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REGIONAL SEMINAR

ARTICULATION BETWEEN CASH TRANSFERS AND INTERVENTIONS TO PROMOTE LABOR AND PRODUCTIVE INCLUSION: DIFFERENTIATED STRATEGIES IN RURAL AND URBAN AREAS



Activity organized by



Acts of Antigua,

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We participated in the regional Seminar “Articulation between cash transfers and interventions for labor and productive inclusion”, implemented within the framework of the II Meeting of the EUROsociAL II Program, with the cooperation of the Economic Commission of the United Nations for Latin America and the Caribbean (ECLAC), organized by the International Committee for the Development of Peoples (CISP), and with the participation of managers and officials from the following countries: Brazil, Colombia, Costa Rica, Chile, Ecuador, El Salvador, Guatemala, Honduras, Paraguay, Peru, and Uruguay.

Our work was aimed at identifying a common framework that may generate proposals or guidelines to improve national strategies to overcome poverty conditions in Latin America, especially centered on the articulation between cash transfers and measures pursuing social and labor inclusion for beneficiary families. This is also with a view to lay down common foundations for the seminar to be held in Naples in November 2014.

- **We acknowledge** the central role played by Transfer Programs (TPs) to strengthen the fight against poverty and to ensure social integration and access to a better quality of life for millions.
- **We recognize** that, notwithstanding the differences among countries and the heterogeneity which is typical of the CTPs currently being implemented in those same countries, there are some common problems and challenges that may be met through a joint action and regional cooperation.
- **We value** the central importance of networking and the opportunity offered by the EUROsociAL Program to exchange experiences so as to make viable the cooperation among peers methodologically based on a mutual learning process about the successes and failures of the actors involved.

We would like to express our wish that the Naples Seminar may take as its starting point the following observations emerged during the work done in Antigua.

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General Principles

1. In Latin America economic growth and the redistributive social policies adopted during the past few years allowed for great progress in the reduction of poverty, partially inverting the trends of previous decades. At the moment, other than keeping up the efforts made to overcome material and multidimensional poverty, there emerges the crucial challenge to tackle and to overcome the social segmentation and inequality problems that characterize Latin American societies.
2. Within this framework, a sort of transition is currently occurring in all participant countries, with different features and schedules, in favor of including Transfer Programs (TPs) in the context of governmental policies that may be summarized as follows: (a) to go beyond the focus centered on assistance in poor relief programs, and to progressively implement an universal approach, that may be reflected in the approval of national laws and may ensure basic rights for all citizens; (b) to actuate or strengthen social and labor inclusion processes; (c) to build up stable, sustainable, and universal-coverage social protection systems; (d) to organize subsystems to overcome poverty and destitution.
3. The above-mentioned subsystems must be centered around three basic elements: (i) support to income (cash transfers); (ii) good-quality social services; y (iii) specific measures for productive inclusion.
4. There is now a consolidated awareness about the fact that a sustainable exit process from situations of destitution and poverty cannot be simply entrusted to governmental programs, whereas it implies a wide process requiring State policies in the medium and long terms, supported by social and fiscal plans that must involve the main politic, economic, and social stakeholders, while making the legitimacy and funding of such policies viable.
5. In this respect, the fight against poverty and for equality emerges as a political and technical challenge whose responsibility does not exclusively belong to the institutions charged with social policies (Secretariats and Ministries for Social Development, etc.), but as well to those institutions in charge of economic and productive policies in the countries of interest (Ministries of Finance, Economy, Agriculture, and Infrastructures, etc.) Thus, there is a fundamental strategic relation between the social and economic dimensions: as the social element without the economic one cannot accomplish substantial changes in the fight against poverty and for equality, so the economic aspect without the social one cannot attain considerable objectives for the integral development of the countries involved.
6. Hence, with respect to the previous point, there emerges that social policies are a decisive productive factor, which contributes to the economic development of the countries in a positive way.
7. The articulation of universal social protection systems (as a management method consistent with the multifactorial features of the problem) requires plenty of resources, and therefore it often engenders debates that involve the public of the countries. However, the evolution of social protection systems requires their consolidation as public policies with a sustainable funding.
8. In this respect we suggest to: (a) foster communication and dissemination programs consistent with the transparency principle maintained in public management, oriented to a widening of the consensus about the prioritization of the investments provided for in the above-mentioned public policies, and (b) to emphasize the added value that social inclusion represents for each country as a whole, including the private sector and the higher-income population.
9. Social and productive inclusion must adopt decent work (worthwhile employment, adequate remuneration and social protection) as their strategic horizon, thus avoiding the reproduction of inequalities within the labor market, which are highlighted – for example – by the rise of temporary, unstable and underpaid jobs.

Specific reflections and proposals

On the basis of what has been said so far and taking into account the need to promote inclusive social protection systems focused on rights, we have singled out the following specific reflections and proposals:

10. It does not make sense that TPs target families at risk of falling back into poverty after interventions that are limited in time. Their exit strategies cannot be dependent on on-call times and eligibility conditions, without ensuring the integration of families into social protection systems and the achievement of human development objectives. As examples of this we may list: (a) healthcare, education, nutritional objectives, and those aimed at the acquiring of new capabilities; (b) existence of services for the accompaniment of targeted families until they attain their complete social and productive inclusion; (c) availability of decent work; (d) achievement of a condition of double inclusion (social and productive.)
11. In this context, cash transfers must be also considered as a measure defined by a progressive acknowledgment of the right to rely on sufficient income, in order to get to live a life worth living.
12. In light of the above, there should be a “rethinking” of the function of conditionality present in current CTPs. They must also avoid the stigma of poverty and its punitive connotations, promoting co-responsibility between families and the State instead. The greater or lesser extent of their achievements must be an indicator of a greater or lesser “difficulty” in the road towards the overcoming of poverty and social exclusion. User assistance services should be designed by taking into account the purpose to enable families to tackle and successfully overcome the said difficulties.
13. Current policies for labor inclusion should not only take into account the improvement of measures related to capacitation – so as to foster employability – but they should also strive to improve the quality of the project to the purpose of promoting participation and integration into the labor market without any disadvantage.
14. It is necessary to make progress towards the consolidation and integration of stable, permanent, well-structured, and financially sustainable social services.
15. With respect to what we have been saying above, there emerges the need for an organizational structure of social protection systems that should be based on an inter-institutional articulation oriented to maximize its impact and efficiency. Hence, it is fundamental (a) to introduce a much more integrated and structured managerial architecture, with great decision-making and implementation powers; (b) to progressively switch from the existence of multiple programs to the adoption and implementation of a governmental public policy, based on a solid and univocal legislative framework; (c) to consolidate activities aimed at strengthening the ability of institutions and the capacitation of their officials involved in the implementation of the above-mentioned policies; (d) to consolidate the assessment of the (social, economic, and redistributive) impacts as well as process evaluation.
16. Complementarily, it is important to strengthen the local dimension in the implementation of TPs and of national social protection systems. In this context, the national State should maintain its strategic function concerning the formulation of policies, whereas local authorities should progressively increase their participation in the implementation of some social services.
17. Similarly, it is necessary to promote the articulation between social policies and the economic one, by fixing as its objective not only economic growth but also its quality.
18. There emerges the need to rely on integrated social information systems (healthcare, education, employment, etc.) and institutional (national, regional, municipal) systems, not just to improve focalization, but also to carry through the characteristics, the routes, and the urgent needs of

beneficiary families. In this sense we maintain that focalization is not an end in itself, but a tool to achieve universalization.

19. This is also related to the acknowledgment of the “heterogeneity of poverty” and to the need to find specific solutions for the particular situation of each family. Therefore, the different activities (accompaniment, training, capacitation, etc.) should be designed while keeping in mind the different situations and conditions.
20. In spite of the efforts made and of the results achieved, gender inequality remains a critical issue in CPTs, given the existing evidence about the almost exclusive dedication of women to reproductive functions and family care. On the basis of such evidence, it is necessary to increase policies aimed at reducing gender inequality.

Labor inclusion in urban areas

21. Cash transfers must be associated with the concept of minimum income, and articulated with Local Employability Offices (Employment Services) that, among their other tasks, categorize the demand of the labor market. In such a perspective, paying attention to the profiles of the most vulnerable citizens and to space-time frames becomes fundamentally relevant.
22. It is necessary to boost policies that may strengthen the workers’ self-organization processes, within the framework of a system of participative relations with the State and the business world.
23. Labor inclusion in urban areas should take into account age cycles and groups of people with different kinds of vulnerability, as well as the psychosocial and/or socio-labor accompaniment of the population. Immigrants, native peoples, women and youths (NEET) take on a particular relevance in this context.

Labor inclusion in rural areas

24. The rural areas of highly-vulnerable territories should be turned into attractive areas, thus allowing for productive development and enabling people to settle down in those areas and to develop their life projects.
25. This implies a modernization of the rural environment, the improvement of infrastructures, the accessibility and consolidation of the quality of services (drinking water, electricity, healthcare services, educational services, psychosocial and socio-labor accompaniment services, etc.), paying attention to cultural and territorial relevance.
26. Productive development must be linked to the articulation of the public and private sectors, and it should favor specialized productive chains, to be articulated at the territorial level (institutional coordination among different sectors.)
27. It is necessary to foster governmental policies that may actuate and strengthen community social cooperativism.
28. It is necessary to promote governmental policies to facilitate the marketing of the products of the agriculture and livestock sectors.

Possible contributions of the EUROsocial Program

29. On the basis of these observations, we hope that the EUROsocial Program will continue to support the efforts made by Latin American countries through institutional strengthening, exchanges of experiences aimed at mutual learning, and technical assistance.

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