

Originators: Norwegian Church Aid, Finn Church Aid, Church of Sweden, Brot Für Die Welt

Endorsed by: ACT Europe Forum

Public Statement on Economic Inequality and Social Protection

As an alliance of faith-based organisations we are responsible for bringing a message of hope for the people that are left behind, and through action putting people first. As expressed by members in ACT Alliance, together with other churches and ecumenical organizations, in the *Sigtuna Statement on Theology, Tax and Social Protection* (2017), we are deeply concerned by the growing economic inequalities in many countries and their impacts on the lives of people everywhere and note with deep concern that economic inequality has risen to a very high level and is still rising. Over the last 25 years, the top 1% have gained more income than the bottom 50% put together, and one in 9 people still go to bed hungry.

Economic inequality fuels poverty, deepens the abuse of power, undermines social cohesion and threatens to pull our societies apart. Inequality provokes exclusion, violence, crime and insecurity at all levels of society. Inequality denies millions of people living in diverse contexts the ability to have a decent standard of living, and leaves people on both sides of the poverty divide living in fear. Inequality also perpetuates the unequal flow of resources from the Global South to the Global North. Our role as faith-based actors is to empower the marginalised and level the playing field, so that they too can have a life in abundance, and to call on leaders in all sectors of society to promote policies that guarantee just societies, where wealth is shared fairly for the good of all and social protection is guaranteed as the right of all.

Churches and faith-based organisations have historically been and remain at the forefront of providing services and support to those living in the socio-economic margins. We believe that we have a continued and critical role to play in building just societies and securing social protection for all. We look to our resources of faith for hope and direction and add our voices to movements of people in the world who demand redistribution of wealth and social protection as a matter of justice and human rights. If we are to reach the Sustainable Development Goals by 2030, reduction of inequality needs to be a key priority.

Progressive taxation and social protection are fundamental instruments with extraordinary potential for redistributing wealth and promoting the common good in this time of rising inequality, so that all can have life in dignity. Paying the fair amount of taxes and contributing to domestic resource mobilization is therefore a duty for all people and all institutions, and no one should be exempt from this responsibility to contribute to creating healthy communities. Governments and the private sector must be transparent about the collection, payment and use of taxes. Corporations and the wealthy have a particular responsibility to pay appropriate taxes, according to their profits, and to bear their share of responsibility for the common good. Governments need to cooperate on regulating foreign companies and investments in order to avoid a race to the bottom.

We call on churches and faith-based organizations everywhere to stand up and demand fair redistribution of wealth and social protection, as a matter of justice and human rights for all in the following ways:

- Working together for hope in action to shed light on economic inequality and coming together to advocate for positive change at all levels, from the very local to the international level.

- Continue to pioneer social services and support for all so that no one is left behind, and to challenge governments to learn from these innovations and to guarantee public social protection for all.
- Raise awareness and build local community support to influence policies and actions in favour of social protection, just tax systems and equality at all levels.

Furthermore, faith-based actors should commit to working with others in the public space and engage in relevant policy frameworks and debates to call upon governments, decision-makers and companies in all sectors and levels of society to urgently take action to:

- Deliver rights-based and gender-sensitive social protection for all inhabitants across their life cycle. Ensure that systems of social protection are anchored in law and long-term political agreements, and designed in a way that minimizes the risk of stigma, arbitrariness and corruption and that promotes transparency and access to legal recourse and complaints mechanisms at all levels.
- Engage with different actors in society – including churches, other religious communities and faith-based organizations – for the progressive realization of comprehensive social protection systems, without compromising the duty of the state to fulfill all people’s right to social protection.
- Work for a just tax system that benefits the poor and disadvantaged under the guidance of an international UN tax body, where fair progressive taxes and other resources are mobilized in all countries for the common good.