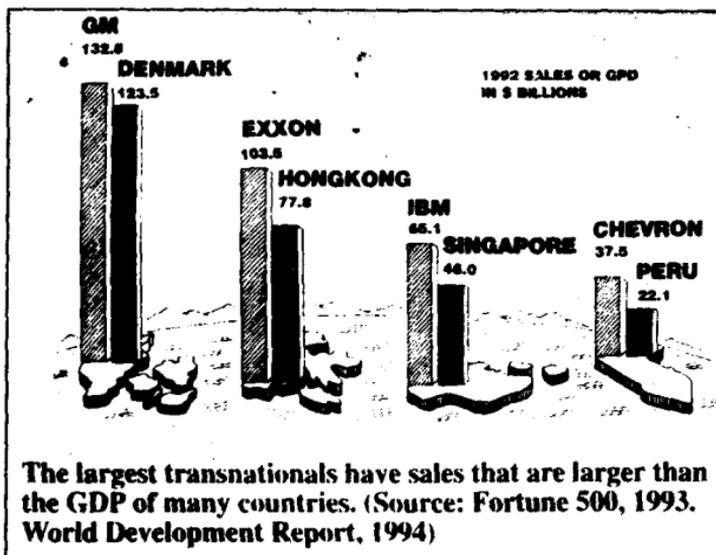
It has been noticed for example, that Brazil, after opening up its agricultural sector has turned from being a self-sufficient country in wheat to a net importer. It has also resulted in the loss of 100,000 jobs in that country. There is also a threat to nearly 5 million farms which sustain more than half of the rural working population in that country. But there are those in this country, who are painting a rosy picture for our agriculture when it opens up under the Gatt regime. They do not see the threat to our food security.

**Fair terms of trade** for the poor countries could easily bring in an additional 120 billion dollars, which is twice the current development assistance of 60 billion dollars. This is just what the Gatt and the WTO do not guarantee to the developing countries in the present dispensation.

The real actors in international trade today, are the **multinational corporations**. It is enough to mention here that

the sales figures of the world's four largest multinationals totalled as much as 435 billion dollars in 1991 which is far more than the gross domestic product of the whole of Africa, viz. 364 billion dollars. These four are General Motors (GM), Exxon, Ford and

Shell.



The MNCs not only dwarf nations in the scale of their transactions, they do not also subordinate themselves to any laws, on regulations governing their activ-

ities. They look for and manage to achieve a free run in the developing countries. Till today, the ILO has not been able to do anything more than adopt a Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy. This was in 1977, and since then it could not be upgraded to a specific ILO Convention. Even the United Nations has not gone beyond discussing a code of conduct, which is only honoured in the breach. Hence the trade union demand, especially from the developing countries, that the UN should review the Code of Conduct for the MNCs and structure a Commission which can monitor the observance of such a code of conduct. What defeats these efforts is the fact that the headquarters of the MNCs are located in the developed capitalist countries, who not only back them up to the hilt but play up to their tune and refuse to regulate their activities.

In the present context the dream of some Indian concerns to join the ranks of the MNCs, is really laughable. Actually, they are surrendering their independent entity to the MNCs, joining them as junior partners, and getting caught in their spider's web.

The World Summit discussed many things on earth, but could not come round to discuss the role of the MNCs in the scenario of poverty and unemployment that stalks the developing countries. That itself puts a question mark on the intentions of the developed countries.

An issue of hot debate during the World Summit, was what came to be called **the 20 : 20 formula**. The idea is, that each developing nation should spend at least 20 per cent of its budgetary resources on basic social programmes. That would entitle them to receive 20 per cent of aid from donor countries for such programmes out of the Development Assistance. On the face of it, this proposal appears reasonable. After all, each country must do the maximum out of its own resources and then expect help from others who are in a position to give. But this evoked great controversy within each group of countries.



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In the first place, poor countries are heavily indebted, and have to set apart a big part of their budget for servicing debts. There was no commitment by the creditor that the debts would be cancelled or their burden lightened. Then again, there was no commitment by most of the developed countries to honour the plea for contributing 0.7 per cent of the GNP as aid. In this context, this 20 : 20 formula became an additional condition for disbursing aid, and a ruse to interfere in and decide for the developing countries what they are to do.

Besides, there is no common understanding as to what constitutes 'basic social programmes'. According to the developing countries and the common people of these countries, primary education, basic health care, safe drinking water, proper sanitation, nutrition programme and such like are parts of basic social programmes and basic human priorities. But the donor countries wish to include even railways, highways and other physical infrastructure in this definition, since they have a particular interest in these programmes.

In effect, this would mean that the developing countries would have to restructure their budgets as demanded by the developed countries, while all that the donors have to do is to remix what they are already giving, without any commitment of having to bring it up to 0.7 per cent of their GNP. Nothing tangible therefore came out of this formula, except a compromise which puts the issue on voluntary and mutual basis between interested donor countries and the recipient countries.

#### **What then is the total upshot ?**

- \* The Summit preparations and deliberations, revealed a grim picture of poverty and starvation and social exclusion that prevails in the world today.
- \* In the developing countries, one can see islands of affluence in a stark sea of poverty. But even the developed countries are not free from the problems of poverty, growing unemployment and social alienation.

- \* Facts reveal that they are endemic to world capitalism, which has proved incapable of finding solutions to them. Indeed, the attempt has been more and more to do away with the concept of the welfare state and to leave everything to the play of the market forces.

There are many apologists of capitalism and victims of their propaganda who still believe that they must pursue this road, and wait for the goodies. They reassure the poor that the goodies will 'trickle down'.

The market-oriented structural adjustment policies being pushed through by the IMF and World Bank, are in most cases aggravating the problems, widening the gap between the rich and the poor, and between rich and poor nations. Already it is the rich who are monopolising most of the world's resources, while the vast masses of poor are being increasingly deprived of control over whatever resources they have. In the matter of trade too, it



is the developed countries who will stand to gain most from the Gatt regime, while the developing countries will be picking the crumbs. The developing countries have been dragged into an arms race by the manufacturers of armaments, the military-industrial complexes operating from the developed countries, with the

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result that a substantial part of their budget goes for military spending. This is also resulting in many regions and countries becoming cockpits of strifes and conflicts, which in turn leads to more military spending. Even a small reduction in the defence budgets would release larger funds for development and social integration. It is military spending that has to be cut and not social spending.

- \* Budgets have to be balanced, but that should not mean unbalancing the lives of present and future generations.
- \* Short of specific commitment on debt cancellation, or on 0.7 per cent of GNP as Aid from developed countries, the Ten New Commitments solemnly spelt out in the Summit Declaration can remain so many words and phrases. But there is this, that for the first time in history, so many countries and their Heads gathered together and recognised, "the significance of social development and human well-being for all and to give to these goals the highest priority both now and into the twenty-first century", as the Declaration itself says in its opening para.

Issues have been brought out, and the goals have been focussed. In this alone lies the value of the Summit and its Declaration. It is the people in the developed and the developing countries, especially the latter, who have to carry on the relentless struggle to achieve the goals.

The so-called New World Order preached by the imperialists has no real solution to the problems of poverty, unemployment, inequality and injustice. What is called for is a new social system free from exploitation and oppression, free from the profit motive as the prime mover, and free from 'each for himself' as the ultimate philosophy of existence.

The NGO's Forum which went on parallel to the Summit, has highlighted the role of the NGOs in the present day struggle. Participating in the Forum were representatives from nearly two

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and a half thousand NGOs from all countries. They were a small part,—but, a resourceful and high profile part of the hundreds of thousands that are in the field.

This phenomenon of the proliferation of NGOs, a sudden mushrooming of NGOs especially in Third World countries, has to be taken note of. There are those who regard the phenomenon as an expression of growing people's initiative at the grass-roots level, as a sign of growing 'social activism'. There are others who look upon this with scepticism mixed with suspicion.

All the more so, because, though most of the NGOs are anti-establishment in their outlook, and keep a safe distance from established political parties and mass organisations like trade unions etc., a large section of them does not hesitate to accept funding from government, other government - funded institutions and foreign sources. The search for resources is often motivated by the honest desire on the NGO's part to finance activities for a social cause. There is a certain dilution here of their anti-establishment stance.

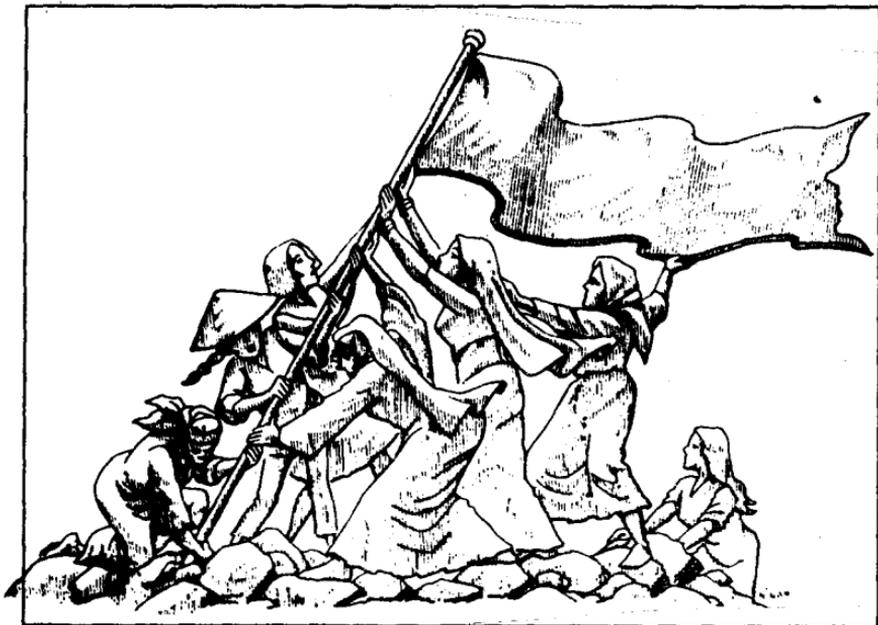
On its part, the state, the established political order, is going out of its way to patronise selected NGOs, to coopt them as it were, in their scheme of things, and as means of access to various sections of the community. It finds it easier to deal with the NGOs, than with trade unions, or mass organisations of peasants, rural workers, students, youth and women.

In India, for instance, we saw the highest authority in government meeting NGOs in a conference, and coming to an agreement with them about a plan of action. NGOs were included in good number in the official delegation to Copenhagen, a privilege which was not extended to trade unions, representing millions of workers. There is an attempt to denigrate the trade unions and other mass organisations. The plea is sometimes put forward that trade unions are confined to an

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organised section of the work force, while 85 per cent who constitute the rest are still out of their fold. This may be true, but it does not therefore mean that the NGOs are the representatives of this unorganised mass, and have greater right to speak on their behalf. It would be a cheap slander to think that the trade unions confine themselves only to the narrow interests of their members and are not concerned with larger social issues affecting the country. It would be flying in the face of facts.

Certainly, there are many NGOs which are doing excellent work in some chosen field. They are carrying on in-depth studies on certain social issues, reaching out to the grass-root level and



doing practical work at that level. Their work has to be recognised and appreciated, not in any patronising mood but in a fraternal and cooperative spirit. Interaction of such NGOs with activists of trade unions and mass organisations should indeed grow, and this will be a contributing factor in carrying forward the social struggle. Especially noteworthy are the NGOs which are

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concentrating on women's rights. Assertion of woman power is a special feature today.

It has also to be noted that a good number of NGOs have a left and progressive outlook. If they are not identified with any section of the established left organisations, it is because of several factors into which we need not go here. The need today, is for greater involvement of all mass organisations and all genuine NGOs and voluntary groups in the common movement for social and economic emancipation, for development with justice, and for defence of human rights. But it would be foolish to think that the NGOs can at any time become substitutes for the mass social organisations, which notwithstanding all their shortcomings, have years of struggles and experiences behind them.

Strictly speaking, even trade unions and other mass organisations are also non-governmental organisations. The United Nations accords the highest status, viz. NGO class I to the two or three main international organisation of trade unions - like the ICFTU and the WFTU. The difference between these organisations of workers, peasants, agricultural workers, youth, students, women etc. and other NGOs lies in this, that the former have regular mass membership running into thousands and even tens of thousands, and are answerable to the mass of members to a more or less degree depending on the degree of internal democracy practised by them, while the latter are confined only to a small group of individuals, mainly from the educated middle class, and are answerable only to themselves.

The proliferation of NGOs can in one sense be traced to the growing interest in 'social activism', which is a positive development. But in another sense, it also reflects the growing 'officialisation' of the NGO movement. In the literature distributed during the Summit, it was revealed that while in 1970, only 1.5 per cent of NGO budgets came from official sources, by 1992 this had risen to around 30 per cent.

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According to World Bank publication, NGOs channeled 2.5 billion US dollars of development assistance to the developing countries in 1992. They also channeled 6 billion dollars of privately mobilised resources. The bulk of this is obviously from the rich countries, with their charitable foundations, funding agencies, missionary societies, and so on.

The World Bank has itself granted 100 million US dollars to the NGO movement, mainly in developing countries.

This is not to say that the NGO movement has been bought off. Individuals and groups may be, but there will always be 'social activists' with ideals, purpose, and spirit of service who will come forward. But one must note the danger that is inherent in the growing officialisation of the NGOs. One must distinguish between genuine NGOs and those which dance to the tune of the paymasters, and bring out occasional lavishly printed handouts and reports to impress them.

The fact that nearly 500 NGOs seriously deliberated upon and signed an Alternative Copenhagen Declaration which forcefully articulates the common man's concerns, the poor man's aspirations, indicates the possibilities that exist and the potential of the NGO movement. Some NGOs chose not to sign it. But that was to be expected. This Declaration can form the basis of a movement both within each country, and also at the international level.