Leaving no one behind

SUMMARY AND KEY MESSAGES FROM THE WORK OF THE SUB-GROUP OF THE COMMITTEE FOR DEVELOPMENT POLICY ON “LEAVING NO ONE BEHIND”, 2017-2018

CDP PLENARY MEETING, MARCH 2018
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Overview and evolution of the concept and ways to operationalize it (leaving no country/person/group behind)

Shortcoming of MDGs. Entrenched in SDGs in:
- Substantial number of goals directly concerned with those currently left behind (goals on poverty, hunger, child mortality, inequality, gender, others).
- Calls for disaggregation in monitoring of progress

Different ideas on what “leaving no one behind” means in practice.
- People, groups, countries.
  - For analytical purposes, makes sense to look at LNOB across borders (most poor people in middle or even high-income countries)
  - For policy, borders matter. Focus on countries left behind can indirectly help people left behind.

Absolute or relative perspectives?
- Absolute important in Agenda as a global effort: SDGs provide common indicators – who are the globally left-behind, where, what disadvantages, what traps, what solutions
- Relative perspective important because:
  - Many absolute functionings (Sen) depend on relative attributes such as income and education relative to the local community
  - Equity and justice issues
  - Political economy (rise in populism)
Klasen (cont.)

- **Intrinsic and instrumental concerns**
  - Intrinsic – rights-based approaches to development, justice theorists, religiously motivated ethicists.
  - Instrumental –
    - Meeting some goals (poverty, hunger) refer by definition to the worst off
    - Significant progress in other goals (e.g., maternal mortality) depend on reaching the worst off
    - Progress in one SDG facilitates progress in others
    - Lower inequality through a focus on those left behind ensures the impact of economic growth on reducing poverty and deprivation will be larger
    - Focus on LNOB will promote social and political stability and cohesion, affecting overall speed of development
    - LNOB can avoid conflicts, instability, refugee flows.

- **Measuring LNOB:**
  - Health and education, social relations, multiple dimensions, mechanisms by which people end up in disadvantageous position
  - Objective (income, wealth, etc.) and subjective (expressions of satisfaction) approaches, or in between.

- **Policy challenges:**
  - Targeted interventions not enough if the context is not conducive to LNOB. Focus should be on LNOB in overall development strategy with targeted interventions only for those left out as a result of insufficiencies of the strategy, not in substitution of it.
  - Trade-offs: LNOB costly and politically difficult. One guide is to prioritize the long-term well-being of those left behind.
Leave no one behind as a site of contestation
Sakiko Fukuda-Parr

- Competing ideas in negotiating and implementing the SDGs
- Contestation over the SDGs as a battle over the control of the discourse of international development: LNOB promoted by those who promoted the SDGs as a poverty agenda (MDG+), deflecting attention from the core issues of distribution of income and wealth, and the challenge of extreme inequality.
- 2030 Agenda seems to contain a strong commitment to reducing inequality but:
  - the inequality goal has no target to reduce the unequal distribution of income and wealth,
  - does not include an indicator that would show whether a country’s level of economic inequality declined over the period 2015-2030
  - no target or indicator on reducing income inequality amongst countries
- The set of targets and indicators create an agenda around ‘leaving no one behind’, that focuses on exclusion of the marginalized groups from social, economic, and political participation, while between country inequalities is marginalized and within country distribution of income and wealth is off the agenda.

How did this come about?

- Formulation process through parallel tracks:
  - Open working group of the General Assembly mandated by Rio+20 to elaborate SDGs. State-led. Promoted non-mainstream vision changing course, addressing exclusion, inequality, environmental destruction.
  - Post-2015 process set up by Secretary-General to elaborate development agenda to follow MDGs (High-Level Panel of Eminent Persons). Technocratic, donor-driven. MDG agenda with some adjustments.
  - Indicators left to technocratic process under the Inter-Agency Group on SDGs created by the Statistical Commission.
Fukuda-Parr (cont.)

- Inequality:
  - Agreement that it had to be included
  - Stand-alone goal or dispersed in other goals?
    - Stand-alone prevailed despite opposition from donor countries who saw the Agenda as an aid agenda and the inequality goal as distraction, raising issues domestically, related to rising extreme inequality and critique of the prevailing economic system.
  - Indicator – Palma Index, Shared Prosperity (does not respond to the core objective of the goal).
  - In this context, “LNOB” emerged from a Save the Children Report, in the context of proposals closer to the MDG+ idea/poverty-focused vision.

- Multiple interpretations:
  - May have gained traction because it is broad and vague and can accommodate multiple perspectives.
  - UN interpretation under Chief Executives Board – equality, non-discrimination, equity; horizontal and vertical inequalities; inequalities among countries and intergenerational equity.
  - Countries in Voluntary National Reviews:
    - Mentioned in most, multiple interpretations,
    - Strategies in some, though not all linked to the term. Some groups, not others.
    - Civil society forcefully advocate for ‘Leave no one behind’, mostly adopting the human rights perspective, emphasizing voice of the excluded groups and the principle of priority to the furthest behind

- Global goals as a communication device/framing of discourse: ‘Leave no one behind’ has been a successful mechanism used to keep out concerns with extreme inequality out of the 2030 Agenda and the SDG framework.
Who Might Be Left Behind? A Perspective on Agenda 2030’s Vision of Inclusive Development
Onalenna Selolwane

- Highlight the magnitude of the problem in leaving no one behind by focusing on Quality Education (Goal 4: ensure inclusive and quality education for all and promote life-long learning) and Adequate Housing (Goal 11: make cities inclusive, safe, resilient and sustainable).

- Education for all: who is in danger of being left behind?
  - In the worst-off countries, even the under-15s are still largely excluded from access to education, which is particularly problematic where they account for 40% or more of the national population.
  - But if interventions only focus on children under 15 who have either attained or are in line to attain primary education, millions of young Africans will likely remain marginalised their entire working lives like their predecessors.
  - Particularly in Africa, there is a large backlog of working age populations with lower than secondary education. This has serious implications for productive capacity and therefore for the ability to generate employment and improve welfare of households and for building the human resources that should drive economic and social change.
  - Exclusion is compounded by other aspects of historical inequality like gender, locality, disability, etc., as well as associated social and physical infrastructure challenge.
  - The majority of African citizens will continue to be left behind unless there are major fast-track strategies in place that recognize the challenge of the backlog of the adult population in addition to addressing the problem of education for under-15s.
Adequate and affordable housing for all

- Slums, slum-like conditions, street living, and homelessness are facets of housing poverty and gross inequality.
- These conditions affect large shares of the population in developing regions, and homelessness is a significant problem in developed countries.
- In Africa, housing poverty affects an estimated 62% of the total population and is most visibly represented by slums.
  - The 2017 yearbook on Housing Finance in Africa shows that less than 5% of people in more than half of the African countries command enough income to afford the cheapest house provided in their formal sector.
  - The population in slums is uniquely large as a proportion of the national urban settlements: 90% of Chad’s urban housing stock, 79% of Ethiopia’s, 82% of Niger’s and 80% of Mozambique’s.
- Practically all African countries have need for large extra stocks of decent housing units that meet the United Nations definition of the right to affordable housing which includes, among other things, habitability, legal security of tenure as well as availability of services and facilities such as: sustainable access to natural and common resources; safe drinking water; energy for cooking, heating and lighting; sanitation and washing facilities; means of food storage; refuse disposal; site drainage and emergency services.
- Given the size of the challenge, will the issue be addressed within the timeframe of the 2030 Agenda?
- Upgrading of large tracts of slum areas for countries such as Kenya, Angola, Ethiopia, Mali, Sudan and Tanzania would reduce the pressure.
- Experiences in northern Africa reduced slums by half within two decades.
Why focus on the worst off?: traditional and recent philosophical and economic reasoning provide strong arguments for giving priority to the furthest behind.

- Tradition in popular wisdom (religion), civil society organizations.
- Philosophical traditions:
  - John Rawls' (1971) theory of justice: once the principles of guarantee of basic liberties to all and the provision of fair and equal opportunities to all are fulfilled, the distribution of socio-economic resources is to be guided by the goal of maximizing the life perspectives of the most disadvantaged populations.
  - Equality of opportunity, taking account of individual responsibility (Ameson, Cohen, Roemer). Substantial resistance to this approach esp. in the case of poverty.
  - Sen: prime concern is freedom, not responsibility.
- Human rights approach: not just about economic and social rights but all rights, and understanding poverty as a set of inter-related deprivations including power and political and civil rights, as well as cultural denigration.
- Economic academic literature: absolute priority to the worst off is implied by conditions of fairness and efficiency.
Policies for the worst off: issues and puzzles

Human rights approach has been effective in elevating the moral standing of issues concerning the most deprived populations: one aspect been a change from a set of policy goals aimed at reducing social ills to a set of eradication goals.

Fighting poverty may seem like the natural implication of making the worst off the main focus of policy. But:

- Depends how poverty is measured. Reducing the headcount ration may lead to focus on people who are just below the poverty line (and easier to move up above the threshold): headcount vs. poverty gap.

- A shift of priority to the worst-off may, under certain conditions, induce a redistribution from the middle class to the best off (as well as to the worst off).

- Universal social policies may be more effective than targeted interventions, for social and political reasons,

- Post-market, pre-market and in-market policy are complementary, especially in the perspective of empowering the worst-off, not just to support their livelihood

- Parallel issues arise in international cooperation
Eradicating Poverty by 2030: Implications for Income Inequality, Population Policies, Food Prices (and Faster Growth?)
Giovanni Andrea Cornia

- Explore whether plausibly-projected values of economic variables for 78 developing countries with are compatible with the objective of eradicating poverty by 2030
- Comparative-static, poverty-accounting model simulating impact on SDG 1 of improvements in the level of inequality, population growth, food prices relative to the CPI, and GDP growth. Gradually introduces IMF projected GDP growth, the 13% slower growth rate of the population, a 12% lower Gini index than in 2013, the indirect (endogenous) effects of fall in Gini and increase in GDP, the absence of food crises, and an additional 1% GDP growth.
- For each scenario, computes the number of countries with PHR >0 in 2013 that exit poverty by 2030

Results:
- simulated decline in income inequality has a slightly higher positive impact on SDG 1 than GDP growth;
- simulated 13% slowdown in population growth by 2030 has a limited poverty alleviation effect in countries with a very high initial population growth, suggesting population policies should be kept in place for longer;
- endogenous effect of falling Gini and rising GDP/c has an effect on poverty reduction similar to that of the decline in Gini; and that the absence of food crises also has a perceptible effect.
- Following the introduction of ‘best practice’ poverty-alleviation measures, nb of “poor” countries is 28 by 2030 (or 36% of the initial countries), and 14 with additional 1% GDP growth over that projected by the IMF (uncertain).
- Most in Sub-Saharan Africa and, to a lower degree, Latin America.
Comia (cont.)

- **Key messages:**
  - Not all countries will reach SDG1 by 2030 even assuming favorable policy changes.
  - There remains – in relation to the IMF projections – a need to accelerate in a sustainable and equitable way GDP.
  - Need to re-open the debate about the ‘nature of a growth process’ consistent with the achievement of SDG1.
  - Need to promote faster if sustainable GDP growth in poor countries and away from the present ‘foreign-financed, commodity export-lead’ development model dominating these two regions. Yet, the trend of the last decade has been towards a ‘reprimarization of output and exports’, rather than more balanced growth pattern.

- **Policies that can help achieve SDG1:**
  - Pre-market changes in path-dependent ‘social and religious norms’ that affect the access of women and other marginal groups to land, education, certain professions, credit, public employment, social transfers.
  - Changes in the primary distribution of income, via market policies.
  - Redistributive policies.
  - Controlling population growth.
  - Controlling food prices.
No One Pushed Behind
Diane Elson

- Land grabs for commercial agriculture and infrastructure have lead to loss of livelihoods by poor farmers without access to adequate new employment opportunities.
- A shift to high-risk, high-cost export crops, some small farmers into high levels of indebtedness. Desperation has resulted in increases in suicide rates.
- Destruction of ways of life of indigenous communities has resulted in high suicide rates, alcoholism, mental and physical ill-health.
- Climate change is exacerbating intensity and frequency of storms and floods, with devastating impact on poorest people.
- Pollution kills an estimated 9 million people a year.
- Trade liberalization produces winners and losers: lower income losers are not properly compensated.
- Millions of people work under abusive and exploitative conditions and lose their health, or even their lives, in unsafe workplaces.
- Austerity responses to impacts of financial crises increase the numbers living in poverty.
Policy response

Development policies need to be re-oriented so that they are driven from the bottom up by the needs of those who are deprived and disadvantaged.

The guidance that conventional economic analysis provides to governments focuses on the maximisation of output, not the avoidance of harm. It rests on flawed concepts of efficiency as minimization of monetised costs, ignoring non-monetised costs.

A human rights based approach to economic policy would safeguard against being pushed behind; and human rights treaties and procedures empower deprived people to claim their rights.

Measures that can contribute include strengthening the land rights of peasants and indigenous people; ending subsidies for industries that produce harmful emissions; regulations to reduce pollution on an equitable basis; subsidies for clean technologies; ending the drive for trade liberalisation and financial liberalisation and instead instituting economically, socially and environmentally sustainable trade and financial system; strengthening the rights of workers, both employees and the self-employed, to organize for a safe and healthy workplace and living wages; and institution of effective systems of employment creation and social protection.
Migration, Diasporas, the Least Developed Countries and the Sustainable Development Goals
Keith Nurse

Provides an analysis of the migration, diaspora and development nexus and calls for a strategic approach to improve the development potential for sending or labour-exporting countries of which the SDGs can play a significant role. Most receiving countries have ageing populations and face impending labour shortage owing to demographic shifts. Immigration can help fill the gaps.

**Issues for Sending Countries**

- Emigration create a culture of dependency, generates social inequality between families and communities.
- Brain drain of the tertiary educated from LDCs depletes critical human resources to the EU and other OECD countries.
- Emigration and the export of surplus labour tend to ease pressure on labour markets and helps to reduce unemployment and poverty.
- Return and circular migrants are an important source of skills, expertise, and ideas ("brain gain/circulation").

**Remittances and Diaspora**

- Remittances have a major impact on households and poverty and has emerged as a key become a key source of external financing for LDCs.
- Social remittances have become an asset (i.e. the flow of ideas, skills, social capital and networks).
- The diasporic economy offers a bridge into wider markets, incentivizing investments and entrepreneurship.
- Diaspora savings and income are a potential source of investment funds.
Global and International Institutional Initiatives

- Sending, receiving and transit states should aim to facilitate orderly, safe and regular migration (e.g. The Global Forum on Migration and Development promotion of the United Nations’ Global Compact on Migration).
- Secure the rights of migrants and expand their negotiating power (e.g. ILO conventions).
- Strengthen migration or mobility partnerships to facilitate the integration of migrants, pre-employment training and pre-departure orientation.
- Establish bilateral migration agreements that alleviate the root causes of migration, retaining skills and reintegrating return migrants.

Policies LDC governments can implement

- Know your diaspora” – LDC governments should document and map the geographic and social dimension of diasporic communities.
- Measure the size of the diasporic economy and develop strategic trade mechanisms.
- Lobby for reduced restrictions on the mobility of natural persons (WTO GATS mode 4)
- Reduce transaction cost of remittances (especially South-South) and facilitate remitters and recipients to use banking system and expand savings (i.e. banking the unbanked).
- Collateralize remittances and establish diaspora bonds.
- Promote diasporic investment and entrepreneurship.

Migrant workers highlighted in SDG 8 on economic growth and decent work;
The issue of trafficking is mentioned in SDG 16 on peaceful societies;
SDG target 10.7 calls for “well-managed migration policies”, and
SDG 10C refers to reducing the transaction costs for migrant remittances.
Inequality and Sustainability – An Emergent Analytical and Policy Perspective
Leticia Merino and Ayari Pasquier

- Focuses on the impacts of inequality for sustainability and environmental justice

- Economic inequality goes together with procedural inequality resulting in unequal access to power and decision-making capacities. The richest groups tend to have a disproportionate access to power, imposing their interests, visions and values in international and national arenas. Procedural inequalities permit global and local elites to maximize short term benefits by over-exploiting people, natural resources and ecosystems, transferring environmental and social externalities to local societies, especially when elites can distance themselves from environmental deterioration.

- Inequality favors unsustainable consumption and production while more equity favors reduced consumption with a lower ecological footprint. It also lessens the need of the poor to engage in livelihoods with high environmental impacts.

- The analysis of the impacts of inequity in the access to natural goods refer to:
  - the importance of natural resources for different social groups
  - the impacts of inequality on natural resource management within local communities
  - the importance of macro-level inequality in the access and governance of natural resources, and
  - the impact of micro- and macro-inequities in the governance and use of global commons.
In spite of the reduction of the dependency of rural households on the use of natural goods during the last decades, their contribution remains relevant for rural livelihoods particularly for the poorest groups in the developing world, especially in contexts of scarcity and/or crisis. This analysis has promoted a positive association between poverty alleviation and conservation programs.

Local decision-making processes enable or hinder environmental governance. The exclusion of the most vulnerable users from decision-making processes weakens institutions, undermining their pertinence and legitimacy. Unequal distribution of the benefits from natural systems diminishes social participation in governance and provision activities, exposing eco-systems to further deterioration, leading eventually to decreased local benefits. Inequalities also promote impunity, weakening institutions for natural resource management that seek to limit abusive behaviors, and increasing monitoring costs.

There are increasing impacts of inequality among global and local actors for the management of local natural systems and access to resources. Vulnerability of local governance increases due to the influence of trans-national actors in local contexts.

Land-grabbing and privatization of natural assets has largely taken place in community and public lands used by indigenous and local communities. This is the case of open pit mining, land-grabbing related with large-scale production of cereals, bio-fuels and cattle, the increasing appropriation of the oceans by industrial fisheries, the privatization of coastal areas for elite touristic developments and the massive expulsion of local populations when protected areas are imposed on and lately devoted to elite tourism. Privatization of lands and natural resources has seriously harmed local governance and local livelihoods including the loss of food security and traditional knowledge. In many cases national legal frameworks have been modified to facilitate their installation and functioning.

Inequality has deepened in many developing countries where structural reforms have taken place and political elite capture is rampant. Structural adjustment reforms have led to the dismantling of governmental institutions that supported small rural producers. In many developing countries with high corruption and elite capture, and agro-industries are enabled to make wasteful uses of water and energy and high use of agrochemicals, they also benefit from regressive subsidies, fiscal exemptions and soft credits and permits.

Global commons’ governance characterized by profound power asymmetries and mistrust poses tremendous challenges, often leading to continuous degradation. The benefits and costs of global commons are markedly unequal but so are the consequences of their degradation.
The Quest for Agenda 2030 – Leaving No One Behind, Inclusive Rural Transformation
Lindiwe Sibanda

- Addresses the inclusion of smallholder farmers in unfolding rural transformation, to ensure they gain from their investments.
- Rural poverty remains stubbornly high.
- Empirical evidence has shown that investment in agriculture is the best approach to eradicating poverty given the concentration of the poor in rural areas.
- Governments that have shown political commitment to put agricultural development at the top of the development agenda have been able to trigger agricultural transformation that translated into improvement in agricultural productivity, reduced poverty, increased employment and overall economic growth.
- Rural transformation can lead to numerous benefits but a range of political, social, economic and environmental imbalances and inequities may occur as well. Economic transformation may be inevitable, as the world changes, but inclusiveness is a choice.
- Countries lagging behind are concentrated in sub-Saharan Africa and South Asia.

Ways forward for agriculture as a driver

- Enabling policy environment
- Inclusion in policy development
- Financial Inclusion
- Nutrition-sensitive agriculture
- Technology, research, knowledge
Development Cooperation to Ensure that None Be Left Behind
Jose Antonio Alonso

Analyses perspectives for development cooperation in the context of the 2030 Agenda.

1.- Reshaping the development cooperation system

► The 2030 Agenda for Sustainable Development obliges the international community to move towards a new Financing for Development framework, in which development cooperation policy is expected to play a modest but relevant role.

► In order to do that, the development cooperation system will have to undergo a radical change, given the new levels of complexity and interdependence in the world. It should move from “donors and recipients”, unilateral transfers of concessional funds under conditionality, and vertical decision-making structures towards an inclusive and complex system that embraces all providers (old and new) across more horizontal and cooperative relations, aligning resources and efforts around a set of shared goals.

► Going beyond the important goal of fighting poverty, the purpose of development cooperation should develop along three main lines:
  ► Guaranteeing minimum social standards for all people
  ► Reducing international inequality
  ► Providing international public goods

► If ODA was seen as a temporary support to countries trapped in poverty, development cooperation policy must be conceived as a permanent mechanism of global governance, able to address the distributive asymmetries and market failures. And, in accordance, a new narrative is needed, based on the principle of common but differentiated benefits and responsibilities (instead of charity).
2.- ODA is still necessary

- For many poorer countries, international aid will remain a significant source of international financing, at least in the time frame addressed by Agenda 2030. It channels resources that are official in nature, which means that they can be oriented toward ends with higher social returns (or those that require universal access).

- In spite of its potential significance, data confirm that ODA has been basically a stagnant flow. If development cooperation is to play a more active and significant role in supporting Agenda 2030, ODA will need to grow much more dynamically.

- At the same time, providers should revise their allocation models, setting out criteria based on the severity of the development problems that people suffer and on the recipient country’s capacities for tackling them.

3.- Some allocative dilemmas:

- Many donors want to use ODA as a means for mobilizing private resources. Even if it is needed mobilizing more resources in support of the 2030 Agenda, the orientation of ODA to leverage private resources could have perverse distributive effects. One of the main added values of official funds is that they can be oriented to investments with higher social returns (even if their private returns are low).

- The new geography of global poverty raises the dilemma “poor countries vs. poor people” in development cooperation orientation. The process of resources allocation necessarily has to consider country’s capacities for tackling their own development shortages. Which means that LDCs, LICs and other countries in need should be the main recipients of international support.

- But, if the principle of “leaving no one behind” is to be applied, donors should go beyond national averages, and use variables and indicators with information disaggregated by groups and regions.

- Given the difficulties for setting an optimal distributive model of international support, it would seem reasonable to build conventional criteria, based on critical analysis and debate, for allocating resources, in order to guarantee a better balance among the many goals that development cooperation pursues.
International tax cooperation and sovereign debt crisis resolution
Jose Antonio Alonso

Focus on issues that hinder states’ fiscal space in terms of their ability to raise enough tax resources, to manage macroeconomic stability and to fund those public policies demanded by their societies.

- The low level of international tax cooperation and the absence of a fair and efficient mechanism for debt crisis resolution harm the principles of economic allegiance and fiscal self-determination of countries, which are basic components of any approach to global justice.

1.- International tax cooperation

- Sound and equitable tax systems are necessary to ensure poor countries can move beyond dependency on international aid and can properly fund their public and distributive policies. But
  - In a context of liberalized markets and mobile capital, the lack of appropriate international coordination pushes down statutory income tax rates through tax competition, erodes national tax bases through tax avoidance strategies by multinational corporations, facilitates tax evasion, and hamper the redistributive fiscal purposes of states.
  - Costs in tax collection for developing countries of these practices double those resources channelled through international aid; the costs are particularly serious in the case of developing countries.
  - In the last decade there have been some advances in this field, particularly in the areas of transparency in fiscal issues and in fighting some practices of tax avoidance (the most important the G20/OECD’s initiative BEPS). But,
    - International agreements in this field are far from what would be necessary (agreements are voluntary and multinational corporation have still an ample room to tax avoidance practices).
    - There are not significant advances in avoiding the consequences of tax competition practices (and other international negative externalities in the tax field).
    - Most of decisions have been adopted in an exclusive forum (G20 and OECD): it should be needed a more inclusive and representative global tax authority.
2.- Sovereign debt crisis resolution

- The absence of an agreed-upon, efficient, and equitable mechanism to resolve the sovereign debt crises is one of the most serious imbalances that the financial regulatory framework retains.

- Current procedure (negotiation in the Paris Club) is clearly inefficient, costly and unfair. The Paris Club is an asymmetric mechanism under the unrestricted dominance of creditors that embraces only a portion of the official lenders and that operates under a voluntary basis, opening the room for unfair treatments and opportunistic behaviour.

- In a community of democratic nations, it is required that conditions for debt resolution assure that debtor States remain capable of protecting the human rights and dignity of citizen, providing the public goods and services required to cover basic social needs.

- Three potential ways for resolving foreign debt crises:
  - Contractual and decentralised formula of the collective action clauses (CAC).
  - Statutory types of regimes (debt court or agreed arbitration formula).
  - Combination of voluntary action and judicial response.

3.- Final coda

- Giving appropriate responses to these two international problems would have benefits, in terms of efficiency and welfare, at the global level (for all countries), and would establish fundamental conditions for developing countries to fully take advantage of their resources for funding policies that do not leave (or push) anyone behind.