



## Inclusive Solidarity and Integration of Marginalized People



The squalor that comes from many tragic events and cases of destitution leads us to consider carefully the notion of “social inclusion” and to identify it with the litmus test of the seriousness of our declarations. To include means sharing, participating, moving from being a stranger and misfit to be an integrated and active person, from a subject to a sovereign citizen. Above all, inclusion means, today, to consider that in the last decades there has been a sharp growth in the number of people that have been “expelled” from the productive sphere in much of the world. These are the “surplus people” to be warehoused, displaced, trafficked, reduced to mere labouring bodies and body-organs.

The term “inclusion” expresses the common thread that binds all the reflections of Pope Francis on CST and allows us to design a bridge that connects the social teaching of the last three Popes. Social inclusion can take place only on the grounds of the formal recognition of equal opportunities to participate in the strategic decisional and operative moments that make a social aggregate an active civil society, polyarchical and solidarious. It is time “to break the chains of poverty”, that forest of impediments whose nature is political, social, economic and cultural.

Nobody would campaign on a manifest to increase poverty. Yet, while the very word “poverty” demands policies to reduce it, taking the UN’s definition of extreme poverty (an income of 1.25 dollars per day), over 20 percent of the world’s population remain poor (World Bank, 2013). Another 40 percent make do with incomes that do not exceed USD 2 per day while, even in the EU, 120 million people are officially recognized to be at risk of social exclusion (Eurostat, 2013).

A part of the problem of why poverty has proved to be such an intractable issue is that experts

cannot agree on definitions. Differences over measurement reflect and fuel confusion over what it means to be excluded. Even more important, there is little agreement as to whether poverty is largely caused by structural factors (poor fundamentals, be they poor institutions and endowments or low skills and abilities at the individual level) or by personal failings, (i.e. lack of effort on the part of people), or by poverty trap, understood as self-reinforcing mechanisms whereby poor individuals or countries remain poor. This leads to disagreement about how best to tackle the problem. Poverty and destitution are never neutral. They are a product of cultural habits, social structures, economic institutions, politics and invariably divides opinions.

This workshop takes all this as common knowledge. Indeed, several comprehensive analyses and critiques of global poverty are available and there is no reason to replicate them in this occasion. Instead, the workshop aims at twin tasks. On the one hand, to understand why, despite the rapid economic growth achieved globally over the last quarter century and the many initiatives prompted by the UN's Millennium Development Goals, the outcomes have been so meagre. On the other hand, the workshop takes as its lighthouse the "how question": how to implement a feasible strategy, also at the grass-root level, in order to eradicate exclusion. In other words, the focus will be on therapy, rather than on diagnostics.

Pope Francis explicitly recognizes the great contributions by entrepreneurship and innovative finance to human development over the centuries. The world's economic leaders "have demonstrated their aptitude for being innovative and for improving the lives of many people by their ingenuity and professional expertise" (July 2014). The challenge today is how the economy can extend the benefits and reverse the gaping inequalities and worsening exclusions. Catholic Social Teaching (CST) does not fight at all a market-based economy provided it is oriented toward the common good – not merely the total good –, where the free market develops with inclusivity, stability, transparency. What CST demands is to reform the market social order against some of its ills.

### **Articulation of the theme**

a. Since performance indicators of an economy have an impact upon the modes of performing, which proposals should be advanced to change the way the goodness of an economy is measured? In particular, what can be said about the *Better Life Index* released by OECD for the first time in May 2011? Or the Pew Research Center's *Life Satisfaction Index*; or the *Social Progress Index*; or the UNDP *Human Development Index*? Which improvements can be proposed?

b. Given that it is impossible for marginalized people to engage in public reasoning processes without being nurtured by certain webs of relations which first recognize them as persons, what can be done, at the grass-root level, to revert processes of urban segregation and exclusion? It is a fact that the usual approach of international agencies is to build adequate governance

structures. While this remains indispensable, it should not be the only focus. While rushing to create multi-party parliamentary systems, independent judiciaries, free press, etc. one should not forget the bottom-up way. Even with the best of governance and a visionary leadership, if there is no inclusive development allowing people to cooperate among themselves, those institutions will never function properly. What should be done in this respect?

c. The social economy has been reinvigorated in recent decades. Yet it has enormous, untapped potentials to be put to work. Which strategies are needed to provide the institutional and practical support which social economy organizations require if they are to be able to face the inclusion challenge? The experience of social businesses demonstrates that people can be active in creating their own work and enterprises. An economic system is like a natural environment. It requires diversity to strengthen its resilience. It follows that the many different organizational forms (cooperatives; B-corporations; for profit corporations; social businesses; ethical banks; social agriculture, etc.) should be sustained. They contribute to the generation of social capital, as well as economic value. Which proposals can be advanced to avoid that inadequate regulation might harm this biodiversity by favouring the “one-size-fits-all” thesis?

d. It is well accepted that one of the most effective route towards inclusive solidarity is the promotion of decent work for all workers in all sectors of the economy, including the informal economy. In 1999, ILO proposed to include the Decent Work Agenda within the post-2015 Development Agenda. Not much has been done so far. So, what should be done in this regard? In 2016, ILO will start a round of discussions about the Decent Work in Global Supply Chains (GSCs). What has to be the role of multinationals in this regard? Are the “Ruggie Principles” strong enough to guarantee the promotion of decent work in GSCs? How to adjust the international labour standards to take into consideration the specificities of the various geographical areas, avoiding the risk of using the concept of decent work as a tool to encourage excessive protectionist policies? Which actions policy-makers should take in order to promote access to decent jobs to all segments of society and to promote access to education for skills?

e. Even during high growth, the economy often becomes exclusive leading to inequality and considerable wastage of social assets. The challenge is to identify and promote complementary economic models, innovative infrastructures, collaborative spaces that match otherwise wasted assets with social and economic needs. How to make these new sharing models both financially viable and operationally inclusive? In particular, how to cope with the sharp increase in land-acquisition by foreign firms and foreign government agencies.

f. It has been empirically confirmed that Schumpeterian creative destruction generates a double effect on subjective well-being: a negative force through the higher risk of displacement (e.g. consider the impact of intelligent robots on job elimination) and a positive force through higher growth expectations. Is there a viable strategy to pursue so that the positive effect outweighs the negative one? Evidence suggests that specific and new welfare policies offer an important

contribution to this end; in particular with regard to NEET youngsters. How should we conceptualize an up-dating of the traditional welfare state in the direction of a new relational welfare system where expressions such as social governance by networking, co-production, circular subsidiarity, social innovation and the like can find their proper expressive way?

g. In recent times, financial global development has been accompanied by amplified economic volatility. Due to the heavy public cost of the bail-out processes, the financial sector is undergoing profound change, both through added regulation and through internally promoted reform. The call to give this reform a human and ethical perspective also involve the idea of *inclusive finance*, i.e. finance that helps fight exclusion. Which actions should be implemented to this end? Should one be satisfied with the multilateral work led by the OECD/G20 on the Automatic Exchange of Tax Information and Base Erosion and Profit Shifting (BEPS) and in confronting the “too big to fail” problem in the international banking system?