

Report on a Side Event at the 2012 ECOSOC/BWI/WTO/UNCTAD Dialogue

People-centred Development: Creating an enabling environment for productive investment and decent jobs

Date: 1:15 pm – 2:45 pm, Tuesday 13 March 2012
United Nations, New York, NLB, Conference Room B



The panellists and moderator, from left to right:

- Roberto de León de Len Huerta, Second Secretary of the Permanent Mission of Mexico to the United Nations,
- Gemma Adaba, SocDevJustice, former ITUC Representative to the United Nations
- Eva-Maria Hanfstaengl, Director of Social Justice in Global Development (Moderator),
- Nouhoum Sangare, Human Rights Officer at OHCHR and
- Simon Koppers, Head of Division United Nations, Federal Ministry for Economic Cooperation and Development (BMZ) of Germany.

Executive Summary

About 50 people participated in this informal lunch-time panel discussion that took place on the occasion of during the annual meeting of ECOSOC with the Bretton Woods institutions, WTO and UNCTAD. The side event was co-sponsored by the Office of the High Commissioner for Human Rights, the NGO Committee on Financing for Development and Social Justice in Global Development.

Simon Koppers, **German Ministry for Economic Cooperation and Development** and leader of the German Government delegation to the ECOSOC meeting, underlined the importance of addressing youth unemployment and the need of young workers for decent and productive jobs. He presented the experience that Germany has had with a 3-Pillar-Approach, which it applies in its development cooperation: 1. Strengthening the labour market through training programmes as well as targeted job creation through strengthening of the private sector and providing public works programmes; 2. active labour market policies through strengthening of social work for the young and through providing

employment services; and 3. overall economic policies to create a more enabling environment, including providing sufficient education opportunities, a good health system, an appropriate infrastructure and financial services. State revenues have to be built upon an appropriate tax system. Another important factor for an enabling environment is a macroeconomic situation that “gets the prices right” for wages, interest rates, exchange rates. Mr. Koppers also mentioned the importance of Corporate Social Responsibility. He concluded by underlining the importance of not unduly sacrificing equity and social values to growth. He called for a value system built around solidarity, dignity and equity. Mr. Koppers sees the main challenge of politicians today as that of rebuilding strong and concrete leadership. Good ideas are needed and he welcomed political pressure in this regard from NGOs

Mr. Sangare represented the **Office of the High Commissioner for Human Rights (OHCHR)** and shared with participants his ideas on people-centred and human rights-based development, in relation as it relates to financing for development. Human rights and development make up a self-reinforcing virtuous circle. This is especially important today, when the global financial and economic crisis triggers serious threats to realizing a wide range of basic rights, including the rights to work, health, education, housing, food, and even the right to life. What began as a financial crisis has rapidly turned into a global human rights crisis. Yet states’ responses so far do not appear to be guided by the need to avoid social disruption as a result of from budget cuts so detrimental to the enjoyment of human rights. Many governments are cutting back on social services, just at the time they are most needed. More dramatically, the right to decent work is under threat, as wages are ramping down and working conditions are becoming more hazardous. The rights of women are also particularly at risk and the situation of young people is critical as they become the human face of unemployment and poverty. There is a need to shift macroeconomics towards people-centred development and to assess economic policy using the ethical lens of the human rights standards. The starting point should be the expansion of well-designed public expenditure, through delivery of public services, income transfers and infrastructure, and through supporting human rights compliant patterns of economic growth. Very importantly, projects geared to generating employment must be subject to a human rights impact assessment or audit. According to the High Commissioner for Human Rights: “The Right to Development, which embodies the human rights principles of equality, non-discrimination, participation, transparency and accountability as well as international cooperation, can guide our responses to a series of contemporary issues and challenges.”

Mr. de León de Len Huerta from the **Permanent Mission of Mexico to the United Nations** outlined the five priorities under the Mexican Presidency of the 2012 G-20 Summit: economic stabilization and structural reforms; strengthening of the financial system; improving financial architecture; enhancing food security, addressing commodity price volatility and promoting sustainable development and green growth. He then referred to the G-20 Summit in Cannes, where governments agreed to improve active employment policies, particularly for young people and other vulnerable groups; establish social protection floors adapted to each country; promote effective application of social and labour rights and strengthen the coherence between economic and social policies. The G-20 also established a *Task Force on Employment*, with an initial focus on youth employment and the objective to create quality jobs. It will provide practical input to the Ministerial Meeting to be held under the Mexican Presidency. Mexico seeks to identify policies and programmes that promote formal employment, with the enjoyment of all human rights, social security, and decent wages, especially for the youth, and to identify strategies to explore the capacity of the green industry’s to become a quality job creator. Mr. de León de Len Huerta then explained that social protection is part of a comprehensive national social policy strategy in Mexico, supported by a legal and institutional framework. He went on to explain Mexico’s *Vivir Mejor*” strategy, which focuses on the development of basic capacities and on providing a social safety net. Due to the Cash Transfer Program named *Oportunidades*, which delivers support to access to education, health and nutrition for 6.5 million families in Mexico, the impact of the recent crises on the most vulnerable groups has been less than feared. The *National Employment Service* and *Support Programme* provide occupational orientation, information and technical assistance to the unemployed and the informally

employed. A *First Job Programme* incentivizes the incorporation of youth into the formal labour market. In times of economic turmoil it would be very important to strengthen these programmes and related strategies to lower the negative impact on vulnerable groups and foster economic recovery.

Gemma Adaba, former **ITUC Representative to the United Nations** and NGO panelist, criticized the approach taken by the World Bank in its upcoming World Development Report 2013, consisting of prioritizing the creation of urban jobs while neglecting to focus on rural jobs, particularly in the context of achieving food security. Governments should support agriculture and rural development, and enhance employment opportunities in rural areas as well. High unemployment rates in many countries demonstrate the inadequacy of policy responses to the crisis. Especially young people and women are disproportionately affected. Therefore, sufficient funding of the Global Jobs Pact, proposed by the ILO is important. She criticized the G20 Task Force, as it does not include the rest of the world's countries in its policy-making process to combat unemployment. There is a need for a new round of stimulus packages, targeted towards demand-led growth through decent jobs and social protection. Wage cuts are the wrong policy approach. Governments have to overcome the "silo" thinking and planning in separate ministries, and learn the lessons of the human rights approach as a comprehensive framework.

The necessary resources for social protection and job creation measures can be mobilized through strengthening of international tax cooperation, as well as including developing fair rules for transfer pricing in taxing multinational corporations, and combating money laundering. At the national level, governments should improve tax administration, introduce progressive taxation, combat tax evasion and capital flight. There is an urgent need to create a universal political body on tax matters within the UN that includes the interests of developing countries. Financial and currency transaction taxes could be easily introduced and provide the necessary additional resources for social development in low-income countries of the South.

1. Simon Koppers, Head of Division on the United Nations, Federal Ministry for Economic Cooperation and Development (BMZ) of Germany: Enabling environment for productive investment and decent jobs

Mr Koppers started his presentation by referring to the Millennium Declaration and focused on para 20: "We also resolve: [...] To develop and implement strategies that give young people everywhere a real chance to find decent and productive work. [...]" Little progress had been made so far, and job creation for young people is more imperative than ever. Mr. Koppers quoted approvingly the flyer for the event, stating that solutions to this problem were less technical than political, and called for strong and concrete leadership and an active role for the state.

He cited Secretary-General Ban Ki-moon's Five-Year Action Agenda, which was launched 25 January 2012, one of the five pillars of which is "Working with and for women and young people". He agreed with the Secretary-General's urgency to "address the needs of the largest generation of young people the world has ever known by deepening the youth focus of existing programmes on employment, entrepreneurship, political inclusion, citizenship and protection of rights, and education, including reproductive health." Mr. Koppers welcomes pressure and proposals from civil society on governments, as the state has a necessary role in improving youth employment. He looks to political leaders to work on initiatives, develop them into instituted policies and then assess their effectiveness as they must be accountable.

Koppers sees a challenge facing politicians today, to rebuild strong and concrete leadership. Good ideas are needed as well as pressure from NGOs and the creation of public awareness. Strong leadership should go beyond meetings and announcements, but show concrete, measurable targets and accountability reports.

How to enhance youth employment

In supporting partners in Southern countries, the German Ministry for Economic Cooperation and Development has good experiences supporting partner countries in the South with a 3-Pillar-Approach to boosting youth employment: 1. Strengthening the supply and demand sides of the youth labour market, 2. Adopting policies and instruments to make the youth labour market more efficient; and 3. overall economic policy to create a more enabling environment:

1. Strengthening the supply side, such an approach would mean strengthening the capacity of young workers by introducing literacy courses (including IT-literacy), technical training along the value chains, vocational training, integrated work-place experience (“cooperative dual system”) and a certification system. Strengthening the demand for young workers entails strengthening the private sector by facilitating enterprise creation, training for business start-ups, training to improve productivity, but also enhancing short-term employment opportunities through public works programmes (especially in post-conflict situations).

2. In addition, governments should introduce active labour market policies and instruments, with a focus on helping newcomers into the labour market through strengthening youth social work, providing employment services (occupational orientation workshops; placement services; job fairs for matching of skilled workers with available jobs) and through engaging senior entrepreneurs in mentoring schemes.

3. Policies for a more enabling environment for productive jobs and promotion of the private sector role, include providing adequate primary, secondary and tertiary education; ensuring a good a health system that successfully addresses both treatment and care, and prevention through sufficient investment in clean water, sanitation, hygiene, nutrition, reduced air pollution, improved road safety, etc.

Concerning human rights, equity, equality, Mr. Koppers recommended the book “The Spirit Level” by Richard Wilkinson and Kate Pickett, 2009.¹ It demonstrates that societies sacrificing equity for growth harm the physical and emotional health of citizens as well as the growth target itself.

Germany puts an emphasis on social security and assists partner countries in building up their social safety nets. Germany plays a very active role through the multi-partner programme “Providing for Health” (P4H), micro-insurance schemes, old-age pensions, basic income and conditional cash transfers, unconditional cash transfers and school-feeding programmes.

Governments also need to successfully carry out the basic functions of government, including providing appropriate infrastructure. State revenues have to be assured by an appropriate tax system, in support of which Germany has launched together with other partners the “International Tax Compact” to help

¹ <http://www.guardian.co.uk/books/2009/mar/13/the-spirit-level>

countries fight tax evasion and inappropriate tax practices (see <http://www.taxcompact.net/>). He also referred to the intervention of Heiner Flassbeck of UNCTAD, the previous morning during the ECOSOC Spring Meeting, when he called for macro-economic policies that get key prices right (wage rates, interest rates, exchange rates). In addition, inclusive financial services have to be provided, as for small and medium enterprises.

Mr. Koppers also mentioned the importance of Corporate Social Responsibility. The private sector should understand that it is in its medium- and long-term self-interest to act responsibly with regard to environmental, economic, social, and political issues.

Mr. Koppers concluded by emphasizing an overarching aspect of an enabling environment, namely spreading a value system in society around solidarity, dignity and equity. Leaders as well as all relevant actors should put an emphasis on building up the right attitudes concerning the role of women and minorities in societies, on fighting discrimination, violence and corruption. In addition, governments and other relevant actors should promote volunteerism and support NGOs and trade unions.



2. Nouhoum Sangare, Human Rights Officer at OHCHR/ NYO: Financing people-centred, rights-based development to uphold the internationally agreed human rights standards

Mr. Sangare represented the Office of the High Commissioner for Human Rights (OHCHR), one of the co-sponsors of this event, and shared with participants his ideas on people-centred and human rights-based development as they relate to financing for development. The United Nations Charter expresses the determination of the international community to “promote social progress and better standards of life in larger freedom” and to “employ international machinery for the promotion of the economic and social advancement of all peoples.”² It asserts that peace and security, development and human rights, as the three pillars of the United Nations Organization, are interlinked and mutually reinforcing.³

² Para 1 of the Preamble

³ With a view to creating conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, the United Nations shall promote: *a.* higher standards of living, full employment, and conditions of economic and social

The mandate of the High Commissioner for Human Rights is grounded in this vision and responsibility to promote, protect and mainstream all human rights, including the right to development. When adhered to, in principle as well as in practice, human rights and development make up a self-reinforcing virtuous circle. Quoting the Human Development Report for 2000, Mr. Sangare said that “The central goal of development is to realize human well-being. Given that human rights define and defend human well-being, a rights-based approach to development provides both the conceptual and practical framework for the realization of human rights through the development process.” It follows, in his view, that the human person should be placed at the centre of development, and all development actors and partners should look at human rights as an intrinsic part of development, and at development as a means to realizing human rights.

This is especially pertinent today, when the global financial and economic crisis triggers serious threats to realizing a wide range of basic rights, including the rights to work, health, education, housing, food, and even the right to life. In fact, what began as a financial crisis has rapidly turned into a global human rights crisis. The real consequences and the greatest burden of the impacts have fallen on the poorest and most marginalized communities and on the realization of their human rights. However, according to Mr. Sangare, states’ responses so far do not appear to be guided by the need to avoid social disruption as a result of budget cuts that are so detrimental to human rights. As sources of revenue decline, government budget outlays are falling, and spending on social programs is being slashed first. Many governments are cutting back on social services, just at the time they are most needed to guarantee minimum attainment of economic and social rights, essential for survival and human dignity.

More dramatically, Mr. Sangare was concerned that the right to decent work is under threat as wages are ramping down and working conditions are becoming more hazardous. Meanwhile, millions of people are deprived of social safety nets such as social security, under circumstances that are not of their own making. The rights of women are also particularly at risk, as unemployment and social unrest can translate into greater violence against women. The situation of young people is also critical as they become the human face of unemployment and poverty.⁴

As the international community mobilizes to rethink and rebuild the global economic system, Mr. Sangare called for a shift in macroeconomics towards people-centred development. Policy approaches of the recent years were based on an incomplete view of macroeconomic policies. Economic growth and material wealth were mistaken for true development. Now, quoting a prominent feminist economist, Radhika Balakrishnan, he said that “There is an urgent need for an informed understanding of the ways that economic policies conducive to people-centred development can support the realization of human rights, and the ways that a human rights focus can support progressive economic policies. It is clearly

progress and development; *b.* solutions of international economic, social, health, and related problems; and international cultural and educational cooperation; and *c.* universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion (Article 55).

⁴ We need to pull the UN system together like never before to support a new social contract of job-rich economic growth. Let us start with young people – UN Secretary General, World Youth Report 2011.

time to assess economic policy using the ethical lens of the human rights standards that all governments have agreed upon.”⁵

Mr. Sangare emphasized that by virtue of the internationally agreed human rights standards, Governments have the obligation to act in certain ways or to refrain from certain acts, in order to promote and protect human rights and fundamental freedoms of individuals or groups. States assume obligations and duties under the international human rights law to respect, to protect and to fulfil human rights. Governments should not spend in ways that violate the obligation to respect human rights. They should spend in ways that promote and fulfil human rights. Indeed, the obligation to fulfil human rights specifically requires states to take appropriate budgetary measures, and public expenditure is a vital budgetary measure. The starting point should not be the minimization of public expenditure, in the hope of fulfilling economic and social rights through private sector-led economic growth; rather it should be the expansion of well-designed public expenditure, that can fulfil economic and social rights through delivery of public services, income transfers and infrastructure, and through supporting human rights compliant patterns of economic growth.

In short, there is a need to integrate all human rights including the right to development in financing for development, so that it can straddle national and international dimensions of economic policy-making, to reinforce the principles of participation, accountability and non-discrimination, and to centre development on people. Productive investment should not come at the expense of social expenditure, stressed Mr. Sangare. It is essential that projects geared to generating employment be subject to a human rights impact assessment or audit.

Mr. Sangare appealed to all development actors in the public and private sectors to remember that development is a human right. The right to development belongs to all. True development is not about economic growth; it is about the constant improvement in the well-being of the entire population and the achievement of a fair distribution of benefits, without discrimination.

As he stressed, this will not happen so long as the internationally agreed development goals are being undermined in a world where unbelievable amounts were invested to rescue speculative markets and to strengthen global military assets, to the detriment of basic rights. He quoted the High Commissioner for Human Rights as saying that “Economic growth aligned with the Right to Development could help realize the UN Charter’s vision for a world in larger freedom, founded on peace, development and human rights, and determined to free all people from fear and from want...”. “The Right to Development, which embodies the human rights principles of equality, non-discrimination, participation, transparency and accountability as well as international cooperation, can guide our responses to a series of contemporary issues and challenges.”

He concluded with these observations: “Participatory development is more inclusive; transparent development is more sustainable; accountable development is more efficient; non-discriminatory development is more equitable; and the empowerment of women, minorities and marginalized

⁵ Rethinking Macro-Economic Strategies from a Human Rights Perspective, Radhika Balakrishnan 2008

communities mobilizes vastly more development resources to the cause. Let us act now to make the “Financing for Development” process work towards realizing people-centred development.”



3. Roberto de León de Len Huerta, Second Secretary, Permanent Mission of Mexico to the United Nations: Productive Investment – Pathways to job-creating development

Mr. de León de Len Huerta started his presentation by outlining five international priorities under the Mexican Presidency of the 2012 Summit of the Group of 20 (G-20):

- Economic stabilization and structural reforms as the foundations for *growth and employment*;
- Strengthening the financial system and fostering financial inclusion to promote economic growth;
- Improving international financial architecture in an interconnected world;
- Enhancing food security and addressing commodity price volatility and
- Promoting sustainable development, green growth and the fight against climate change.

He reminded the audience of the outcome of the G-20 Summit in Cannes, where leaders underscored that employment creation must be at the heart of actions and policies aimed at restoring growth and confidence. G-20 Governments expressed their commitment to renew efforts to combat unemployment and promote decent jobs, especially for the young and other vulnerable groups who have been most affected by the economic crisis. To achieve these objectives, they made four policy recommendations:

1. Improve active employment policies, particularly for young people and other vulnerable groups;
2. Strengthen social protection by establishing social protection floors adapted to each country;
3. Promote effective application of *social and labour rights* and
4. Strengthen the coherence between economic and social policies.

They also established a *G-20 Task Force on Employment*, with an initial focus on youth employment. This Task Force will provide practical input to the discussions during the G-20 Labour and Employment Ministerial Meeting to be held under the Mexican Presidency. The main objective of that Meeting will be to create quality jobs. In order to achieve this goal, Mexico proposes to identify policies and programs that promote formal employment, with the enjoyment of all human rights, social security, and decent wages, especially for the youth, and to identify policies and strategies to explore the green industry’s capacity to become a quality job creator.

The green industry may be a development enabler and generator of new jobs. In this regard, it is necessary to identify the mechanisms that governments could use to adapt quickly. Workers will need to acquire new skills and the quality of the new jobs should be ensured. Therefore, Mr. De León de Len Huerta said that Mexico will propose that the Labour Ministers identify policies and strategies that explore the possibilities for the green industry's capacity to become a quality jobs creator.

During this year, other important international meetings will also consider the link between creation of decent jobs and sustainable development. In particular, the Rio+20 Summit will provide an opportunity to take specific action under the 3 pillars and should include a *rights-centred approach*. The zero draft document of the Summit outcome, which delegates were currently negotiating, noted the positive experiences in developing a green economy in some countries, including developing countries. A mix of policies and measures tailored to each country's needs and preferences is required. Mexico recognizes the need to enhance its understanding of the long-term effectiveness of such policies, and of the economic benefits and possible transitional costs associated with implementation.

The ECOSOC Annual Ministerial Review (AMR) in July 2012 will focus on the theme "Promoting productive capacity, employment and decent work to eradicate poverty in the context of inclusive, sustainable and equitable economic growth at all levels for achieving the MDGs". Also, the 2012 AMR provides an important opportunity for ECOSOC to spotlight economic growth models that promote job creation, are sustainable, inclusive and equitable, and can be tailored to the particular needs of countries, while also promoting social protection and labour rights.

Mr. de León de Len Huerta reminded the participants that the Final Outcome of the World Youth Conference, held in Mexico in August 2010, urges States to address the global challenge of youth unemployment and to develop a global strategy for youth employment. The Conference encouraged States, financial institutions, employer's organizations, trade unions, the private sector, institutions of education and civil society to develop partnerships to foster inclusive employment opportunities for young people.

Social Protection and Job Policies in Mexico: a People-Centred Approach

Mr. de León de Len Huerta explained that Social Protection is part of a comprehensive social policy strategy in Mexico, supported by both a legal and institutional framework. This strategy coordinates and complements all government social programs in order to promote social welfare for all, and ensure protection for the vulnerable groups of the population.

The "*Vivir Mejor*" Strategy fosters the economic and social rights of the vulnerable population according to the following principles: Integrity, Universality, Progressiveness, Non-Discrimination and Accessibility. Mexico's strategy focuses on the development of basic capacities for the population and in providing a social safety net, which links social and economic policy. The Strategy supports a broader approach to social protection which emphasizes: the development of basic skills; the link between the social context that determines access to employment and income-generating opportunities, and the fight against poverty and social exclusion that result in situations of vulnerability for certain population groups. In the end, this approach promotes the empowerment of people living in poverty and the realization of their human rights.

Thanks to this Strategy, the impact of the recent crises on the most vulnerable groups of the population has been less than feared, in particular due to the important role played by the Cash Transfer Program named *Oportunidades*, which delivers support in terms of access to education, health and nutrition to 6.5 million families, or one out of every 4 persons living in Mexico. During 2009 and 2010 the net amount allocated to the different programs was increased in order to allow families to tackle the impact of the economic crisis. This Strategy promotes the development of capabilities and the generation of greater

opportunities, especially for women and children, by ensuring access to food, education, health and a legal identity. The goal is to enhance their skills and abilities in order to successfully include them in economic development, and to improve the environment in which families live, by improving the quality of housing and basic social infrastructure.

Mr de León de Len Huerta described how *The Social Development Act in Mexico* established that the amount of resources for social programmes in the Government budget must increase each year, and it promotes evaluation and transparency, in accordance with the principle of progressive realization of economic, social and cultural rights. Experience shows that social protection policies require a solid institutional framework. It is not so much a matter of the type or number of programmes, but rather how the programmes are integrated in a national strategy which guides and focuses social development goals. He stressed that in times of economic turmoil, it is very important to strengthen these programmes and strategies to lower the negative impact on vulnerable groups and foster economic recovery.

He also reported how the *National Employment Service* has diversified and amplified its active labor market portfolio with the goal of offering more and better alternatives for the employment of the population. It provides occupational orientation, information and technical assistance to the unemployed and the informally employed. It could also provide economic and other types of support (such as machinery and equipment for individual occupational initiatives). At the same time, it aims to reduce the time and cost for those searching for employment, as well as for those involved in hiring, through linking schemes, including through the use of electronic information tools.

In addition, the *Employment Support Program* provides economic resources to look for or maintain employment, to begin or strengthen individual activities, or to access federal entities offering employment opportunities; it favours adequacy of labour competency through capacity scholarships. There are 5 subprograms: Capacity scholarships, promotion of self employment, and compensation for temporary employment, internal labour mobility, and returning workers. The *First Job Program* works to create incentives for the incorporation of youth into the formal labour market. The program is based on granting a tax subsidy to businesses during a maximum period of 12 months. More than 21,000 employers subscribed to the programme, with a total of 80,718 workers on the programme's record. The *National Program for Labour and Training for Persons with Disabilities* through the *Specialized Job Bank* assisted a total of 26,901 persons with disabilities. The Policy for Labour Equality's main purpose is to ensure equality of opportunities between men and women and *respect for rights*. In this regard, the Mexican Norm for Labour Equality between Men and Women, acknowledges public and private sector that promote non-discriminatory practices and in favour of equality, social protection, and the reconciliation of work and family responsibilities.

4. Gemma Adaba, SocDevJustice, former ITUC Representative to the United Nations: Mobilizing resources for decent work – Tax cooperation matters

Gemma Adaba, former **ITUC Representative to the United Nations** and member of the Advisory Board of the NGO "**Social Justice in Global Development**" started her presentation by raising her concern about a remark made by the World Bank representative in the intergovernmental discussions a day before, in which he pointed out that youth unemployment would be a danger to the whole society as unemployed youth would easily pick up guns. Ms. Adaba however insisted that the main motivation for combating youth unemployment should not be fear or threat, but rather our concern for the life-time opportunities, the intrinsic wellbeing and self-fulfillment of young people. She also criticized the approach taken by the World Bank in its upcoming World Development Report 2013, consisting of prioritizing strategies for the creation of urban jobs, while neglecting to focus on rural jobs, particularly in the context of achieving

food security. Governments should develop strategies and put more resources into supporting agriculture, rural development and enhanced employment opportunities in the agricultural sector that is so vital for the development of the majority of countries of the South.

Ms. Adaba quoted the unemployment rates published by the ILO to show how inadequate policy responses were so far to combat unemployment. Young people and women have been disproportionately affected. She also expressed concern about the “vulnerable employed” (the working poor). Therefore sufficient funding of the ILOs Global Jobs Pact is important. Referring to the G-20 Task Force, she wondered how the G-20 includes the rest of the countries of the world into their efforts to combat unemployment. There is a need for a targeted stimulus package and a new round of a demand led growth. Wage cuts go in the wrong direction. NGOs as well as governments have to overcome the “silo” thinking and planning and learn the lessons of the human rights approach.

The necessary resources for an appropriate global recovery policy could be mobilized through strengthening international tax cooperation, as in setting appropriate rules for transfer pricing and thus proper sharing of tax revenues between home and host countries of multinational firms, and combating money laundering. At the national level, improvements in tax administration, introduction of more progressive taxation systems, and more effective combating of tax evasion and capital flight were warranted. There is an urgent need to go beyond having the UN Committee of Experts on International Cooperation in Tax Matters and the intergovernmental OECD Committee on Fiscal Affairs and create a universal political body on tax matters within the UN that better includes the interest of developing countries and can forge global policy conclusions on international tax matters.

Ms. Adaba also referred to a different international tax policy matter, introducing financial and currency taxes. These were for a long time a taboo, but today those taxes are debated in Europe and some forms of them are already introduced, like in France (beginning in August 2012), Brazil etc. However, unlike what some EU countries are planning, at least some of those resources should go to development and support poor countries in the South to help them to create jobs, especially for the youth, and establish appropriate national social security systems.

5. Discussion

In the following discussion, questions were asked about the relevance of the Vienna Declaration and Programme of Action of the World Conference on Human Rights, 1993 and how better to bring human rights concerns into technical-level policy discussions. Also, participants expressed interest in learning more about the Right to Development. In responding, panelists said that it was high time to move away from the traditional discourse on the Right to Development, which should be global in nature and not seen as a North-South dialogue. We have to move beyond finger pointing or accusing one part of the system as failing in responsibility for the other. Instead strategies to promote the Right to Development have to focus on those who are affected by our policies wherever they may live. The understanding of the Right to Development also has to move away from a charity perspective to a rights-based approach.



Another round of questions focused on the possibility and urgency to create an intergovernmental Commission on Financing for Development (FfD). The need for such a new body or a Global Economic Council was agreed by all panellists, even though no one entered into a deeper discussion, except that one participant suggested that the proposed UN tax group could be a sub-group of the FfD Commission. This topic had been the theme of a side event on the previous day.

In addition, the need for the creation of expert groups on financial and economic matters was raised, the idea being that these would feed into the

discussions of such a new Commission or Council. Tax cooperation is just one of the important issues, where international dialogue, guidance and agreements are needed.

Also mentioned was the need to discuss a new global currency, which could embody an expanded role for Special Drawing Rights (SDRs), an IMF-created reserve asset, as tabled in the 2009 UN Commission of Experts Report of the President of the General Assembly on reforms of the international monetary and financial system, (Commission chaired by Joseph Stiglitz).⁶

Participants showed keen interest in, and also asked for further information about Mexico's work on social protection and the realization of social and economic human rights in Mexico. In responding, the Mexican representative pointed out the main reason for the advances described in today's session was that Mexico included a particular clause in its law with budgetary commitments.

In conclusion, all panellists emphasized the importance that politicians and policy-makers overcome thinking in "silos", or separate areas of competence, not seeing the interrelationships of issues. They should instead promote greater coordination and policy coherence. A key element for the achievement of this goal would be continued pressure from civil society for the realization of human rights, including the Right to Development for all.

⁶ http://www.un.org/ga/econcrisissummit/docs/FinalReport_CoE.pdf