

STATEMENT FOR 12th Open-Ended Working Group for the purpose of strengthening the protection of the human rights of older persons April 11-14, 2022

Written by Generations United Representatives Kevin Brabazon and Susanne Seperson

Agenda Item: 1. What are the legal provisions, policy frameworks in your country that recognize older persons' right to participate in and contribute to sustainable development? c) good practices to ensure older persons' participation in, and contribution to sustainable development

Programme Title: How Social Security Programmes Protect the Human Rights of Older Persons

Generations United, an NGO in consultative status to ECOSOC, supports the implementation of Social Security programs globally in order to strengthen the protection of the human rights of older persons and help achieve the 2030 Agenda for Sustainable Development. GU advocates for the establishment of a department within the UN to provide technical assistance to nations wanting to set up social security systems.

The Sustainable Development Goals 2030, adopted in 2015, is a universal call for: 1: No Poverty, 2: Zero Hunger, 3: Good Health and Well-being, 8: Decent Work and Economic Growth, 10: Reduced Inequality, 13: Climate Action, 16: Peace, Justice and Strong Institutions, and 17: Partnerships for the Goals. These goals, built upon the Principles for Older Persons adopted in 1991, state that older persons should have access to adequate food, water, shelter, clothing and health care through the provision of income, family and community support and selfhelp. Eliminating extreme poverty where these essential needs are unmet especially impacts older persons in poorer nations. Social Security programs can address these problems. According to a 2017-2019 World Social Protection Report, more than half of the global population, some four billion people, have no social security protection. Where social security programs are available, older persons, mainly women, who live longer and earn less than men, and are more likely to engage in unpaid labor as caregivers, receive lower social security pensions and are generally poorer.

Yet, Social Security systems have had a tremendous impact globally, particularly impacting the epicenters of poverty, i.e., the elderly, people with disabilities, and children. Social Security Systems have also been remarkably resilient to macro-environment challenges and not one country that has implemented a system has ever abandoned it.

Social security programs help alleviate poverty for several reasons. It is an inherently popular and effective intergenerational policy which contributes toward social integration that improves the lives of the recipients and their families. It strengthens society by visibly demonstrating the shared beliefs and core values espoused by religions (Confucianism, Judeo-Christian biblical scripture) and philosophies (Utilitarianism and social contract theory) which link people together.

Social Security systems stimulate the economy in two ways: (1) the rapid influx of funds when the program begins; (2) the effects of the circulation of money after it enters a community. Once the Social Security recipient purchases something in the community, the currency moves on to someone else, who then may purchase something from another merchant, i.e., the money circulates. As it changes hands, one unit of currency creates two to three units of economic activity. A third area of positive economic activity emerges from Social Security systems: the Social Security Trust Fund grows to build reserves for the system. Governments typically borrow these funds and issue government bonds that provide dividends for the Trust Fund. If used wisely, many of the SDGs can be impacted and extreme poverty can be eliminated.

This proposal was first presented during the 57th Commission on Social Development – convened by Generations United and sponsored by the Permanent Mission of Argentina – and developed with the purpose of handling negative macro-environment challenges like the Great Recession but applies equally to post-COVID-19 challenges. Currencies of many countries have already dropped significantly against the U.S. dollar making dollar-denominated imports more expensive; economic activity has diminished pushing more people deeper into poverty making life almost unbearable for those in extreme poverty, i.e., having too little food and too few calories to perform even required activities. The World Bank defines extreme poverty as income below the international poverty line equivalent to \$2.19 in 2020 and \$1.00 a day in 1996 US prices; hence, the expression, "living on less than a dollar a day." In the world's poorest countries people do not have a monetary income; therefore, poverty is based on the monetary value of a person's consumption so that subsistence farming is also included. If unpaid caregiving and volunteer activities provided to those in need were included in the calculation for social security benefits, then even more individuals would be raised out of poverty.

Social security stipends can be set above the extreme poverty level by applying a payroll tax of around 1.5% using 50% of the Gross National Income per capita as a benchmark.

One of the affiliate members of Generations United initiated a demonstration project in Lalibela, Ethiopia just as the pandemic "lock-down" began in 2020. In collaboration with the Mayor's Office, the Ethiopian Orthodox Church and another NGO, they have already built houses for homeless older persons and persons with disabilities. The project has been slowed due to the civil war, but it is anticipated that it can soon resume.

Generations United is an advocate of Social Security systems as the most effective way to address many SDGs and hopes the UN will establish a Department for the Development of Social Security Programs.