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## **National and International Responses to the Crisis Thematic Debate, 29 September 2009**

The direct and indirect impact of economic crises on the most vulnerable – on their work, their health or their education – is an established fact, as is their inevitable tendency to exacerbate existing inequalities and poverty. In the face of the global threats that the current economic crisis is posing to social justice and human rights, UNESCO is the more determined to defend a **human rights-based approach to economic and social development** the better to respond to the social impact of the crisis.

Amidst the welter of analyses and positions that the crisis has provoked, institutional responses consistent with that approach have already been formulated, both by governments and by international institutions. History will judge their effectiveness by their ability to ensure not just that social security cover is maintained – where it exists – but also that human rights are protected for the four-fifths of the world population that enjoy no social protection.

UNESCO's MOST programme wishes to give members of its Intergovernmental Conference an opportunity to form a thoughtful overview of the totality of these responses, in the context of a dialogue between researchers, civil society and decision-makers that aims, by actively supporting comparative approaches, to promote a more effective interaction between research and public policy design.

One cannot fail to observe that the attention that the crisis summoned from the media and institutions was directed above all towards strictly economic initiatives (bailing out the banks, reshaping the financial system, recovery plans), even though the world economic crisis constitutes an opportunity to rethink the priority of investment in the social domain and in education, science and culture. The commitments to combat poverty, inequality and social exclusion made in Copenhagen in 1995 and confirmed in the Millennium Declaration take on a different aspect in this regard: far from being simply commitments to goals that can only be pursued by returning to global growth, they in fact identify instruments for the better prevention of major crises.

Since the credit crunch spilled over from the banking field, which triggered it, to challenge not just global growth but the very basis of macroeconomic stability, its social impacts have multiplied. Employment crisis, greater poverty, social spending called into question by governments under budgetary pressure or even in financial default, increased inequality and discrimination – the list is long and inevitably non-exhaustive so varied and interdependent are the fields affected.

Thus the global economic crisis has multiplied the risks of a **general destabilization of existing social policies**, which are suffering a deterioration in their funding conditions: health, housing and water purification policies, pandemic containment programmes or social protection systems – all this public spending is particularly exposed in the developing countries' budgetary decisions, even though the human and economic cost of such cuts is better recognized than it was – given, for instance, the new-found political will in China and the USA to establish universal health insurance.

In this context, **the achievement of the Millennium Goals seems highly compromised**. In respect of the first Goal (the reduction of extreme poverty and hunger), the World Bank has estimated that 60% of the gains made towards eradicating poverty since the 1997 Asian crisis will be wiped out during 2008-2009 alone: in April 2009, the World Bank and the IMF estimated that 45 million people are likely to fall into extreme poverty within the year. The ILO estimated that 50 million are likely to lose their employment in 2009: the first to go will be migrant workers, leading to a drop in their remittances that the World Bank has provisionally estimated at 9% in 2009.

The second Millennium Goal, relating to primary education, is also much compromised by the increased funding constraints weighing on all public expenditure in the developing countries. The same is true, the more so, of the objective of eliminating gender disparities in primary and secondary education, girls' education being often the first variable for adjusting family budgets. In this way, the outlines of a general increase in inequalities due to the crisis can be drawn, the impact being increased where poverty and discrimination are concerned: young people being the first to be affected by unemployment; girls dropping out of education; increased domestic violence in the most vulnerable families, etc.

In November 2008 the G20 Heads of State and Government recalled their commitment to respect the Millennium Development Goals. On 2 December 2008, at the time of the Doha Declaration on Financing for Development, the Monterrey consensus commitments (2002) were reaffirmed both with regard to maintaining the donor States' objectives for official development aid and with regard to promoting the social responsibility of enterprises. However, a few months later we are obliged to note that these commitments are, for the present, little in evidence – for instance, the question of the social (and particularly fiscal) responsibility of multinational enterprises was not raised at the G20 meeting in London in April 2009.

Where the Bretton Woods institutions are concerned, the end of the traditional veto on countercyclical policies, the IMF's introduction of flexible loans, and the World Bank's establishment of a Vulnerability Fund are specific and fundamentally new measures. Important changes to governance have also been announced, in particular on behalf of the BRIC countries – although such announcements have been known to be made earlier without being put into effect. Should these **initiatives by the G20 and the international economic and financial institutions** be seen as appropriate responses to the crisis designed above all to avoid major destabilization to the developing countries' national economies, or as a more strategic change that might be under way? On this point analysts are divided, some proclaiming a global paradigm shift in the prevailing views of social development, and others a return to "business as usual" with merely a few institutional changes designed to accommodate better the powers' new game.

This thematic debate will be an opportunity to test the relevance of these general hypotheses by debating specific actions, initiatives taken either by international organizations or by states to counter the many social impacts of the global economic crisis. Taking the form of a dialogue between public decision-makers and members of international organizations, the academic community, civil society and the private sector, this debate will place particular weight on the ability of the responses debated here to play a genuine role – over and above their role as emergency actions – in the context of the commitments made in Copenhagen 14 years ago. The initiatives debated here will thus be evaluated as to their ability to:

- Guarantee social security cover;
- Develop an integrated approach to social policies, based on human rights and closer cooperation among all the partners involved;
- Form part of a regional concept of social policies;
- Better integrate the results of social science research into the design of economic and social development policies

In the context of the MOST programme's mission – to help to improve the nexus between research and public policies – these two round tables are intended in parallel to equip members of the Intergovernmental Conference with analytical tools and reference frameworks, for example for their

negotiations with donors, the local relevance of which can be enhanced by the Programme's national committees.

This meeting constitutes the second phase of a programme of thinking about the crisis which began at an initial round table staged in Bergen, on 12 May, by UNESCO and the HSRC (Human Sciences Research Council, South Africa) in the context of the World Social Sciences Forum, and which will end in a thematic debate at the 35th session of the General Conference of UNESCO in October 2009.

### **Round Table One: National responses to the crisis in the light of social development**

*The objective of this round table will be to identify some specific national responses that could constitute generally applicable references for public policies in the field of social development – be they universal social protection measures or measures targeted at, for instance, women, young people, migrant workers, the old or people with disabilities; improvements to social security systems; transfer and reallocation of funds; or indeed increased official development aid. The role that these national initiatives might play as “good practice” will be debated here, notably by representatives of civil society and the private sector.*

General Presentation: M **Peter Utting**, Director a.i.; Deputy Director, UNRISD

- H.E. Ms **Hala Bsaisu Lattouf**, Minister of Social Development, Jordan
- Mr **Harjeet Singh**, Under Secretary of Community Development Policy Division, Malaysia, Rapporteur MOST / IGC
- Mr. **Jerry Vilakazi**, Chief Executive Officer, Business Unity South Africa (BUSA) South Africa (tbc)
- H.E. Ms **Jeannette Sánchez**, Minister of Social Coordination, Ecuador
- H E Mr **Louis André Dacoury-Tabley**, Minister for Solidarity and Victims of War, Ivory Coast and President ECOWAS Forum of Ministers of Social Development (tbc)
- Dr **Zdenka Mansfeldová**, Czech Republic, Representative of the MOST Scientific Advisory Committee for Eastern and Central Europe
- Ms **Joséphine Ouédraogo**, Executive Secretary of ENDA TM

### **Round Table Two: International responses to the crisis in the light of social development**

*Like the Bretton Woods institutions, the United Nations subsidiary bodies and specialized agencies have reacted vigorously to the global economic crisis in the context of high-level forums – ILO, UNEP (Green Economy Initiative), FAO (emergency action to counter the food crises), UNDESA (for integrated follow-up of initiatives) and the Social Development Commission of ECOSOC. For its part the World Bank called in March 2009 for the establishment of a Vulnerability Fund. At both regional and multilateral levels, the ADB, the OECD, the European Commission and others have also multiplied initiatives and recommendations. In the context of this overview of the international organizations' principal responses in terms of the social agenda, particular attention will be paid to analyzing these initiatives from the viewpoint of combating discrimination and exclusion, in particular as they affect women and the most vulnerable, adopting a social development approach based on social justice and human rights.*

General presentation: Mr **Jean-Yves Le Saux**, Director, Division of Programme Planning, Monitoring and Reporting (UNESCO)

- Mr **Martin Hopenhayn**, Director, Social Development Division, Economic Commission for Latin America and the Caribbean (ECLAC)
- Ms **Sylvia Walby**, UNESCO Chair in Gender Research, Lancaster University, UK
- M **Gustave Massiah**, President of CRID (Research and Information Centre for Development), Paris
- Mr **Alejandro Bonilla-Garcia**, Chief, Education, Training and Capacity, Social Security Department, ILO
- Ms **Bience Gawanas**, Commissioner for Social Affairs, African Union
- Ms **Faith Innerarity**, Ministry of Labour, Social Security and Sport, Jamaica
- Ms **Véronique Morali**, President of Terrafemina.com; President of FIMALAC Développement, France