



**Chairperson's Summary**  
**Emerging Issues: Policy responses on employment and the social**  
**consequences of the financial and economic crisis,**  
**including its gender dimension**

8 February 2010

The Commission for Social Development held a general discussion under the agenda item 3 (c) - Emerging Issues: Policy responses on employment and the social consequences of the financial and economic crisis, including its gender dimension. Assistant Secretary-General for Economic Development of the Department of Economic and Social Affairs, Mr. Jomo Kwame Sundaram, introduced the topic by highlighting the origin and impact of the crisis as well as policy responses.

The recommendations contained in the Note by the Secretariat on the topic were welcomed. The discussion focused on the impact of the financial crisis on poverty eradication efforts, social integration, jobs, women and young people, as well as social protection. The results of the G-20 Pittsburgh Summit which focused on sustainable development efforts that placed jobs at the heart of global recovery efforts were also welcomed.

**The global financial and economic crisis**

The human dimensions of the recent financial and economic crisis were acknowledged, particularly its impact on the employment prospects of women, temporary workers, migrants, persons with disabilities, the elderly and the youth. Of major concern was rising unemployment, particularly among women in developing countries. An estimated additional 51 million people would lose their jobs in the developing world as a result of the global financial crisis.

Excessive reliance on markets had caused great harm. This had triggered a new momentum for dialogue on strengthening the employment and social dimensions of globalization as well as the need for better rules and coordination among countries. Such efforts would address some of the deep rooted structural causes of the crisis. To spur economic and job growth as well as cushion the impact of the crisis on vulnerable groups in both rural and urban areas, some countries had adopted fiscal stimulus packages and expedited the provision of social protection. In some countries, fiscal stimulus measures targeted improving women's participation in the labour market. Concerted efforts were required to ensure that the benefits of globalization were shared equitably and core social spending in health and education were protected and not reduced.

## **Full employment and the decent work agenda**

Several countries agreed that the ILO Global Jobs Pact represented an appropriate policy response to the crisis. Its four cross-cutting pillars of employment, social protection, labour standards and social dialogue offered countries the best framework to implement the full employment and decent work agenda and to improve the job content of economic recovery and growth. Full employment and decent work would not only help to mitigate the impact of the crisis, but also pave the way for a quick and sustainable global recovery and poverty reduction. The importance of a basic social protection floor as a way of mitigating the negatives effects of the financial crisis was also acknowledged.

## **Gender equality**

The consequences of the financial crisis on women were singled out as a major concern. It was noted that women were experiencing higher levels of unemployment in developing countries. The burden of unpaid family and care work also fell disproportionately on women during the economic downturn. Evidence also indicated that increase in unemployment among women often resulted in more women being forced into prostitution and many others subjected to domestic abuse. These issues must be addressed.

Appropriate policy responses to the gender dimension of the crisis include promoting gender equality, ensuring women's access to decent work, micro-finance, and female entrepreneurship. It is also important to protect national budgets allocated to policies promoting gender equality. Other effective policy measures include the provision of unemployment benefits, maternal and parental leave, public childcare services, vocational training and job placement programmes, investing in green jobs, and promoting social justice. Efforts to strengthen the United Nations gender architecture were also welcomed.

## **Policy responses**

The policy responses to the global financial crisis had been inadequate and characterized by double standards. While large economies had implemented fiscal stimulus packages, poor economies in desperate need of such measure in order to create jobs and protect people living in poverty from the impact of the crisis were not allowed to do so to avoid running budget deficits. A much more coordinated economic recovery would have resulted in benefits for all countries, including the least developed countries. To compound the situation, international assistance from the developed world had been very limited, thereby undermining recovery efforts.

To address the crisis, a systemic reform agenda that ensured macroeconomic and financial stability with counter-cyclical macro-economic policies and prudential risk management, including capital controls was needed. It was equally important to finance growth that focused on output and employment creation, ensure an inclusive financial system, and the alignment of the International Monetary Fund and the World Bank goals

with the United Nations development agenda. It was noted that while the efforts of the G-20 to address the crisis were a good start, more should have been done to ensure the participation of all members of the United Nations. Failure to focus on sustaining growth and job creation as opposed to just stabilizing financial markets at the height of the crisis was a major missed opportunity. The international community failed to turn the crisis into a new “Bretton Woods moment”.

It was also noted that although world food prices were lower after peaking in 2008, these prices were still higher than before. As a result, they were negatively impacting people living in poverty, including women and other vulnerable groups.

It was acknowledged that climate change was compounding the effects of the global financial and economic crisis. There was a need to reduce climate change while raising living standards for all. This would require reducing green house gas emissions in rich countries first and then eventually reduce them in developing countries. More renewable energy solutions were needed to mitigate climate change and to create a sustainable development pathway. An investment-led approach in addressing climate change, development, food security and other recovery goals that did not over rely on markets alone was required.

In response to the crisis, there was also the need for a strong push for a global green economy, social protection programmes, job creation and infrastructure development.