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Department of Economic and Social Affairs  
United Nations, New York

***FINANCING GLOBAL SOCIAL DEVELOPMENT***

***SYMPOSIUM***

***New York, 7 February 2002***

**ANNOTATED AGENDA AND PROGRAMME OF WORK**

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## Introduction

The International Forum for Social Development is an initiative of the Department of Economic and Social Affairs of the United Nations Secretariat. It brings together personalities from governments, international and regional organizations, the private sector and the civil society, for a dialogue on global issues of development and social progress. The Forum aims at contributing to shape and orient the globalization process towards an inclusive and equitable global society. It seeks to address current questions and problems faced by developing countries in a social and long-term perspective.

The International Forum for Social Development is part of the efforts of the United Nations to implement the agreements reached by its members at the global conferences of the last decades of the 20<sup>th</sup> century, notably, in this case, the World Summit for Social Development held in Copenhagen in 1995, and the Millennium Summit convened in New York in 2000. The Forum could also be of relevance to the Conference on Financing for Development and other forthcoming international events.

The theme of the first Forum will be *Financing Global Social Development*. It will take place in New York on 7-8 February 2002, prior to the Commission for Social Development, which is entrusted with the follow up of the World Summit for Social Development and this year will address the question of integration of economic and social policies.

This Forum will comprise two events. On Thursday 7th February, in the Economic and Social Council Chamber of the United Nations, will be a Symposium, with approximately 50 invited participants, and open to members of delegations as well as Secretariat staff, representatives of non-governmental organizations and the media. While a number of participants have been asked to make short prepared statements, time is allotted for discussion open to all persons attending the Symposium. On Friday 8th February, a closed Seminar, with around 20 participants, will consider in greater detail some of the issues debated by the Symposium.

## **I. Setting the terms of the debate**

The purpose of this Symposium is to address issues of financing social development in developing countries from a social and global perspective. It is therefore necessary to explain the underlying conception of social development and the reasons for treating it as a global problem and objective, before proposing themes for debate on its financing.

### ***Social Development***

Social development, or social progress, refers to the well being of individuals and to the harmonious functioning of societies. It evokes both the finalities of development efforts and a number of questions, concerns and sectors. It also involves the use of a social perspective to consider issues or domains of human activity which can as usefully be seen from an economic, historical, or philosophical perspective, or, most importantly today, from the standpoint of their sustainability. A social perspective keeps the individual in relation to society, considers the various dimensions and needs of the human person, treats carefully the distinction between means and ends, and is sensitive to the search for the common good of humankind. In line with the approach taken by the World Summit for Social Development, it is proposed, for this Forum, to adopt such perspective in considering four facets of social development.

The first is the possibility given to all individuals to be involved in economic activity and to derive from it an income sufficient to cover their needs and those of their dependants. This basic aspect of social development involves issues of freedom of economic initiative, economic rewards for one's efforts, employment and its fair remuneration. In the Universal Declaration of Human Rights this is called "the right (for everyone) to a standard of living adequate for the health and well-being of himself and of his family", and the "right to work (also for everyone), to free choice of employment, to just and favourable conditions of work." In the Millennium Declaration, the freeing of all "from the abject and dehumanising conditions of extreme poverty" gives rise to the objective of "halving by the year 2015, the proportion of the world's people whose income is less than one dollar a day and the proportion of people who suffer from hunger."

Access for all, without discrimination of any sort, to social services, social protection and social security is the second component of social development. According to the Universal Declaration, "Everyone has the right to equal access to public service in his country." Education "shall be free and compulsory, at least in the elementary stage" and higher education "shall be equally accessible to all on the basis of merit." The Millennium Declaration includes the target to ensure that by 2015 "children everywhere, boys and girls alike, will be able to complete a full course of primary schooling; and that girls and boys will have equal access to all levels of education." Health is currently receiving considerable attention. The Millennium Declaration contains targets for the reduction of maternal mortality and under-five child mortality, and for the halting and

reversal of the spread of HIV/AIDS, malaria, and “other major diseases that afflict humanity.” Housing is another universally recognized social service and the Millennium Declaration includes the pledge “by 2020 to have achieved a significant improvement in the lives of at least 100 million slum dwellers.” Social protection, which was the priority theme of the 2001 session of the Commission for Social Development, tends to subsume social security, though the latter is seen in the Universal Declaration as a right for everyone related to “dignity” and the “free development of the personality.”

Thirdly, social development implies a redistribution of opportunities, income and assets among individuals and social groups or classes. The extent, modalities and effectiveness of redistribution policies of course vary greatly, but most societies recognize the need for some social correctives to the mix of fortuitous circumstances and inherited or acquired talents and assets that determine individual destinies. One of the principles and goals of the Copenhagen Declaration is “to promote the equitable distribution of income and greater access to resources through equity and equality of opportunity for all.” Equality is one of the six “fundamental values” mentioned in the Millennium Declaration and is defined as follows: “No individual and no nation must be denied the opportunity to benefit from development. The equal rights and opportunities of women and men must be assured.” In the current political discourse, equality of rights and equality of opportunities receive more emphasis than equality of conditions.

Lastly, social development encompasses the vast and complex array of social relations, social structures and social institutions through which individuals and groups constitute a living society. The weight of traditions, the level of openness to social change, the degree of involvement of public authorities determine largely this facet of social development and the contours of societies. Issues of participation of citizens in public affairs, and therefore of responsibility and democracy, as well as questions of protection of human rights are central concerns placed in the Copenhagen Declaration and Programme of Action under the commitment to the “promotion of social integration by fostering societies that are stable, safe and just.” The Millennium Declaration speaks of the promotion of democracy and the strengthening of the rule of law, and of “more inclusive political processes allowing genuine participation by all citizens in all countries.”

### ***Global Social Development***

Since the creation of the United Nations and the pledge of its Charter to work “for the betterment of the human condition”, social “progress” (the expression used in the Charter) has had an international dimension. In fact, a most important precedent was established after World War I with the creation of the ILO. At that time, the issue of working conditions and the situation of labour was perceived as the main “social question”. When the United Nations assumed responsibility for the process of decolonisation, and when the concepts of “development”, “developing” and “developed” countries gained prominence, the stage was set for concrete manifestations of the idea that governments of countries in need had a legitimate claim for international assistance, financial, technical and human, delivered through various organizations of the United

Nations system and the Bretton-Woods institutions. Initially, “development” was not qualified, but was inextricably “economic” and “social”. The “International Development Strategies”, initiated by the United Nations at the beginnings of the 1960s, included targets for the growth of the Gross National Product, of income per capita, as well as for the reduction of infant mortality and the increase in education enrolments. Qualitative recommendations were formulated for issues such as rural development and distribution of income. And, most significantly, these international strategies included commitments from the developed countries regarding in particular official development assistance.

Thus, the point to underlie in the context of this Forum is that the four components of social development outlined above had an international dimension long before the emergence by the mid-1980s of what is known as the globalization process. The creation of a remunerated economic activity for a maximum number of people was the core of multilateral development assistance, in financial and technical terms. Grants or loans at low interest rates were combined with the provision of technical expertise, for instance in national accounting or in industrial policy, to help developing countries build an economic base without which neither economic growth nor improvements in levels of living are possible. The provision of social services and of forms of social protection was also an important domain of multilateral assistance and cooperation, including in financial terms. In addition to the World Bank, suffice to mention the activities of UNESCO, WHO, the ILO for social security, UN/Habitat for housing and human settlements, and the United Nations on issues of disability and aging. Questions of redistribution of opportunities, income and assets were treated by international organizations, notably the United Nations, as pertaining to national responsibility but nevertheless amenable to political and technical advice. From land reform advocated by the FAO to progressive income and fiscal policies promoted by the United Nations, social justice through redistributive measures was high on the international agenda, particularly in the 1970s. Issues of social structures and social institutions were also considered as essentially domestic but open to international advice and guidance. Ways to promote “popular participation” were extensively studied and debated. “Institutional development” was a domain of inquiry and the “protection of the family” an accepted subject of debate.

To what extent has this picture been modified by the process of globalisation? Has social development become a more global issue and objective? Trends appear to be somewhat contradictory.

Obvious is a greater awareness or consciousness –in international and national political circles and in the general public- of the importance of social concerns. For a number of reasons, ranging from the influence of the Social Summit to the rise of a global civil society with the capacity to dissent, protest and be heard, the “social”, at least in the public discourse, is on the international agenda. There is recognition, to use the words of the Millennium Declaration, that “while globalization offers great opportunities, at present its benefits are very/unevenly shared, while its costs are unevenly distributed”, and that “only through broad and sustained efforts to create a shared future, based upon our common humanity in all its diversity, can globalization be made fully inclusive and

equitable.” Also, following the commitment made at the Social Summit “to the goal of eradicating poverty in the world, through decisive national actions and international cooperation, as an ethical, social, political and economic imperative of humankind”, the reduction of poverty became a central objective in the strategies of international institutions whose mandate is the development of developing countries, notably the UNDP and the World Bank. It was often argued by the end of the 1990s that the current process of globalization, with its emphasis on free trade, free circulation of capital, privatisation and deregulation was offering the best opportunities for economic growth and therefore for improvements in levels of living. At present, greater attention is being paid to the role of various social institutions in orienting the interplay of market forces towards the common good.

Also obvious is the global dimension taken by a number of social issues and social problems. In addition to poverty, seen by many as summarizing the dire socio-economic situation of developing countries, and in addition to environmental issues –through which the very notion of the “global” emerge, but which are only tangentially considered in this Forum-, there are recognized global problems in public health, with the pandemics of HIV/AIDS, malaria, and a few other major diseases. There are also major global problems of corruption and criminality, including trafficking of human beings, sexual exploitation and enslavement of children and adults, various forms of forced labour and economic exploitation, and many incidences of human rights abuse from public authorities and private organizations. Refugees and undocumented migrants, sometimes also exploited and abused, constitute another major global social problem. And in a different domain, the human and ethical aspects and implications of certain advances in science and technology are rapidly acquiring a global resonance. Such vast array of global problems, familiar to everyone through dramatically enhanced techniques of communications, and toppled by the threat that represents the dissemination of the means of mass destruction and terrorism, tend to give the sentiment that post-modernity is jarred by misery, uncertainty and fear.

Such globalization of social concerns and social problems is, however, not accompanied by a comparable capacity to address them. To the contrary, States and their various agencies, which remain the principal authority to design and implement social development policies, have a reduced ability to do so effectively. And the weaker the Nation-State is, in terms of institutional development, level of overall development, and political weight on the world scene, the less it is able to maintain a sufficient level of autonomy to conduct policies directly geared to the well-being of its people. Today, most developing countries are not in a position to address effectively their social problems, national and global. The present movement of globalization, in its technological, economic, economic, financial, cultural and political manifestations, has aggravated a situation which is both a characteristic and a cause of underdevelopment. A number of transnational corporations have more resources and more power on the living conditions of people than many Governments of developing countries. Overall, the power of those who detain capital has greatly increased during the last few decades, at the detriment of course of labour, but also with negative consequences for the autonomy of political public authorities. Also overall, the political doctrine embodied in the current process of

globalisation is unfavourable to the weak, the vulnerable, and the powerless. This weakening of the capacity of national authorities to address social problems and promote social development has so far not been compensated by a parallel increase in the role of international and global public institutions.

### ***Financing Global Social Development***

Taking the four facets of social development outlined above, a brief overview of the present situation with regard to their financing, from all sources and with special reference to developing countries, is attempted below.

The availability of opportunities for entrepreneurship and employment to a maximum number of people represents a social perspective on the effective functioning of a market economy. A good market economy provides freedom of initiative and jobs to men and women who seek employment. And the State finances the necessary infrastructure and edicts the legislation and regulation necessary for the undertaking of economic activities and the protection of people from economic exploitation. The wider recognition in the last few decades of the critical importance of the basic principles of the market economy system, for any society, has created an intellectual and political climate favourable to economic initiative and investment, including in a number of developing countries. Initiatives such as the provision of “micro-credit” are giving opportunities to poor people, including women. The World Bank and the regional development banks continue to finance projects that contribute to the building of an economic base and the creation of economic growth and income opportunities. The movement towards trade liberalization and the free circulation of capital is intended to promote investments, growth and access by a growing number of people to a remunerated activity. But these private investments are often limited internally by an insufficient economic base and economic growth, by low or misdirected savings, and by lack of financial institutions. And international investments from private sources (the “foreign direct investments” or “FDI”) are concentrated in the developed countries and in a few developing countries. At the same time, the otherwise useful emphasis on the role and importance of markets had the negative side effect of de-legitimising the role of the State in providing not only employment but also the financing of economic activity. And, with the same logic, the official development assistance provided by governments of rich nations to governments of poor nations has declined sharply in real terms in the 1980s and 1990s. The possibility for entrepreneurship, for men and women, are probably increasing throughout the world, but most developing countries are still not in a position to secure enough national and international resources to make significant progress in providing employment to their people and reducing poverty.

The financing of public social services and of social protection and social security was conceptually and politically rather clear between the 1950s and the mid-1980s. The model was the system progressively put in place by the developed countries –notably European and particularly Scandinavian- and the socialist and communist countries in the course of the 20<sup>th</sup> century: social services and the protection against various risks were

provided on a universal basis and with public financing. With of course many nuances and specific national situations, the State was replacing the family and private, notably religious, organizations for providing the individual with the satisfaction of various needs, including education and health, and the covering of various risks, including for instance disability or unemployment. Developing countries were supposed to implement progressively this model, as their economic resources were increasing and as their traditional social structures, based essentially on the insertion of the individual into a tight community, were being eroded by the process of modernization and urbanisation. Today, for a large number of reasons, many of which being related to the dramatic ideological shift concomitant to the process of globalization, this model is severely questioned. States are encouraged to take less responsibility in the direct provision and financing of services, and individuals are encouraged to rely more on themselves and on private systems of insurance to cover their needs and risks. Private companies are asked to voluntarily assume their “social responsibility”. Perhaps temporarily, in the absence of effective taxation systems and with budgetary resources diminished –notably by the reduction of import duties and export taxes- a number of developing countries have increasing difficulties in financing the provision of basic education and basic health facilities. International institutions have been more inclined to provide financing for the development of human resources and a growing part of multilateral and bilateral assistance is channelled towards social sectors, particularly with the rationale of poverty reduction, but this relative shift of emphasis from the “economic” to the “social” has occurred in a context of stagnation or decline of public international financial resources transferred to the developing part of the world. Some new financing has been initiated for addressing recently defined “global public goods”, particularly the struggle against HIV/AIDS, but at this point at a level far from commensurate with the magnitude of the needs.

The redistributive facet of social development is, at this juncture, perhaps the most problematic. In societies with the most advanced and the most dynamic economies the tendency is to assert that the free interplay of power relationships in the markets should be tempered only by measures and policies ensuring some equality of opportunity, notably through affirmative action regarding women and minorities. Redistributive objectives and strategies, particularly of income and assets through progressive systems of taxation and deliberate public policies, are not prominent in the public debate. Even in developed countries with a social democratic tradition, redistributive policies are intellectually and politically on the defensive. Developing countries, which generally lack the means to have effective redistributive policies, are in any event certainly not encouraged to set egalitarian goals for their societies, again apart from equality of rights and opportunities. In such context, national policies to eradicate poverty mean essentially reliance on the traditional “trickle-down” effects of economic growth, belief in the positive effects of the dissemination of education seen as the development of human resources, and faith in the liberation of human energy and creativity through democracy and good governance. The idea of “empowerment” of the poor stems from this political doctrine. At the international level, the domination of the neo-liberal political philosophy is also adverse to ideas for a purposeful and effective redistribution of income, assets and power between affluent and poor countries. The growth of the world economy through



technological innovation and free markets is believed to give a chance to all countries who are willing to seize it.

The development and maintenance of institutions, including those facilitating market transactions and those permitting consumers and producers to be active and responsible citizens, is costly. One of the major problems of developing countries is that institutional development is greatly facilitated by a certain level of economic development which is in turn hardly possible without proper institutions. International assistance to that effect has traditionally been more technical and advisory than financial, for instance in domains such as public administration and institutions to facilitate the participation of people in public decisions, typically at the local level. Other domains for technical assistance and cooperation include judiciary systems, the protection of human rights, and, since a few years, the whole array of complex questions often regrouped under the label of good governance. Very limited international or global financing is involved in these activities. The protection and promotion of human rights, for example, is not yet treated as a global public good. Nor is the development of national financial institutions seen as a contribution to effective and ethical market economies and therefore to the common good.

Seven years ago, the World Summit for Social Development, attended by 117 heads of State or Government, adopted Commitment 9 which reads as follows: “We commit ourselves to increasing significantly and/or utilizing more efficiently the resources allocated to social development in order to achieve the goals of the summit through national action and regional and international cooperation.” A range of recommended international measures were attached to this commitment, including the mobilization of new and additional financial resources, the facilitation of the flow to developing countries of international finance, technology, and human skill, the fulfilment of the target of 0.7% of gross national product for overall official development assistance, the increase of international resources for refugees and displaced persons, the support to South-South cooperation, the alleviation of the debt problem, the full implementation of the Final Act of the Uruguay Round of multilateral trade negotiations, the monitoring of the impact of trade liberalization, and the support to United Nations development efforts by a substantial increase of resources for operational activities.

When a special session of the General Assembly reviewed five years later the results achieved, it recommended again a number of measures for the mobilization of domestic resources for social development, including in the situation created by the “challenges of globalization, and for the mobilization through international action, and international support to national efforts, of new and additional resources for social development. This special session of the General Assembly was not able to register progress in the financing of social development.

In the Millennium Declaration Member States of the United Nations expressed their “concerns about the obstacles developing countries face in mobilizing the resources needed to finance their sustained development”, undertook “to address the special needs of the least developed countries”, express their determination “to deal comprehensively

effectively with the debt problems of low and middle-income countries”, and resolve to address the “special needs and problems” of small island developing states and landlocked countries.

The Report of the High-Level Panel on Financing for Social Development, commissioned by the Secretary-General of the United Nations, and issued in June 2001, noted that “the most painful international story of the past three decades has been the impoverishment of countries that are home to half a billion people, most of them in Sub-Saharan Africa”, noted also that “the increased polarization between the haves and the have-nots has become a feature of our world”, and made a number of important recommendations including assigning to international development cooperation the task of “providing or preserving the supply of global public goods” defined as including “peace-keeping, prevention of contagious diseases, research into tropical medicines, vaccines, and agricultural crops, the prevention of CFC emissions, limitation of carbon emissions, and preservation of biodiversity.” The Panel noted that “for a range of common problems the world has no formal institutional mechanism to ensure that voices representing all relevant parts are heard in the discussion” and that there are “several vacuums in global governance”. It recommended the convening of a Globalization Summit, notably to create a Global Council. It stressed that innovative sources of finances were necessary and that the forthcoming Conference on Financing for Development “should first discuss whether or not the world should have global, and not only sovereign imposition of taxes.” It said that a *carbon tax* was worth considering and that an International Tax Authority would be “of great importance to develop and implement innovative sources of finance if they were agreed upon by the international community.”

The High-level panel made also an attempt at costing the international development goals elected in the Millennium Declaration. This effort is explained in an Appendix to the report of the Panel. It is noted that “our present knowledge does not suffice to put a convincing price tag, even a rough one, on the cost of meeting the human development goals”. And, “achievement of the 2015 human development goals (additional to the halving of the proportion of people leaving in extreme poverty, the hungry and those living without safe water), depends crucially on the efficiency of service delivery as well as the availability of money”. With these different caveats the Panel “best guess” was that, above current spending, the sum needed to halve extreme poverty and provide safe water by 2015 would be in the order of magnitude of \$20 billion, and the sum needed for the other goals mentioned in the Millennium Declaration would be approximately \$30 billion.

The Commission for Social Development, which would meet in New York from 11 February to 21 February 2002, has before it the Report on Integration of social and economic policy containing a number of recommendations related to the Financing of Social Development. One of these recommendations is the systematic calculation of the potential economic gains of adequate investments in comprehensive social policy. Another recommendation is a review of good practices in private sector participation in social policy.

The International Conference on Financing for Development, to be convened in Monterey, Mexico, on 18-22 March 2002, has conducted its preparatory meetings along six substantive headings: mobilizing domestic financial resources for development; mobilizing international private resources for development; International trade as an engine for growth and development; increasing international financial cooperation for development; sustainable debt financing; and, addressing systemic issues.

## II. Annotated Agenda

It is proposed to structure the debates of the Symposium around four themes:

- **Is there a rationale for an international/global financing of social development?**
- **Is globalization favourable to the financing of social development?**
- **Ideally, what should be the contours of the financing of social development?**
- **Which features of the current situation should be most immediately and most usefully addressed?**

Theme 1: *Is there a rationale for an international/global financing of social development?*

Although the traditional distinction between economic development as a legitimate subject of international cooperation and social issues as pertaining mainly to the national realm has lost most of its relevance, it remains true that social development, even taken as for this Forum in its most comprehensive meaning, involve first national responsibility and national sources of finance. This is not so much an issue of proportion of finance provided by external sources – some very poor countries benefit, for example, from more external than domestic resources for the financing of their social services- than a question of legal authority and national sovereignty. It followed that, traditionally, international assistance, in financial and other terms, has been seen as a complement to national efforts justified by the low level of wealth of the “developing” or “least developed” country. This complement, channelled to the government of the recipient country, was conceived as transitory, until the country would “graduate” to a level of development considered as acceptable. To the extent that they were explicitly debated, the justifications for such assistance and cooperation were mutual interest in shared prosperity, reparations for historical events such as colonialism, moral obligation of those who have vis-à-vis those who do not have, and simply adherence to an agenda of cooperation set by the United Nations.

Still largely valid, this picture is, however, modified by a few recent developments. The notion of humanitarian assistance, based on the situation of people rather than countries and accidental rather than structural, has gained importance and is sometimes overlapping with international cooperation for development. On the other hand, if the eradication of poverty, for instance, were to become a global public good, the rationale for global financing of efforts to that end would become quasi-legal. Also the value of solidarity is having a somewhat renewed meaning, perhaps closer than before to the notion of social justice at the world level. And the old idea that there is a human nature, that core values

shared across religions and cultures justify a universalism of responsibility and mutual obligations is regaining some ground in the modern psyche. In parallel, the view that relations among countries and peoples are best left to rely on the pursuit of self interest tamed by mutually accepted rules of the game has certainly not lost its appeal. In this perspective, there is only a marginal role for international financing for social development. Related is the belief that the need for various forms of international assistance will disappear when all countries eventually reach a reasonable level of economic development through sound domestic policies and participation in an open world economy.

Among the questions that participants may wish to address in relation to this first theme are the following:

- *Is there a need for an international/global financing of social development?*
- *Should it be considered as a mere temporary complement to national sources of finance, or as a step towards a system of global redistribution of resources?*
- *What is the most promising rationale, from the viewpoint of the common good of humankind, for a global transfer of resources for social development?*
  - *An economic rationale, for the stimulation of demand and along the lines of a global Marshall Plan?*
  - *A political rationale, based for instance on the reduction of inequalities among nations and regions, the prevention of the emergence of a dual world, and the presumed link between prosperity, stability and peace?*
  - *A moral rationale, founded on the notions of common humanity, of moral imperative, and of solidarity and justice?*
- *What is the message and the teaching of the great religions on redistribution of financial resources for social purposes?*

## **Theme 2: *Is globalization favourable to the financing of social development?***

The current globalization process, seen by many as the resumption of a secular trend interrupted by the wars and tragic upheavals of the 20<sup>th</sup> century, has many features of relevance to the question of the financing of social development. Only a few can be evoked here. This is a process creating more mobility of ideas, technologies, capital, and, to an extent, people. Including by raising questions and generating dissent, it contributes to the emergence of a social consciousness and of forces advocating innovative ways of financing social development. At least in parts of the developing world, it helps creating some of the conditions for improved levels of living. It disseminates a culture of initiative, dynamism, freedom, self-fulfilment, short-term outlook and immediate satisfaction of needs. It gives great visibility and weight to the financial economy. It tends to favour a private appropriation and use of income and wealth. It values the free choices and decisions of its economic and financial actors, including for the determination of their social responsibilities. It has a corresponding dislike for regulations and legal obligations. It seems to create a greater concentration of private economic and financial

power, nationally and globally. At this point, the process of globalization appears to be a source of fragility and increased vulnerability in the world economy and society, perhaps because the multiple forms of inter-dependence it contributes to strengthen are not yet matched by the power and influence of corresponding global public institutions.

Among the questions that participants might wish to address under this theme are the following:

- *Does globalization help creating opportunities for entrepreneurship and employment?*
- *Does globalization help generating resources which can be mobilized, nationally and globally, for the financing of social services and global public goods?*
- *Is the currently dominant role of the financial economy an obstacle to the national and international mobilization of resources for social development?*
- *Is the concentration of private economic and financial power that the current process of globalization appears to promote having an impact on social development and its financing?*
- *Competition is presented both as a feature of human nature and as a virtue, at least in the political ethos surrounding globalization. Does this have consequences for the financing of social development?*

**Theme 3: *Ideally, what should be the contours of the financing of social development?***

One of the working assumptions of this Forum is the usefulness of orienting thoughts and actions with a frame of reference which might also be called a long-term perspective, an intellectual horizon, or an ideal, or even an utopia. This is perhaps all the more necessary when the subject under discussion has technical aspects. And the corollary of this assumption is that ideals should be firm on their founding values but flexible on their modalities of implementation, and open to questioning and revision through confrontation with other ideals and changed circumstances. With financing global social development, some of the relevant elements for such a reflection and debate are the respective roles of public agencies at the local, national, regional, international and global level; the respective roles of public agencies, private organizations of the civil society and the business sector, families, and individuals themselves; the conception of global public goods and the modalities of their identification, management, and financing; the interest of an individual guaranteed minimum income for all financed partly from global sources; the interest also of the partial global financing of a universal system of compulsory and free of charge primary education; the merits of a global system of social protection and social security based on the objective of maximum autonomy for each individual, versus the advantages of a comparable system based on the integration of the individual into a community; and, the main principles and methods to reconcile the size and complexity of the institutions that could administer and finance the global part of social development, with their democratic management and control.

Among the questions that participants may wish to address under this third theme are the following:

- *What principles and criteria could help determine the ideal mix of local, national, regional and global sources for the public financing of the various aspects of social development?*
- *What would be the perfect division of roles and responsibilities between public and private sources?*
- *What would be the best method of financing global public goods?*
- *Would the “globalized” part of social development best be financed by a progressive income tax, by taxes on various transactions, by voluntary public and private contributions, or by mixed sources? Would a “world assembly of the people” be the ideal forum for legislating on such global sources of financing social development?*
- *Would a universal individual guaranteed minimum income be an interesting utopia?*

**Theme 4: *Which features of the current situation should be most immediately and most usefully addressed?***

The financial needs and problems faced by developing countries have been debated since a number of years. It may be recalled for instance that commitments of developed countries for official development assistance were made from the 1960s. The debt issue is high on the international agenda since the beginning of the 1980s. A number of United Nations documents have pointed out the fact of a reverse flow of resources from developing to developed countries. Before the liberalization of capital circulation and the emphasis on foreign direct investments, the investments and policies of transnational corporations in developing countries were a subject of inquiry and debates. As noted above, the Copenhagen Declaration and Programme of Action and the resolution adopted by the special session of the General Assembly five years later and entitled “Further Initiatives for Social Development” contains a great number of precise commitments and recommendations for a better financing of the development of developing countries, from domestic and international sources. In many circles, though not in official intergovernmental negotiations under the auspices of the United Nations, new proposals for international taxes, notably the Tobin tax and a tax on consumption of fossil fuels, have been discussed. On 14 January 2002, at the Preparatory Committee of the Monterey Conference on Financing for Development, the Secretary-General of the United Nations urged developed countries to double their official development assistance to \$100 billion annually, from the current level of some \$50 billion.

Participants in this Forum may express their views on the relative importance and feasibility of these various aspects of the financing of global social development that are presently on the official international agenda, or close to it, as in the case of the recommendations of the High-Level Panel on Financing for Development. They may also present their views on initiatives that could possibly be in the long-term interest of the currently poor and developing countries, that would increase solidarity, social justice and cooperation at the world level, and that would altogether contribute to the building of a harmonious global community.

Among the questions that might be addressed under this theme are the following:

- *Is a further reduction or cancellation of the debt of developing countries and an increase of ODA a promising path for global social development?*
- *Is a mix of expanded ODA and financing of global public goods through various sources, including international taxation, a workable solution?*
- *Among the proposals for a better international/global financing of development that are currently debated, which ones deserve priority attention (for example the Tobin tax, a tax on the consumption of fossils fuels, an International Tax Organization)?*
- *In the perspective of a greater responsibility at the international and global level for the financing of social development, would it be feasible, useful and promising to work first on the design and implementation of a global/international system for the financing of a specific objective, such as for example the reduction of child mortality targeted in the Millennium Declaration?*



### III. Programme of work

**Chairman: Mr. Khalid Alioua**

<i>Time</i>		<i>Location</i>
9.30 – 10.00a.m.	<b>Opening of the Symposium of the International Forum for Social Development</b>	<i>ECOSOC-chamber</i>
10.00 – 11.00a.m.	<b>Session I: Is there a rationale for an international/global financing of social development?</b>  Statement, not exceeding 5 minutes, by: <ul style="list-style-type: none"><li>• Mr. Tu Weiming</li><li>• Mr. Diarmuid Martin</li><li>• Mr. M. Suheyl Umar</li><li>• Mr. Peter Marris</li><li>• Mr. Tony Addison</li><li>• Mrs. Barbara Baudot</li></ul> Discussion	
11.00 – 11.15a.m.	<i>Coffee break</i>	
11.15 – 1.00p.m.	<b>Session II: Is globalization favourable to the financing of social development?</b>  Statement, not exceeding 5 minutes, by: <ul style="list-style-type: none"><li>• Mrs. Faith Innerarity</li><li>• Ms. Gemma Adaba</li><li>• Mr. Ablassé Ouedraogo</li><li>• Mr. John Weeks</li><li>• Mr. Sergey Kapitza</li><li>• Mr. Cameron Smith</li></ul> Discussion  Statement, not exceeding 5 minutes, by: <ul style="list-style-type: none"><li>• Mr. David Reed</li><li>• Mr. Francois-Xavier Merrien</li><li>• Mr. Qazi Faruque Ahmed</li><li>• Mr. Willy Thys</li><li>• Mr. Eduardo Doryan</li></ul> Discussion	
1.00 – 2.30p.m.	<i>Lunch break</i>	

2.30 – 4.15p.m.

**Session III: Ideally, what should be the contours of the financing of social development?**

*ECOSOC-chamber*

Address by Mr. Poul Nielson, Commissioner for Development and Humanitarian Aid, European Commission

Statement, not exceeding 5 minutes, by:

- Mr. Heikki Patomäki
- Mr. Huang Ping
- Mr. Jens Erik Lund
- Mr. José García Fajardo
- Ms. Jacquelyn Joseph

Discussion

Statement, not exceeding 5 minutes, by:

- Mr. Anders B. Johnsson
- Mr. Oded Grajew
- Ms. Sheena Hanley
- Mr. Marcelo Mariano

Discussion

4.15 – 4.30p.m.

*Coffee break*

4.30 – 5.30p.m.

**Session IV: Which features of the current situation should be most immediately and most usefully addressed?**

Statement, not exceeding 5 minutes, by:

- Mr. Abdul Magid Osman
- Mr. Reinhard Munzberg
- Mr. Tony Colman
- Mr. Reynaldo Bajraj
- Mr. Martin Khor

Discussion

5.30 – 6.00p.m.

**Concluding discussion**

6.30 – 8.00p.m.

*Reception*

#### **IV. Provisional list of participants**

- Ms. Gemma Adaba, International Confederation of Free Trade Unions
- Mr. Tony Addison, UNU/WIDER (World Institute for Development Economics Research), Finland
- Mr. Qazi Faruque Ahmed, International Council for Social Welfare
- Mr. Khalid Alioua, University of Casablanca, Former Minister, Morocco
- Mr. Reynaldo Bajraj, Economic Commission for Latin America and the Caribbean
- Mrs. Barbara Baudot, Triglav Circle
- Mr. Tony Colman, Member of Parliament, United Kingdom
- Mr. Eduardo Doryan, The World Bank
- Mr. José Carlos García Fajardo, Complutense University of Madrid, Spain
- Mr. Oded Grajew, Instituto Ethos, Brazil
- Ms. Eva-Maria Hanfstaengl, International Cooperation for Development and Solidarity
- Ms. Sheena Hanley, Education International
- Mr. Huang Ping, Chinese Academy of Social Sciences, China
- Mrs. Faith Innerarity, Chairperson of the Commission for Social Development
- Mr. Anders B. Johnsson, Inter-Parliamentary Union
- Ms. Jacquelyn Joseph, Caribbean Community Secretariat
- Mr. Sergey Kapitza, Russian Academy of Sciences, Russian Federation
- Mr. Martin Khor, Third World Network
- Mr. John Langmore, International Labour Organization
- Ms. Linda Low, National University of Singapore
- Mr. Jens Erik Lund, The Copenhagen Centre, Denmark
- Mr. Marcelo Mariano, World Social Forum
- Mr. Peter Marris, Yale University, United States of America
- Mr. Diarmuid Martin, Permanent Observer Mission of the Holy See to the United Nations in Geneva
- Mr. Francois-Xavier Merrien, Université de Lausanne, Switzerland
- Mr. Thandika Mkandawire, United Nations Research Institute for Social Development
- Mr. Rogate R. Mshana, World Council of Churches
- Mr. Goenawan Susatyo Mohamad, MBM TEMPO, Indonesia
- Mr. Reinhard Munzberg, International Monetary Fund
- Mr. Saad Nagi, Ohio State University, United States of America
- Mr. Salim Nasr, Lebanese Center for Policy Studies, Lebanon
- Mr. Deepak Nayyar, University of Delhi, India
- Mr. Poul Nielson, Commissioner, European Commission
- Mr. Abdul Magid Osman, Banco Comercial e de Investimentos, Mozambique
- Mr. Ablassé Ouedraogo, World Trade Organization
- Mr. Heikki Patomäki, Nottingham Trent University, United Kingdom
- Mr. Kwame Pianim, New World Investment Ltd., Ghana
- Ms. Vijaya Ramachandran, The World Bank
- Mr. David Reed, World Wildlife Fund
- Mr. Koos Richelle, European Commission
- Mr. Cameron Smith, Journalist, Canada
- Mr. Willy Thys, World Confederation of Labour
- Mr. Tu Weiming, Harvard University, United States of America
- Mr. M. Suheyl Umar, Iqbal Academy, Pakistan
- Mr. John Weeks, University of London, United Kingdom