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**Follow-up to the World Summit for Social Development and
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priority theme: strategies for the eradication of poverty to
achieve sustainable development for all**

Statement submitted by New Humanity, a non-governmental organization in consultative status with the Economic and Social Council*

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

* The present statement is issued without formal editing.



Statement

The Economy of Communion in Freedom Model: Financial Sustainability, Productive Inclusion and Global Fraternity in the Fight Against Poverty

The Economy of Communion

As global economic disparities continue to grow, our call to action as responsible citizens has become increasingly prominent. This progression of inequality threatens the quality and health of our economic, social, and environmental conditions and calls into question the success of the current capitalistic and consumeristic paradigm. These current conditions demand a new vision and set of strategies for minimizing economic inequality.

This year 2016 marks the 25th anniversary of New Humanity's Economy of Communion in Freedom (EoC) project that challenges this inequitable and unsustainable model. The EoC is an international economic and social movement launched in May 1991 in Sao Paulo, Brazil by Chiara Lubich, founder of the Focolare Movement and New Humanity. Involving citizens, workers, scholars, students, organizations and people in need, its purpose is to contribute to the alleviation of poverty through resource and need sharing and the encouragement of self-sustainability, so as to build a more just and humane market economy and society in which "no one is in need". The EoC touches on the individual's innate question of "purpose" and promotes a "Culture of Giving" by sharing the resources and talents of a fraternal society.

A New Economic Model

The EoC model has a way of providing independent and sustainable financial resources for fighting poverty. The current world economic crisis puts a strain on the financial resources available to address poverty since everyone is dependent on the same financial "pie". The "old bakers" of this single pie — individual philanthropy and governmental assistance — have limited resources; their raw materials to bake our "pie" decrease as economic instability and the ensuing demand for the pie grows. Consequently, the size of our single pie shrinks, and each of our individual "slices" becomes smaller.

In the Economy of Communion model, "New Pies" for fighting poverty are created; that is, the EoC creates an independent and sustainable "funding mechanism" that taps into a "new source" of revenue — private social enterprises. This funding source then becomes available to whoever is involved in the EoC project. In this kind of economic model, each group becomes the "baker" of their own financial pie.

This new economic model has spawned the development of one of the largest socially responsible networks of productive enterprises in the world. With over 800 small to medium size for-profit and not-for-profit businesses, cooperatives and associations in over 50 countries present on all continents, this network collectively uses profits put in common to provide food, shelter and medical assistance for thousands of families and those in need annually. More importantly, it offers direct involvement in supporting those challenged by life's circumstances with educational

and employment opportunities, which have a direct bearing on the ability of the needy to bring themselves out of their dire conditions.

A New Social Model

The EoC model strongly believes in developing real relationships with those in need. How does this happen? Across the globe, within the same cultures and communities, lives the “not needy” in close proximity to those in need. The proximity of diverse necessities is a wonderful characteristic, and tends to make the system more effective and more accountable; more effective because the root causes of the poverty can be better understood from a local perspective; more accountable because the resources that are used can be overseen to assure they are used wisely while meeting the needs expressed.

Proximity also supports relationship building between the “resource” and the “need”, engendering reciprocity between people. And those that participate are changed, you might even say “transformed” by this process. It creates relationships between the “giver” and “receiver” that are intimate and familial. The “poverty” becomes something that can be viewed by each as a “gift” given for the good of community. Finally, the system also becomes more efficient, that is, it can “solve” more “problems of poverty” with less financial support, because it is a “collective model”. That is, it isn’t just one local company or group working independently, but a collection of people from around the world that share both their resources and needs and redistribute them across country borders.

A New Business Model — Productive Inclusion

The Economy of Communion understands the main contribution to alleviating extreme poverty will not occur primarily through the redistribution of wealth from the “rich” to the “poor”, but through the creation of new wealth which includes in its process disadvantaged people. Members of the EoC project emphasise a difference between “unchosen poverty”, which is negative and includes those living under extreme misery and deprivation, and “chosen poverty”, which the Christian Gospel speaks about and is practiced by the EoC entrepreneur. When these two types of poverty are brought together in a work environment, beautiful things are discovered and community grows among people.

The entrepreneur comes to see that the need offered to them by the one in need is a real gift, and brings into perspective the real meaning and value of work. On the other hand, those in need come to experience a new fraternity and a sense of belonging to a family where everyone gives and receives. Every “poverty” presented has its wealth and values that allow everyone to experience how important we all are to one another’s happiness and fulfilment. With this communion and reciprocity established, there are no longer “poor” or “rich” people, but only people who have gifts to offer to each other.

The following are a few concrete examples of the EoC businesses where this inclusive production is rooted in the mission and vision of the company, and that have conducted their work with the socially responsible goals of mutual benefit and the personal and professional development of all involved:

Dalla Strada — an EoC company born in north-eastern Brazil that produces women’s handbags, accessories and apparel from recycled and reusable materials, started as a project to provide job training and skill development for at-risk young people found “from the street” dealing with violence, drug addiction and the lack of family structure.

Electromecanica Breccia — an Argentinian EoC company that repairs and produces electrical and mechanical devices, and employs those with mental handicaps, developmental disabilities, drug addictions and criminal records.

Visitation Law — an EoC law practice in the Midwest United States that was set up to represent in all legal proceedings only the poor, the elderly, the mentally ill and those with developmental disabilities.

Tassano Consortium — an Italian EoC group employing more than 200 marginalized people within three social cooperatives who have difficulty finding jobs because of disabilities, drug additions, and records of incarceration.

Boomerang Travel Company, Spiritours and Safari Eye — three EoC travel agencies (Argentina, Canada, Congo, respectively), that focus on sustainable and fair-trade tourism and developing close relationships with and support projects for local indigenous communities.

Bangko Kabayan — an EoC Filipino rural bank that provides services particularly to small merchants, farmers and traders in the community around it, holds community-building seminars, assists with educational scholarships, and funds business startups through microcredit lending to those in need.

Youth Internships and Schools of Formation

Like any organization that seeks to endure over time beyond the first generation, the EoC has focused its efforts on the continual education and spreading of the EoC model in young people through world-wide schools of formation and an internship programme. The schools — held typically during the summer in cities around the world — offer young people the opportunity to interact with university professors, business people and other technical professionals who provide tools and incentives to work for the sustainability of the EoC. Subjects include a history of the EoC and its values, operating guidelines for managing an EoC business, and different methods for fighting poverty within the EoC model.

The international internship programme is available within selected EoC businesses to provide a real, hands-on experience for young people within their particular field of interest. As part of the internship programme, weekly meetings with EoC business owners are held to provide direct knowledge-sharing in how an EoC company is managed while involvement in local community and development projects create a more practical and hands-on experience. Interns are also challenged to create their own EoC startup business, and develop a concrete business plan for making their vision possible.

As part of the EoC youth programme, over 350 theses and dissertations in 14 languages have been written for various academic settings over these last 25 years, as young people have studied the EoC model in different fields, and evaluated its effectiveness compared to other prevailing poverty eradication models.

EoC International Incubating Network (EoC-IIN)

In order to further promote the values and mission of the EoC and capture the talents of young entrepreneurs, we have developed the Economy of Communion International Incubating Network, or EoC-IIN. The EoC-IIN is a global reality whose goal is to provide full support for the incubation of new EoC companies with the spirit of communion. Business support hubs are present on all continents that offer the various services in the incubation process with the brand of gratuity and reciprocity. The fundamental objective of the EoC-IIN is to equip ourselves with new tools to better accompany a new generation of entrepreneurs interested in the Economy of Communion but have not yet discovered the many channels of participation and collaboration available.

Some of the positive effects brought about by our focus on young people not only include the promotion of the creation of new companies with social motivations, but also a revitalization of the entire Economy of Communion. As a result of these efforts, more than 60 new companies have begun in Africa and South America within the last five years, most spearheaded by young people looking for work who have found the EoC style aligned with their own personal belief systems.

The EoC Strategy for Poverty Eradication

What does the Economy of Communion have to offer the United Nations in terms of an effective strategy to begin to eliminate the root causes of poverty in this world? We would like to highlight the following key aspects:

1. The EoC is a real, operating sustainable model. We have 25 years of experience in seeing the positive impact the EoC has had on hundreds of local communities on all continents. Although still small compared to the world's economic system, we believe its vision can be easily replicated by others faced with similar difficulties.
2. The EoC focuses on engaging those in need with the solution to their own challenges — productive inclusion in real companies that rebuilds relationships, encourages self-confidence and direction, and revitalizes the meaning of work for all.
3. The EoC is a true global reality capable of crossing borders and races, encouraging a new shared culture of giving, and connecting the planet with fraternal relationships based on reciprocity. As such, it is an effective antidote for the existing economic system based more on individual concerns and national self-interests.

Recently recognised by Pope Benedict XVI in his 2009 encyclical *Caritas in Veritate* as “a broad new composite reality embracing the private and public spheres, one which does not exclude profit, but instead considers it a means for achieving human and social ends”, we believe the EoC model has much to offer civil society and other development organizations in their efforts to eradicate poverty.