Ladies and Gentlemen,

I am delighted to contribute to your gathering here in Paris not only as former President of Mauritius, a country which is a recent member of the OECD Development Centre, but also as Member of the Club de Madrid.

The Club de Madrid is, as you may know, the largest network in the world of democratic former heads of state and heads of government, dedicated to strengthening democratic values and leadership around the world by drawing on the experience and resources of its Members. At the Club de Madrid, from our experience when in office and since, we share the conviction that within a world increasingly diverse and conscious of social and political inequalities, the question of how we live together and how we manage our differences is one of the most important conversations of our time.

Over 90% of the countries in the world today have a minority population of at least 10%. The reasons for this diversity vary. Sometimes it is the result of migration; elsewhere it may be a consequence of colonisation in the past. In the Club de Madrid, my fellow members and I recognise that the particularities of each situation may differ, but we believe that there must be a common goal of finding ways in which members of different communities can live in harmony with each other.

All of us cherish and value a socially cohesive society: a stable society, safe and just, based on the promotion and protection of human rights, on non-discrimination and tolerance; a society that respects diversity, equality and opportunity, solidarity, security and participation of all people including disadvantaged and vulnerable groups and individuals. A society where the residents can feel at home and able to make their contribution to the community. A society where these conditions exist, or at least where they are being actively and inclusively sought, is one we call a “shared society.”

We in the Club de Madrid have established the Shared Societies Project, as our contribution to the challenge of achieving that goal. We want to provide current leaders and the wider society with greater understanding of the benefits of social inclusion and the incentives and means to act to advance it.

Our first task is to champion the importance of building shared societies and making the case for it – politically, ethically and economically. We believe it is a vital conversation of our age.

We have identified the following basic principles that underlie a shared society:
At the centre of our approach is the need for **mutual respect for the dignity of each of us** even though we may speak different languages, may follow different religions and may look different. Respect itself is built on knowledge and understanding of the other and therefore there needs to be positive opportunities to meet and know the other in order to build respect. In turn, respect makes us aware of the needs of others and the ways in which their rights may be overlooked or ignored.

This leads to a second and third key elements: **equality of opportunity** and the **absence of discrimination**. If our rights are guaranteed we are more secure and we are less likely to feel threatened by the state or by other sections of the community.

And fourthly we believe that **democratic participation** is able to provide the best kind of structures for ensuring that all sections of the community are able to speak for themselves and express their needs and society.

Those four principles are references that we believe should ground our work on social cohesion.

The focus of our efforts is **political leadership and the question of political will**. Political leaders are critical in determining if a society is inclusive and shared or if it excludes and marginalises people and denies them opportunity. **Political Leadership** is important in reassuring people and challenging those who appeal to and exploit the fears of communities who do not know each other well; it is needed to take initiatives and act in ways that show an inclusive approach; it is needed to make the cogent argument that our society is a better place for all of us if we embrace diversity even if it is initially challenging.

Of course political leaders cannot achieve all this on their own. All sections of society have a part to play. There are many examples of civil society groups working to improve community relations and bringing marginalised sections of the population into the mainstream - but their efforts will be limited if the political leadership is not there. And in many places it is not sufficiently there and in these cases we need to look at why this is the case and how it can change.

We need to look at how international bodies can work with and support leaders in recognising the importance of this approach.

We want to show that it is possible to promote shared societies everywhere, even where leaders argue there is nothing that they can do.

Not only ethically, but also politically, social inclusion makes sense. The seven worst-ranked countries in the Index of Failed States are among the fourteen that have the highest rate of group grievances.

And there is also an **economic argument for social inclusion** that seems obvious. If sections of society are marginalised they will contribute less to the economy. They will have poorer education and limited skills to contribute. They have less capital to invest. Recent studies by World Bank economists suggest that the countries in the top quintile of “inclusive” societies, have seen their GDP rise over the past 10 years a total of 18.6% more than those countries in the bottom quintile. That is, there is evidence that social inclusion pays off in higher economic growth.
Women all over the world have suffered from economic discrimination. Only recently we are seeing how the participation of women as “economic-citizens” is contributing to economic growth in their countries and regions. The data on repayment rate of micro loans credited to women is astonishing in this regard.

Excluded groups may also be less willing to contribute to a society which they feel does not respect them and treat them as full citizens. They may go further and resist the status quo and it may cost the state a good deal of its surplus wealth to maintain stability. The state may resort to increased security measures, such as enlarged security forces, enhanced equipment for the security services, larger and stronger prisons. External capital is unlikely to invest in a society if it seems unstable and tension is high.

We need to challenge the assumption that marginalized and vulnerable groups are a drain on the economy, particularly in a world that has faced financial meltdown and with continued high unemployment, where people feel even more insecure. We have recently been working with the regional government of Madrid and they have been making the point forcefully that the contribution immigrants make to the local economy in Madrid is much greater than the amount of money they are sending home, and equally the size of their contribution to the local economy is much larger than the cost of services for immigrants.

It is important to equip ourselves with these types of information and analysis to refute the negative arguments. But this will not be enough. Nationalistic populism can easily touch the uncertainty that many citizens feel about those different from themselves, particularly the poor and disadvantaged, as we have seen only too clearly in recent elections in the Netherlands, Sweden and elsewhere. Then it is difficult for rational arguments to be heard.

In the Club de Madrid we have been working to make the case that diverse societies which are cohesive and inclusive make economic sense: co-operation is better than conflict. It is more cost effective and beneficial in every way to invest in building shared societies. Over the past year we, at the Club de Madrid, convened a Reference Group of Experts, some of whom are participants in this seminar that has produced a report on the economic rationale for shared societies. Building on the findings of the reference group of experts, the Members of the Club have adopted a Statement and a set of policy recommendations which we commend to current leaders, political and economic, national and international, as we believe, they provide a framework to achieve a new approach to both economic policy and inter-group relations which will be both more effective and fairer. I also commend it to you.

I brought with me some copies of these documents for distribution but let me share with you some extracts from the Statement:

“We urge all leaders and global financial institutions to recognise that Shared Societies benefit everyone and to take all steps to bring them about. Any other policy is short sighted. We also call on them to adopt the Call to Action of the Club de Madrid on leadership to build shared societies. We commend to them the existing Ten Commitments for Shared Societies of the Club de Madrid which indicate how a shared society can be achieved.

The Reference group of experts that the Club established has identified Ten Guiding Principles that should guide national and international policymakers in their
discussions and formulations of all policies related to fiscal, social, and economic development policy.

We call on current leaders and international institutions to adopt these Guiding Principles as a framework for their own policies and programmes.

We seek a fairer and more inclusive international order to provide the global environment in which individual countries are encouraged to build their own Shared Society.”

The Club de Madrid has a special opportunity to speak to political leaders and so we focus on the role of political leadership. But political leaders cannot replace the contribution of individuals in their own communities and the work of international and civil organisations. Political leadership often needs to be enabling leadership which encourages or makes it possible for attitudes to change and communities to act. What we say to political leaders is also relevant to those in leadership positions in civil society.

Social inclusion is about all of us. It is about each one of us individually, as citizens, as bearers of Human Rights. It is not about “fitting the others in,” but about building common ground where all of us feel safe to develop our potential and contribute from our differences.

Thank you for your attention

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