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Speech at the Inauguration of National Human Development Report (NHDR) 2009: Montenegro – Society for All

Introduction

- At a time of global financial turbulence and increasing feelings of insecurity and uncertainty around the world, an increased focus on social inclusion and sustainable human development becomes more and more important.
- The recent global events have re-invigorated debates about sustainable human development, equality, justice. What is the role of the state to protect its citizens from insecurity and declining living standards? How can the state ensure equal opportunities to access quality services and employment and achieve the MDGs.
- UNDP has a vital role to play in strengthening efforts to respond to the existing challenges and new risks and maintain the focus on sustainable human development and achieving the MDGs (“smart social policy”).

Human Development, Social Inclusion, and EU Accession

- Human development UNDP’s lead paradigm and social inclusion both start from the idea that economic growth alone is not sufficient to address problems of vulnerability and exclusion. Both put people at the centre of policy, shifting the focus from an abstract aggregate economy to the society -- the individuals and their governance institutions -- which together make up the context within which an economy functions. Both approaches seek to widen each individual’s ability to realize his or her potential, in recognition that without investment in individual well-being, economic growth is neither stable nor sustainable.
- Human Development and Social Inclusion all proceed from a moral belief in the intrinsic value of human life and a commitment to the dignity and equality of each human being.
- Therefore, at UNDP, we are concerned about exclusion of individuals or groups from full participation in the economic, political, and social lives of the communities in which they live. We are concerned about groups at greatest risk of poverty. Together with our national partners, we attempt to understand the multi-dimensionality of their deprivation and isolation, and promote improvements for their social solidarity and cohesion.
- Social cohesion is at the heart of the EU accession and association process, not only for candidate countries required to prepare and implement Joint Memoranda on Social Inclusion (JIM), but also in terms of IPA funding priorities and in the wider context of European Competitiveness. In South East Europe and in Montenegro specifically, UNDP has been particularly active in supporting the Social Inclusion policies within the accession framework.

NHDR Montenegro - key findings

- To support Montenegro in fighting social exclusion and moving towards EU accession, UNDP Montenegro has prepared comprehensive analysis on the current situation of social exclusion and poverty in Montenegro, in terms of challenges, opportunities and responses in addressing social exclusion issues.
- Poverty: The report finds that despite the steady increases in the values of the HDI and impressive GDP growth, poverty levels have remained stubbornly stable with 10.8% of the population living below the poverty line.
- Poverty is relatively high in the north of the country, where high unemployment, rather low education attainment rates, especially among the elderly and women, and low-income levels contribute to high poverty rates. Some population groups are poorer than the others: RAE are the most vulnerable population with a poverty rate of 36%; followed by displaced persons 34% and social welfare beneficiaries 30%; pensioners, 15.7%; the long-term unemployed 12.3% and the disabled 11.9%.
- Social Exclusion: goes beyond consumption poverty and includes multiple deprivations that households and individuals face in participating equally in economic, social, cultural and political life.
- These include lack of equal access to employment, health care, social services, education, cultural opportunities and political participation. Deprivation in one area reinforces deprivation in another area and therefore creates a process and vicious circle of exclusion and marginalisation. Support to poverty reduction alone may not be sufficient to break such multidimensional exclusion in Montenegro and it requires more inclusive approaches that also overcome policy barriers, prejudice and negative attitudes.
- In Montenegro we find that social exclusion has become a *visible phenomenon* and is not only experienced by “invisible” groups but also by, for example, the elderly who face difficulties in accessing adequate health care and are unable to pay the bills regularly, or the long-term unemployed who not only experience problems in accessing a job but also faces social isolation (“When you work you have friends, as soon as you lose your job there are no friends at all”) or single mothers who not only carry the burden of raising the children alone but at the same time are exposed to prejudice in employment and within their social networks.
- Social exclusion risks among households and individuals are particularly high when living in the northern region of Montenegro, where we can find the highest share of individuals that are unemployed, with low educational attainment levels and insufficient access to health services. The concentration of poverty and social exclusion in one region is difficult to address with a single measure and requires a cross-sectoral approach including improvements in labour-market access, education, housing and social services.

- The report also elaborates on the multiple barriers and obstacles that those population groups (such as displaced persons, people with disabilities, etc.) face.
- *Displaced persons'* exclusion is mainly resulting from their unresolved legal status in Montenegro is compounded for RAE-displaced persons. Many are therefore forced into irregular labour 'arrangements' with less favourable and less well-paid jobs. But that is not all. They have no access to social welfare benefits, bank loans, employment services and are unable to own real estate with legal title.
- As Montenegro's authorities are, in fact, undertaking at the moment, the registration and regularization of IDPs status will provide them access to the services and contribute greatly to their inclusion in the mainstream society.
- People with disabilities (PWDs) also face a wide range of societal barriers, preventing their full participation in all aspects of social life. Besides physical barriers in accessing education, employment opportunities, healthcare services, transportation and cultural and political opportunities, a key barrier in promoting inclusion of PWDs in Montenegro is 'stigma' ("We just want to prove that we can be as good as others"). Policies aimed at people with disabilities throughout the world have proved that targeted employment schemes, together with adequate social protection services, have proved to be a strong instrument for social inclusion.

Recommendations

- In particular, the fight against social exclusion requires innovative approaches and learning through regional exchanges, coherent planning and monitoring, improved governance and coordination among all levels, and by far most important, the participation of *the excluded* in all of these processes.
- As UNDP we are interested to support Montenegro to overcome these challenges and provide you with opportunities for regional learning and useful examples from our knowledge on the ground in other countries.
- Our study shows that Montenegro's human development has made great progress over the past half decade. However, in and of itself, the overall progress did not lift the poorest and those most vulnerable and at risk of exclusion. It is appropriate, hence, that policymakers in Montenegro are now turning their attention to focused, targeted social policies that can make a great difference to each one of these groups, as well as to the North of the country where poverty and unemployment are deepest, double and triple than the central and southern region, respectively.
- Now, during the economic crisis, is the time to protect those most vulnerable and to ensure that when the tide turns around again and high economic growth resumes – as I am sure it will – all boats are lifted towards prosperity and human development.

