

Distr.: Restricted
28 May 2010

English only

Human Rights Council

Fourteenth session

Agenda item 3

**Promotion and protection of all human rights, civil,
political, economic, social and cultural rights
including the right to development**

**Summary of the Human Rights Council panel discussion on
the impact of the global economic and financial crises on the
realization and effective enjoyment of all human rights**

Prepared by the Secretariat

I. Introduction

1. On 1 March 2010, during the High-level Segment of its thirteenth session, the Human Rights Council held a panel discussion on the impact of the global economic and financial crises on the realization of all human rights, pursuant to its resolution 12/28. The panel discussion aimed at (a) raising awareness about the centrality of the human rights dimension of the economic and financial crises and their future repercussions; (b) ensuring the sustained input from the Human Rights Council to the international debate and efforts aimed at addressing and minimizing the impacts of the crises; (c) infusing the process of devising related strategies, policies and efforts with a human rights dimension; (d) contributing to the work of the Open-ended Working Group of the General Assembly in its mandate to follow up on the issues contained in the outcome document of the Conference on the World Financial and Economic Crisis and its Impact on Development; and (e) contributing to the UN Review Progress on the Millennium Development Goals.

2. The panel discussion was chaired and opened by His Excellency Mr. Hisham Badr (Egypt), Vice-President of the Human Rights Council. Speakers and panellists were: (a) the High Commissioner for Human Rights; (b) H.E. Francisco Santos Calderón, Vice President of Colombia; (c) Mr. Juan Somavia, Director-General, the International Labour Organization; (d) H.E. Mr. Martin Ihoeghian Uhomoibhi, Permanent Representative of Nigeria; (e) Mr. Martin Khor, Executive Director of the South Centre; and (f) Ms. Irene Khan, Chancellor of the University of Salford and the former Secretary-General of Amnesty International, as facilitator of the panel discussion.

3. Pursuant to Council resolution 12/28, the present summary has been prepared by the Office of the United Nations High Commissioner for Human Rights (OHCHR) to be submitted to the Open-ended Working Group of the General Assembly to follow up on the Conference on the World Financial and Economic Crisis and its Impact on Development, held in New York from 24 to 30 June 2009.

II. Statement by the High Commissioner for Human Rights and contributions of panellists

4. The High Commissioner for Human Rights, in her introductory remarks, cautioned that the full impact of the crises on individuals, and in particular on human rights, was yet to unfold. She called for an urgent shift in responses to the crises, so that stimulus packages designed to rescue banks, financial institutions and large-scale employers would go hand in hand with policies that directly address how individuals were affected in their every day lives, in their access to employment and to essential social services such as education and health. The High Commissioner underlined the primary responsibility of States to protect human rights of their citizens as well as the obligation for international cooperation in response to the crises in view of its global character. The High Commissioner highlighted poverty as one of the greatest human rights challenges of our time and emphasized the importance of protecting the civil, political, economic, social and cultural rights of the poor as a prerequisite for achieving sustainable development. She reiterated the commitment of her Office to supporting the integration of human rights into poverty reduction efforts.

5. Mr. Francisco Santos Calderón noted that the crisis has seriously impacted the enjoyment of human rights, especially cultural, social and economic rights. Although each region has been affected differently, all economies have suffered with rising unemployment and fall in income, tax revenue and trade. In Latin America, the current crisis has had less impact compared to the earlier crisis during the 1990s, due to the accrued saving and prudent fiscal policies which absorbed the shock of the crisis. Mr. Calderón elaborated on

several measures undertaken by the Government of Colombia, which were emblematic of the general experience of Latin American countries, including increased spending in infrastructure, investment in social welfare network, sustaining private sector investment and ensuring access to financing. These measures enabled the Government not only to maintain social spending but to increase the coverage. Mr. Calderón said that there were several lessons learned from the crisis: (a) a code of conduct is needed to regulate the behaviour of financial markets which should be based on ethics; (b) social investment should not be sacrificed as a mean to contain the crisis; (c) inflationary pressure in times of crisis should be controlled; and (d) protectionist measures in response to the crisis should be avoided.

6. Mr. Juan Somavia underlined the strong link between human rights and labour rights enshrined in the ILO Constitution. The Declaration of Philadelphia, the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights as well as the Covenant on Economic, Social and Cultural Rights provided a strong basis for the ILO's work. Turning to the impact of the financial crisis Mr. Somavia stated that there could not be a full recovery without a recovery in employment and stable access to social protection. He argued that jobs had to be saved in the same way, as banks had been saved. In view of current fiscal constraints, he underlined the need to have criteria for making policy choices, so as to protect social spending from being reduced. Otherwise, he warned that we would be facing a double crisis in human terms with an increase in unemployment and a decrease in access to social protection. Looking towards the future from human rights perspective, Mr. Somavia stated that there was a need for change in current policies to have more equitable globalization. He recommended to make employment creation a macroeconomic objective, to put the financial system at the service of the real economy, and to introduce a basic social protection floor in all countries.

7. Ambassador Martin Ihoeghian Uhomobhi stated that the global crisis was a crisis of human rights: the world's poor and marginalized, especially women, children, youth and minorities who are particularly vulnerable to the impact of the crisis, were facing a severe threat regarding their enjoyment of human rights. Nevertheless too little attention was given to the human rights perspective of the crisis. Ambassador Uhomobhi underlined that while democracy had been empowering people during the past decades, there was also a process of economic disempowerment since the world's wealth and economic power was concentrated in a few hands. This economic disempowerment was a product of mechanisms that had over the years generated impressive gains for some, and had been a source of impoverishment for others. Ambassador Uhomobhi added that since the crisis was a global challenge it needed a global response. The promotion of better economic and social conditions had to be the ultimate purpose of a coordinated global stimulus initiative. Finally, Ambassador Uhomobhi emphasized that a global recovery would not be achieved without the incorporation of human rights oriented policies in the efforts of the international community to overcome the crisis.

8. Mr. Martin Khor argued that the human rights community had much to contribute to the discussions on the financial crisis. He referred to the Universal Declaration of Human Rights, stating that the crisis had negatively impacted on several rights, including the right to work and the right to health. Mr. Khor argued that human rights had a key role to play during the recovery and that Governments had to consider human rights when making trade-offs in response to the crisis. He stated that, when countries needed to cut programmes because of tighter budgets, they should protect human rights rather than commercial interests. For example, in the area of health care, Governments should promote generic medicines and if necessary compulsory licenses in order to reduce the cost of medicines. Further, establishing food security should be of the highest priority when Governments react to the crisis, which might entail a change in trade policies to ensure local production and to secure small-holders' rights. Mr. Khor urged developed countries to

take the lead in addressing inappropriate policy conditionality taking into account the need of developing countries, to honour ODA commitments, and refrain from introducing protectionist measures.

9. Ms. Irene Khan noted that poverty represents the deprivation of economic and social rights, insecurity, discrimination, exclusion and powerlessness. Ms. Khan stated that the harmful effects of the crisis on human lives and human dignity were not just inevitable consequences of unpredictable and uncontrollable market forces, but were the result of actions or inaction of governments and economic actors – a human rights approach would demand accountability as well as urgent action to redress them. Human rights represented our common values of humanity, and must therefore be used as the ethical benchmark or the moral compass for testing the validity and effectiveness of any stimulus packages and other crisis response measures. Further, international assistance should be regarded as an obligation rather than an act of charity, especially since the economic crisis originated in the developed world but its impact is felt disproportionately by developing countries. As economic measures impact on human rights, economic actors including international financial institutions cannot escape their responsibility to uphold human rights. Lastly, as all experts acknowledged, the full impact of the financial and economic crises on human rights, and the impact of the rescue packages themselves, was yet to become clear. This made monitoring, assessment of the human rights situation and accountability for human rights impact absolutely crucial. Ms. Khan noted that the forthcoming 2010 UN Summit on the Millennium Development Goals (MDGs) offered an important opportunity to review the impact of the financial and economic crises on human rights.

III. Summary of discussion

The impact of the crisis on human rights

10. Some delegates remarked that the crisis was not over and that the hardest hit people were the poorest of the world. Growth was still mainly driven by supportive policies by Governments. Unemployment remained high and the budgetary and financial capabilities of many governments were restricted, thus putting the burden on the individuals. At the same time, some delegates expressed concerns that the root causes and imbalances that caused the crisis have not been adequately addressed and cautioned against superficial treatment of the crisis in order to avoid its recurrence.

11. Several delegates argued that the crisis has affected and will continue to have reverberating impacts on a wide range of rights, in particular the rights to food, health, adequate housing, work and others as well as the right to development. According to some speakers, the crisis triggered a rise in xenophobic tendencies towards migrants in some countries. A concern was expressed that in the health sector, more than a billion people faced difficulties in accessing quality basic health services. That large number was increasing due to the overwhelming effects of the recession and the lack of funds to meet the needs of the health sector, particularly in developing countries.

12. Other delegations noted that the wider consequences of the current economic and financial crisis have had in developed and developing countries on the everyday life of billions of people worldwide and on the ability of governments to provide essential services. One statement noted that there was no clear evidence so far that the crisis itself impacted directly on human rights.

13. Several delegations expressed concern that progress on the Millennium Development Goals might be slowed down by the crisis. A number of reports had indicated that developing countries, including the least developed countries and small island developing states suffered disproportionately from the crisis, even though the crisis was not

of their making. Due to the economic crisis there was a cut in tax collection in a number of countries and important investments had to be reconsidered or postponed for that reason, further endangering the achievement of the MDGs.

National responses to the crisis

14. In their statements, several delegations presented various emergency packages and other measures taken by their Governments to alleviate the social consequences of the crisis, including through the increase of public investment in infrastructure and social services and measures adopted to face the adverse affects on specific sectors. Some noted that their strategy was built upon on needs and legal entitlements of human beings and addressing the “human dimension” of the crisis. Others noted that their example of a pro-poor, pro-growth and pro-job response provided a clear example of how a development strategy could be approached from a human rights perspective.

15. Several delegates noted the importance of national responses to the crisis based on a human rights approach and emphasized that economic and financial hardship should not diminish the human rights obligations of States. In the context of a crisis that can lead to political tensions and social unrest, it was recalled that States’ responsibility included the obligation to fully respect and protect the right of freedom of expression, to peacefully assembly, the freedom of association and to join and form trade unions, in accordance with the International Covenant of Civil and Political Rights.

16. It was also emphasised that combating fraud and corruption played an important role in the effective implementation of human rights. Consequently, good governance and an independent judiciary were essential elements of any strategy to further human rights during the recovery.

International response to the crisis

17. Several delegates underscored the responsibility of the international community to address the long-term negative effects of the crisis through a comprehensive approach that incorporates a clear human rights dimension. Some delegates noted that the international community’s swift and extensive policy responses to the crisis appear to have been able to stem the crisis in immediate term and that those responses could lead to an economic recovery. Others urged the Human Rights Council to be mindful of the potential adverse impacts of some of the stimuli and support measures on the financial sectors – and consequently on the economic health and human rights – in developing countries. A delegation expressly recommended that the Open ended Working Group of the General Assembly, in its mandate to follow up on the issues contained in the outcome document of the Conference on the World Financial and Economic Crisis and its Impact on Development, should give due attention to the human rights dimension of the crisis.

18. Some delegations noted that the crises stemmed from a failure of effective supervision and regulation of financial markets in major developed economies. Several delegates underlined that, following the crises, there was a need to address gaps in the global economic and financial architecture. A small group of countries, it was argued, could not take decisions that impact the rest of the world. Efforts aimed at empowering developing countries in terms of voice and voting power in international financial institutions were welcomed by several delegations. Delegations also pointed to the emergence of the G-20 as a broad based platform for discussions and decisions at the highest level. Other delegations remarked that it was necessary to explore new forms of cooperation and international solidarity which could support national efforts.

19. Some delegations argued that the United Nations was key to restructuring economic governance. Others referred to the important role of specialized agencies of the United

Nations in responding to the crises in terms of unemployment, or the protection of migrants. Several delegates stated that the Human Rights Council should remain focussed on its mandate and on its comparative advantage in the field of human rights, namely the implementation by States of their human rights obligations. In this context, a delegation suggested that the Universal Periodic Review could contribute to enhancing capacity-building and technical assistance in the area of human rights.

20. Several speakers underscored that, while States had the primary responsibility to uphold the human rights of its people, the international community had a responsibility to assist countries that lack the capacity and resources to fulfil their obligations. Some delegations noted that they were witnessing a decline in official development assistance. The crises should not prevent developed countries from honouring their commitments at a time when aid had become of paramount importance for low income countries. Furthermore, some delegations called upon all countries to renounce protectionism, to abide by the rules of the World Trade Organization and to give priority to the successful conclusion of the Doha round.

Conclusion

21. Ms. Irene Khan, in her role as facilitator, summed up the discussion by noting the overall reaffirmation that the crises had a real impact on human rights and that human rights should not be sacrificed in the face of financial pressures. The crises forced the international community to rethink the current model which had put more emphasis on markets than the roles and responsibilities of States. There was a need to invest more in building the capacity of States to fulfil their obligations and to empower people to claim their rights. Recognizing the obligation of States to cooperate with each other in addition to meeting their domestic obligations, she pointed to the importance of strengthening the international normative framework for human rights, for instance through ratification of the Optional Protocol to the International Covenant on Economic, Social and Cultural Rights and the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. She highlighted that many statements referred to the importance of an integrated, comprehensive approach and concluded by highlighting the leadership role the Human Rights Council could play in this context to ensure that human rights cut across political, financial and economic initiatives taken by the international community.