



MilanMUN 2024 Research Report

Strengthening Social Safety Nets to Foster Equality and Social Mobility

Student Officer **Marius Sadoul**

Committee **ECOSOC**

Introduction

In a world that is evolving, we are facing political challenges as well as social and economical ones. Understanding the role of Social Safety Nets (SSNs) in global society and how they can foster equality and social mobility is necessary in our efforts to solve these problems. This background paper will provide key terms definitions, a quick history of SSNs, the current situation with a non-exhaustive list of SSNs, a quick overview of the difference between SSNs throughout the world and an explanation about how SSNs, equality and social mobility are linked. We will also introduce some possible solutions to foster equality and social mobility by strengthening SSNs.

Definition of Key Terms

Social Safety Nets (SSNs): systems deployed by governments and associations to improve the lives of vulnerable and poor families or individuals. (Worldbank, The State of Social Safety Nets)

Social Mobility: movement of individuals, families, households or other categories of people within or between different classes in the social stratification of a society. It is a change in social status relative to one's current social location within a given society. (OECD, Economic Policy Reforms 2010)

Background Information

History of SSNs

The term Social Safety Nets (SSNs) refers to a set of programs and measures that has no exact introduction point. It really depends on the point of view of historians but also on the region. A significant step in their implementation happened in the 1990s with work from the Bretton Woods institution. The SSNs were implemented as part of structural adjustment programs aimed at restructuring the economies of certain developing countries. And that's during that time that they really showed their importance. (Worldbank)

The United Nations, through its Sustainable Development Goals (SDGs), emphasises the importance of SSNs in achieving the goal of eradicating poverty. The SDGs encourage countries to develop and implement social protection systems and measures, including the establishment of minimum standards, or "floors", of social protection. The ultimate target is to achieve substantial coverage of the poor and vulnerable populations by 2030.

The COVID-19 pandemic has had a significant economic impact worldwide, leading many countries to enhance their existing SSNs or introduce temporary SSNs. These measures have aimed at reducing the negative effects of the lockdown and at providing support to individuals and families facing financial hardships because of this crisis.

Current SSNs in the World

There are multiple Social Safety Nets (SSNs) existing all around the world in various sectors, such as unemployment benefits, food assistance, healthcare programs, and housing support. More Economically Developed Countries (MEDCs) are the ones with the most advanced systems. The generosity inherent to the SSNs really depends on the country and its policy regarding the social well-being of its population.

For example, let's compare the healthcare systems in France and the United States of America. France offers a universal healthcare system that provides coverage for all its citizens, regardless of their income or employment status. This means that everyone has access to healthcare

services without having to worry about the cost. The French system is less focused on cost and more on providing comprehensive coverage.

On the other hand, the United States has a more complex healthcare system. It relies heavily on private health insurance, with individuals and employers purchasing insurance plans to cover their healthcare expenses. This means that the cost of healthcare in the US can be quite high, especially for those who are uninsured or underinsured. The US system is more cost-focused, with individuals having to navigate various insurance plans and providers to receive the care they need.

However, it is important to note that this is a simplified explanation of those systems, each of which is much more complex and includes nuances that the brief comparison above cannot capture.

List of Common SSNs

Here is a list of common Social Safety Nets, with their explanation, some of the countries where they are implemented, and their beneficiaries:

Social Safety Net	Explanation	Countries	Beneficiaries
Guaranteed Minimum Income	Provides a minimum income level for individuals and families, ensuring a basic standard of living.	Various European countries, such as France and Germany	Every individual who receives an income deemed inferior to an acceptable standard of living
Housing First	Provides stable housing as a primary step for individuals experiencing homelessness.	Implemented in some parts of the United States of America, Canada, and some countries in Europe	Homeless individuals
Social Insurance	Provides a protection against economic risks, such as unemployment, disability and sickness through contribution from employers and employees	Common in European countries	Workers and their families contributing to the social insurance system
Social Welfare Provision	Provides a wide range of social services and financial assistance provided by the	Practised globally, with variations in implementation	Low income families and individuals

Social Safety Net	Explanation	Countries	Beneficiaries
	government for those in need		
Solidarity Economy	Concept that focuses on creating a more equitable and cooperative economic system, often involving community-based initiatives	Implemented in various countries globally, with examples in Latin America and Europe	Communities and individuals promoting cooperative economic practices
State Pension	Provides a regular payment to eligible individuals upon retirement, funded through contributions during their working years	Various countries all around the world, including the UK and Germany	Retired individuals who have contributed to the pension system

Please note that the implementation and details of these programs may vary across countries and regions.

Differences Between SSNs

As previously mentioned, the amount of money allocated to SSNs varies from country to country. According to the Organisation for Economic Co-operation and Development (OECD), MEDCs typically spend around 2.7% of their Gross Domestic Product (GDP) on these systems. In contrast, Less Economically Developed Countries (LEDCs) tend to allocate an average of 1.5% of their GDP to their systems.

It is important to note that there are also disparities among different regions. European and Central Asian countries stand out as the highest spenders on SSNs, dedicating a larger portion of their GDP compared to countries in Sub-Saharan Africa, Latin America and the Caribbean, East Asia and the Pacific, the Middle East and North Africa, and South Asia.

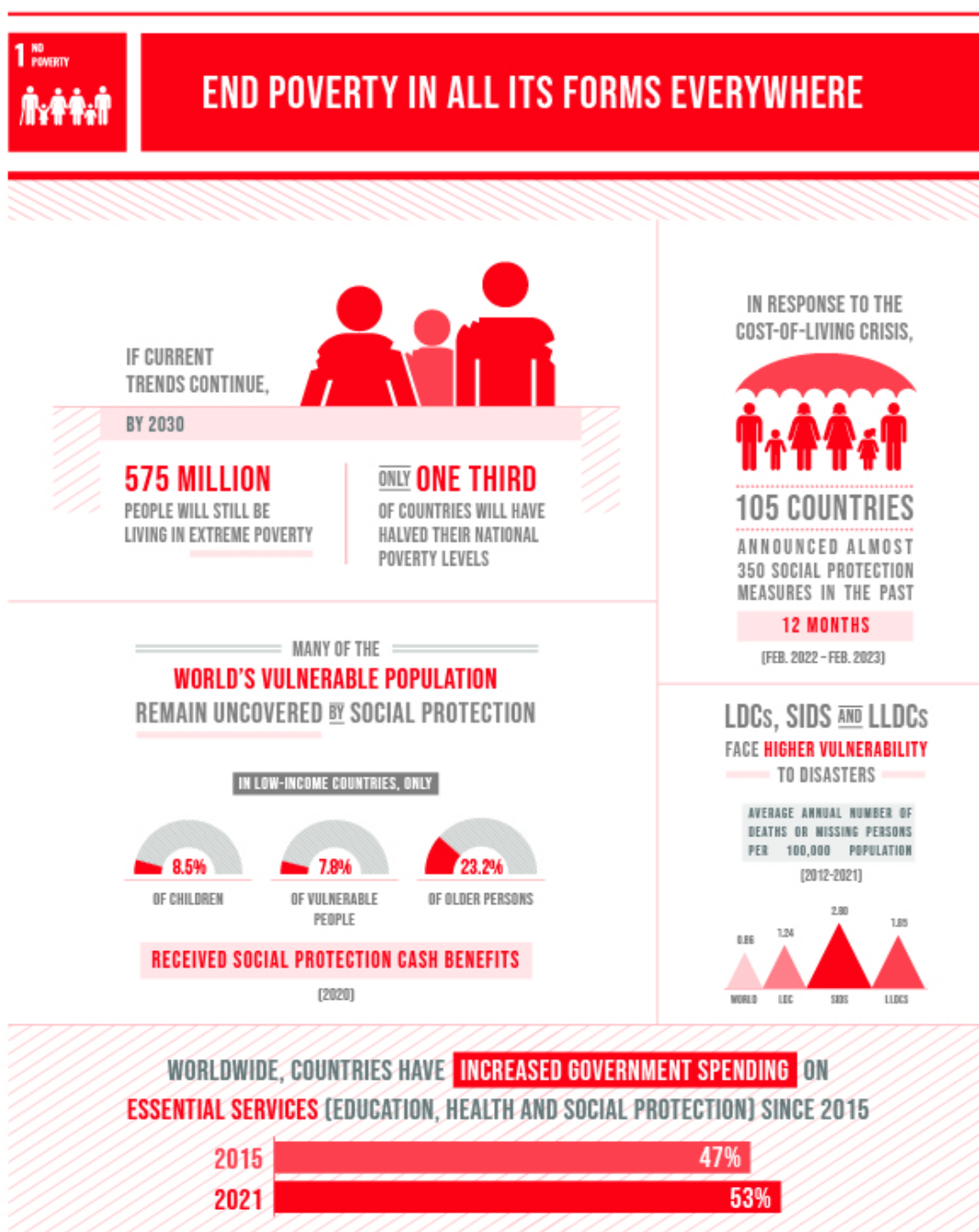
The Link Between SSNs and Equality and Social Mobility

The image above from the SDGs official website, describes the current situation of poverty throughout the world.

In today's world, SSNs play a crucial role in tackling global poverty, as depicted in the image. These programs not only help in reducing poverty but also contribute to reducing inequality and

promoting social mobility. (Worldbank, Realizing the Full Potential of Social Safety Nets in Africa)
Thus, we can see that SSNs, equality and social mobility are deeply linked.

SSNs provide essential assistance to individuals in need, offering them the opportunity to overcome challenges and build resilience. By extending a helping hand to those who require it the most, SSNs give them a chance to break free from the cycle of poverty. However, it is important to acknowledge that the current efforts are insufficient, as highlighted in the image above. There is still a significant amount of work to be done in order to enhance social mobility for disadvantaged individuals and foster equality among all citizens worldwide.



Possible Solutions

The Simplification of Current SSNs

In many nations around the world, there are already robust SSNs in place to provide support and assistance to those in need. However, a major challenge faced by these systems is their excessive complexity, making it difficult for individuals to navigate and utilize them effectively. By simplifying these systems, Member States can enhance their accessibility and usability, allowing more people to benefit from the assistance they offer, and then, at the same time, foster equality and social mobility.

Creating an International SSN & Collaboration Between Member States

Since, there are a lot of SSNs existing in many different countries, another solution would be to unify all of them into one standardized system for the whole international community. Doing so would address disparities among nations and enhance social mobility for individuals worldwide. Additionally, countries requiring a more specific system could develop their own while maintaining the international framework in parallel. This unified approach would promote equality on a global scale and facilitate seamless interaction among nations.

Having a collaboration between Member States on SSNs could also be a possibility.

Acknowledging the fact that SSNs are hard to put in place and to make them effective, having a collaboration between countries on what's working and what's not would help populations from across the globe to get as fast as possible the help they need.

Extending Access to SSNs & Temporary SSNs

A lot of populations continue to remain vulnerable, lacking access to any Social Safety Nets (SSNs). A solution would be to encourage Member States to expand the reach of their SSNs, as this would prove immensely beneficial to a larger number of individuals and, consequently, foster a more inclusive and resilient society.

Another approach would involve the establishment of temporary SSNs, serving a wider range of people. This particular solution holds great promise, especially when considering its potential implementation during various crisis scenarios.

Updating Current SSNs

The world is changing everywhere and at everytime, SSNs should be able to handle those changes to foster Equality and Social Mobility. Modernizing certain SSNs with the help of other

Member States, based on the collaboration explicated above, is also a solution to not neglect. It would ensure that SSNs really respond to the problems that the populations are dealing with in their day to day life.

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