

## INCLUSIVE ECONOMICS

# Recovery with a human face

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1. We know so little of the human impact of this massive economic crisis. We know that the poor are those most affected. But we don't really know enough about the specifics of the suffering it has caused.

There is anecdotal evidence about it, some figures on formal unemployment, stories of loss of jobs in specific sectors, like tourism, for instance; and aid flows being threatened or cut, remittance failures, increasing domestic violence, crime. The lack of accurate information contrasts with the precise information we get every day, or several times a day, about movements on the stock exchange. Newspapers publish the prices of every listed stock, but not the deaths of children. We know that somewhere between 350-550,000 women die in child birth each year and several million children, of causes that could be readily prevented. We should know their names so the problem is real and tangible, not abstract statistics that someone can put aside. The economic crisis underscores the human crisis. And it has seems to have brought about a dampening of the will to shift the basic causes: it's 'business as usual'.

2. It has not escaped people in the poor countries that the international community had no problem mobilising trillions of dollars to meet the financial crisis, but has had difficulty finding the \$50 billion which was the notional target for development in the Millennium agreement signed by 192 countries in 2000. Only four nations are meeting the 0.7% target while austerity measures are causing aid to be cut back. Right now, support for overseas aid is very fragile.

3. At the Parliament of the World's Religions (in Melbourne, December 2009) it became obvious that everyone has a passionate narrative about their particular area of concern: the environmental crisis, the peace/ security agenda, poverty reduction. But very little of these narratives overlapped and under the surface are significant contradictions among them, especially in how to deal with the economic factors. We need a creative dialogue across these differences, to deal with the tensions and to find the linkages. That is a potential role of this place, and the Caux Forum for Human Security: to get people out of their silos, and to get the conversation going between those with different agendas. There are strong ethical links between each area, and obvious interrelatedness. I am struck by the name: Initiatives of Change. Caux should be bringing these initiatives together.

4. Lastly, we have a strong set of ethical statements: the Millennium agreement and the MDGs, the Charter for Compassion, the Global Ethics, the Caux Principles of International Business. . . But the constant challenge is to take the rhetoric and translate it into action. It means facing the problems that are in the way of implementation. As someone said: 'Strategy is about moving the herd generally westwards'.

That means is maintaining the direction, keeping up the momentum and rounding up the stragglers. What drew me back here for the third time to the Caux Forum for Human Security was simply the necessity to move from goodwill to definite action.

We also discussed the 5 "tiers" of argument for addressing poverty, which might also apply to human security: (1) social justice and rights in pride of place - someone's fate should not be determined by where they are born, the idea of developing human capabilities; (2) compassion, concern for others as a family, ancient traditions of charity and the obligation to help those in need; (c) "bottom of the pyramid" arguments that suggest that having everyone able to participate in world economy (and society) benefits all; (d) arguments around migration: if people cannot succeed in Africa or Latin America they will migrate; and (e) violence and terrorism will increase if poverty and failed states persist or their problems worsen; in an interconnected world no one is safe or secure while so many suffer and are angry.

### Katherine Marshall

**Katherine Marshall is a Senior Fellow at the Berkley Center for Religion, Peace, and World Affairs and a Visiting Professor at Georgetown University in Washington DC. She has long experience on a wide range of development issues. At the World Bank for 35 years, Marshall focused on issues facing the world's poorest countries. She held a wide range of leadership positions and has led the World Bank's faith and ethics work since 2000. Marshall is part of the Council of 100, a World Economic Forum Initiative to advance understanding between the Islamic World and the West, a member of the Council on Foreign Relations and a Trustee of Princeton University. She is Executive Director of the World Faiths Development Dialogue.**