

SOCIAL INCLUSION AS A UNIVERSAL GOAL

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It is a wonderful joy and great honor for me to be in the renowned Pontifical Academy of Sciences to discuss the crucially important topic of social inclusion. Pope Francis' recent exhortation to the world, *Evangelii Gaudium*, energizes us to overcome exclusion and environmental destruction, and return to moral passion to solve local and global problems. Pope Francis' warning to us about the "globalization of indifference" is the most central and important message of our time. This is because we do not lack for technical options; when we consider problems of poverty in our time we are considering problems of poverty in the midst of great wealth. Our crisis is fundamentally a moral crisis. It is not fundamentally an economic crisis or a financial crisis or a technological crisis.

An example of this crisis that that pains me enormously just occurred yesterday. The world has faced three epidemic diseases in our generation: HIV-AIDS, malaria, and tuberculosis (TB). It was only a dozen years ago, at the start of the new millennium, that acting as a global community we began to tackle these three epidemics. I remember standing next to Cardinal Turkson's great compatriot Kofi Annan, when the then-UN Secretary General, in 2001 in Abuja, Nigeria, made the call for a Global Fund to fight AIDS, TB and malaria. I had the great honor to work with the Secretary General on designing that fund, which went into operation a few months after the Abuja meeting.

The Global Fund has saved millions of lives because modern medicine and public health sciences offer the technologies to enable people infected with HIV to stay alive and to lead normal lives and to raise their children. The health sciences offer us the technologies to block the transmission of malaria and to cure every single child who is infected with malaria with an 80-cent dose of medicine. The challenge is reaching the child in time, even in poor, rural communities that lack ready access to clinics. The health sciences offer the technologies to treat nearly every diagnosed case of tuberculosis and bring people back to health. With these gifts of technology and know-how, the Global Fund has been able to help save millions of lives.

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This year the Global Fund went for its financial replenishment, a three-year budget cycle. Its request for funds, \$5 billion per year over three years, was already scaled back from higher ambitions because of the dour global mood. It seems that while the wealthy are enjoying soaring incomes and wealth, the governments are cash-strapped, in no small part because they allow the rich to hide their incomes and assets from just taxation.

Thus, the Global Fund asked the entire world – governments, business, foundations, NGOs, and wealthy philanthropists – to come up with a mere \$5 billion per year to help save the lives and reduce the disease burden for hundreds of millions of people. I'm sorry to tell you that as of now the Fund has not been able to secure the \$5 billion from all of the governments in the world. The United States, Canada, United Kingdom, Italy, France, Germany, Switzerland, Austria, Belgium, Denmark, Norway, Sweden, Japan, Singapore, Saudi Arabia – and I could go through the list – have not yet agreed to pool enough resources to reach \$5 billion. The world has so far pledged only \$4 billion and shrugged its shoulders and congratulated itself. Unless the gap of \$1 billion per year is closed, people will die in large numbers as a result of this shortfall.

I'm a macroeconomist, so I like to say that my true specialty is long division. I can put seemingly large numbers in proper context. In that spirit, I want to reflect on what missing \$1 billion for the Global Fund really means in this world. We have a \$90 trillion world economy, so \$1 billion is 1 part per 90,000 of our world output. The missing \$1 billion is less than one dollar a year from each person of the 1.2 billion people in the high-income world. The missing \$1 billion is one day's worth of Saudi Arabia's oil exports. The missing \$1 billion is roughly 14 hours of Pentagon spending. The missing \$1 billion is less than one hedge-fund manager took home last year in pay, \$1.3 billion for Mr. Steven A. Cohen, whose company was also convicted of insider trading but who got to keep his \$1.3 billion! The \$1 billion is 4% of the roughly \$25 billion in fines and settlements paid by J.P. Morgan financial wrongdoing. The \$1 billion is 0.0185% of the \$5.4 trillion net worth of the 1,426 billionaires in the world. The \$1 billion is roughly 5% of the annual Christmas bonuses received by Wall Street bankers. And the \$1 billion is less than the yearly taxes avoided annually by many companies, such as Google, that put their money in the Caribbean islands' tax havens under shady deals with the US Internal Revenue Service. Ours is a moral crisis.

There are plenty of doctors, nurses and community health workers who can fight AIDS, TB and malaria. What will happen if the \$1 billion gap is not filled? I can tell you what will happen. There won't be any alarm. There

won't be any single moment of realization of what the world has wrought. Yet when poor people go to the clinic, the medicines won't be on the shelf. It will be just as simple as that. A mother will rush with a child in her arms to a clinic and the child will die because there will have been a stock-out of the artemisinin-combination drugs for malaria. Or the community health worker who could have reached out in the village to make sure that the person who is coughing gets tested for TB won't have a job because the budget won't be able to support the government to hire that health worker. The deaths of the poor will be silent. Nobody will record them. The rich will not know or pay regard. Indeed, the rich world will congratulate itself on the generosity of its \$4 billion.

This is the central crisis of indifference, and Pope Francis put it exactly right. Whether it is climate change, or poor children, or dying people, we are living in an age of technological wonder where people can be helped, found, trained, reached, educated, cured, like never before. Yet the world fails to act.

All of the great religions made the call for charity during an age of mass poverty. Even then. Yet now, in an age of mass wealth, the message of charity seems even harder than ever. This is the paradox. Poor people give charity. Rich people have the cloud of indifference, or arrogance, or ignorance that completely clouds their lives. I frequently refer to the words of President Kennedy, who also put it just right in his inaugural address when he said: "For man holds in his mortal hands the ability to end all forms of human poverty and all forms of human life". Everything about our time is about choice. Nothing is about inevitability. Everything is about morality, not necessity.

Our opportunities to choose life, to end poverty, are greater than ever. Since 1957 the number of transistors that can fit on a semiconductor chip has been doubling roughly every two years, a pattern known as Moore's Law. Now in 2014 we enjoy roughly one billion times the capacity to store, process and transmit information than the world had 60 years ago. It's because of Moore's Law that we can reach anyone in the world by phone, connect any child to the world of information, empower any community health worker, and enable any clinic to contact an international expert for advice, anywhere in the world. These capabilities exemplify our ability to end all forms of human poverty.

At the same time, though, the very same technological revolution is radically changing job markets. Many jobs that once existed 20 or 30 years ago no longer exist. Young kids who might have gone to high school in the United States and then gone on to the local factory for middle-class work are instead unemployed today, because the jobs have been automated, or

because through the same advances in technology, workers halfway around the world are filling the jobs.

When I gave my course lecture recently at Columbia University, I spoke to 25 university campuses around the world simultaneously in a class with about 600 students worldwide. Now I am teaching a “MOOC” (massive on-line open course) to around 35,000 students worldwide. I receive emails and tweets from India, China, Chile, Ireland, asking me questions about the lectures. When Pope Francis made his glorious recent statement, I’m sure his message reached at least a billion people almost instantly. I myself downloaded it within minutes. That’s our possibility to work in harmony around the world, but we have to choose to deploy these capacities for human good.

Yesterday I met with students at Columbia University. These young people expressed their desire to join the cause to build a better future. I told them to read the Pope’s message and I’m sure that it will give them even more hope. Young people are not cynical. They may be dismayed. They may be having a difficult time economically. But they are ready to choose a brighter future of compassion, cooperation, and mutual support.

Let me turn briefly to some specifics in the fight against poverty and the struggle for social inclusion. In every area of concern – disease control, safe water, sanitation, job training, infrastructure, quality education – there is great expertise and a great ability to solve problems, even for the poorest and most marginalized peoples on the planet. Indeed, extreme poverty rates have been declining, and could decline even faster in the coming years – if we try.

In the late 1990s, just in advance of the Jubilee Year 2000, Pope John Paul II spoke out about cancelling the debts of poor countries, so that these countries would have the financial wherewithal to invest in their own future. The policy worked. Debts have been cancelled, investments in health and education have increased, and Africa and other low-income regions have experienced positive and accelerating economic development. This has demonstrated the value of putting financial resources to work in global problem solving.

I’ve recently been asked by UN Secretary-General Ban Ki-moon to help create a new knowledge network to support this problem solving. We call it the Sustainable Development Solutions Network, or SDSN. We are hoping that universities, think tanks, scientific academies, and other thought leaders around the world will join the network, so that in any part of the world, local expertise can support local problem solving, and global experts can support and encourage local experts. I hope that the SDSN will be able to support the great efforts of the Church and the unique initiatives of the Pontifical Academy of Social Sciences.

Let me conclude by describing the time horizon we face as humanity. In 2012 the world's governments came together on the 20th anniversary of the pivotal Rio Earth Summit. Three big treaties had been signed there: on climate change, desertification, and biodiversity. But 20 years on when the world's governments came together, there was a feeling of profound crisis because not one of these treaties had been properly implemented by the member states. The world has not yet changed direction on human-induced climate change; the world has not yet slowed the loss of biodiversity; and the world has not yet reversed the process of desertification.

The governments therefore realized that we need a new global awareness, a new global era, that puts the problems of sustainable development front and center in the world's awareness and agenda. The governments therefore adopted the plan to introduce new Sustainable Development Goals, or SDGs, to help guide the world in problem solving. On September 25, 2013, the UN General Assembly set a timeline to set a timetable to 2015 to agree on the new SDGs. These new goals give us hope of breaking the globalization of indifference, and focusing the world's attention on the great challenges of ending poverty, promoting social inclusion, and stopping the human damage to the natural environment.

I believe the message of the Church is absolutely vital for the success of sustainable development. The core social teachings of the Church call upon us to protect the environment, promote community, and fight poverty. The Church calls upon us to protect the dignity of every human being.

The timeline is extraordinarily pressing upon us, because reality is pressing upon us and because the governments have made the commitment to do this. The time is right to break through this crisis of moral indifference. The Pope said in paragraph 59, "We are far from the so-called 'end of history,' since the conditions for a sustainable and peaceful development have not yet been adequately articulated and realized". We are at the moment, I believe, when together we can help the world to articulate the conditions for sustainable and peaceful development.