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Speakers Stress Need to Address Exploitation of Africa's Resources, Urging Paradigm Shift, as Economic and Social Council Concludes Segment

Continent Bleeding, Nigeria Warns, Citing System Rigged by Multinationals

Speakers from myriad sectors in Africa shared perspectives on why the continent, despite being resource rich, remained home to the planet's poorest people, as the Economic and Social Council concluded its integration segment today.

In its third and final day of discussions on the theme "making eradication of poverty an integral objective of all policies: what will it take?", the Council held a panel this morning on "eradicating poverty in Africa", during which speakers urged the need for a radical paradigm shift, some emphasizing that the system had been designed to keep the continent in a state of poverty.

Irene Ovonji-Odida, Chairperson of the International Board of ActionAid International, said many of the continent's citizens believed that the system was not broken, but rather built that way. With an abundance of minerals, natural resources, land and water, she questioned as to why Africa remained at the bottom of the economic heap. Urging a conversation on exploitation and exploitative relations, she noted the actions of multinational companies who she said armed warlords to gain control over resources.

Emphasizing the role of data in development, South Africa Statistician-General Pali Lehohla said that, while the number of people living in poverty had reduced, the intensity of poverty had remained steady. He urged the need to address unemployment, education gaps and stimulate trade. Welcoming his country's greater weight on the role of statisticians in shaping policy, he said development policy "could only be successful if we have credible and accurate data".

Calling for a more even distribution of development, Zeinab Bashir el Bakri, Member of the High-level Panel on Illicit Financial Flows and Member of the Inspection Panel of the World Bank, expressed concern that several African countries were driving the continent's growth. That meant that conflict, drought and famine threatened gains on a mass scale. She urged enacting policy that protected the poor from falling back into poverty. That would include improving efficiency in public spending, following policies that favoured inclusive growth, and paying special attention to conflict prevention.

Donald Mmari, Member of Southern Voice, said changing demographics including a "youth bulge" had presented a host of new challenges for Africa. Expressing concern for low investments in skill development, he warned that if the trend persisted, the next generation would be less educated and lacking in skills. To address growth in rural areas, it was important to improve farm productivity by investing in the agriculture industry and also encourage rural workers to move into non-farmer sectors.

In the discussion that followed, Cameroon's delegate, speaking on behalf of the African Group, emphasized that eliminating poverty on the continent was becoming more challenging with increasing economic inequality, climate change and illicit financial flows. Africa poised to have the planet's largest and most youthful workforce by 2050 and that required investments in education.

Several speakers called for a shift in narrative with Liberia's representative urging the need to ask why Africa's growth had not translated to reducing poverty. "We have to be fair to ourselves and intelligent enough to follow and adapt to international developments and trends," he said.

"Africa is bleeding," warned Nigeria's delegate, stating his continent's system had been rigged against Africans and exploited by multinationals.

In the afternoon, the Council held panel discussions on "bringing the Economic and Social Council system together" and "a multistakeholder approach: roles, responsibilities and results", both of which were followed by interactive discussions.

In closing remarks, Thomas Gass, Assistant Secretary-General, Department of Economic and Social Affairs, stressed the importance of maintaining a universal dialogue. Integrated approaches offered the opportunity to maximize synergies between economic, social and environmental dimensions. Social policies alone could not bring forth solutions, he added, calling for a mix of well-integrated policies to fully address poverty. Fiscal, monetary, financial, trade, industrial and labour

policies all had an impact on poverty and inequality. Noting that the United Nations was in a unique position to strengthen all mechanisms for inter-agency collaboration, he underscored the need to enhance governance and streamline the fight against poverty by aligning practices globally and nationally.

Nabeel Munir (Pakistan), Vice-President, Economic and Social Council, said the 2017 integration segment reinforced the need to empower women, educate youth and protect smallholder farmers. He called on the United Nations to intensify efforts to promote multilateralism, underscoring the role of Regional Commissions in supporting policy integration. He touched on highlights from various discussions from yesterday's deliberations on national experiences to today's panel on poverty and development in Africa. A paradigm shift was indeed needed to mobilize resources for African development, he added.

Also speaking today were representatives of South Africa, Norway, Ireland, Algeria and Switzerland.

Panel Discussion I

The Economic and Social Council held a panel discussion this morning on "eradicating poverty in Africa", moderated by David Mehdi Hamam, Director of the Office of the Special Adviser on Africa. Panellists on the discussion included Pali Lehohla, Statistician-General of South Africa; Irene Ovonji-Odida, Chairperson, International Board of ActionAid International; Zeinab Bashir el Bakri, Member, High-level Panel on Illicit Financial Flows from Africa, and Member, Inspection Panel of the World Bank; and Donald Mmari, Member, Southern Voice and former Executive Director, Policy Research for Development.

Mr. LEHOHLA, presenting a statistician's perspective, shared several success stories in the area of provision of water and electricity in South Africa. While the number of people living in poverty had reduced, the intensity of poverty had remained steady. Unemployment and education gaps had been most difficult to address and remained a key challenge to development. Trade must be stimulated and drive the 2030 Agenda for Sustainable Development, he said, emphasizing that data and statistics were vital in analysing and planning related policy. He welcomed South Africa putting more weight on the role of statisticians in shaping and modelling policy, which "could only be successful if we have credible and accurate data". Concerning illicit financial flows, he said statisticians were instrumental in providing information on what products and resources were being exploited and traded in informal markets.

Ms. OVONJI-ODIDA said that, while the solution to Africa's situation would have to come mainly from the continent, many of its citizens believed that the system was not broken, but rather built that way. "The system is delivering what it was meant to deliver," she added. Africa was a resource-rich continent, and yet, remained home to the planet's poorest people. With an abundance of minerals, natural resources, land and water, why was it that Africa remained at the bottom of the economic heap? Urging a transition from a narrative of wealth and poverty to a conversation focused on exploitation and exploitative relations, she pointed out that systemic patterns had generated wealth in some areas and poverty in others. She noted that multinational companies had provided weapons to warlords who committed gender-based violence to displace entire communities so that those organizations could control resources in those lands. Meanwhile, many African countries believed they had to protect foreign direct investors, but not labourers. The United Nations must help ensure that the global taxation system was fair and did not just generate wealth in rich countries.

Ms. BAKRI called for a significant paradigm shift and a new model for financing that was much more sustainable and could better address a decline in resource availability. While there were clear signs of economic recovery on the continent, it had not been equal. There were several African countries driving the continent's growth, which meant that conflict, drought and famine could threaten gains on a mass scale. Calling for mechanisms that protected the poor from falling back into poverty, she highlighted the need to improve efficiency in public spending, follow policies that favoured inclusive growth and pay special attention to conflict prevention. "We tend to wait until a country is already in a fragile state," she emphasized. Underscoring the role of official development assistance (ODA) and private sector resources, she said the impact of the illicit financial flows warranted cooperation at the highest level of Government.

Mr. MMARI said that ending poverty required appropriate social protection systems, equal rights to economic resources and a reduction of vulnerability. While there had been positive prospects, challenges persisted. In addition to a slow in structural transformation, changing demographics, including a "youth bulge", had presented challenges. Expressing concern for low investments in skill development, he warned that, if the trend persisted, the next generation would be less educated and lacking in skills. To address growth in rural areas, it was important to improve farm productivity by investing in the agriculture industry. It was also critical to ensure the diversification of economies by encouraging rural workers to move into non-farmer sectors. While Africa was resource-rich, it was not benefitting from the export of those raw resources. Africans must be more involved in producing products made from their resources. In addition, transforming the informal market, which was becoming increasingly common, was critical to reduce risks, cost of business and eliminate institutional biases.

In the ensuing discussion, the representative of Cameroon, speaking on behalf of the African Group, said the continent had not managed to halve poverty by 2015 as it had committed to do with the Millennium Development Goals. Half of the 800 million people living in poverty worldwide were in Africa. Having committed to the 2030 Agenda, the goal now was to eliminate and not just reduce poverty. The task was becoming harder; however, as the continent faced challenges presented by economic inequality, climate change and illicit financial flows.

Africa's Agenda 2063 aimed to ensure that every child, woman and man could reach their potential, he continued. Emphasizing that energy development in Africa had not kept pace with rising demand, he called for a well-integrated and coherent regional approach. By 2050, Africa would have the largest and most youthful workforce. It was important to start now to improve science and math education and boost literacy rates. The effects of climate change, namely drought and desertification, derailed development prospects and reversed progress achieved, he added.

The representative of Liberia called for a new narrative. The contribution of trade on development had reduced, he said, adding that African countries had to devise a new programme that would support its development. It required sound international relations and cooperation. Agriculture transformation and industrialization were difficult to achieve and required support from the global community. "We have to be fair to ourselves and intelligent enough to follow and adapt to international developments and trends," he continued, asking why Africa's growth had not translated to reducing poverty.

The representative of South Africa, associating herself with the African Group, underscored the importance of ODA and the need to combat illicit financial flows.

Addressing a query posed by South Africa's delegate on statistics, Mr. LEHOHLA made the link between value creation and value appropriation, the latter of which included formulating and managing solutions. He said he was not advocating for statisticians, but it was critical to understand the value of data.

Responding to Liberia's question on what Africa could do to change its mentality to take action to transform the continent; Ms. OVONJI-ODIDA underscored the importance of clarity. There needed to be a shift from policies and reports to the actual application of those insights. It was important to borrow and learn from what had been done in other countries. Adding to that, Mr. MMARI said certain barriers must be confronted. For instance, it was easier to transport goods from Europe to Africa than it was from one African country to another.

Responding to a question from Norway on what the international community could do to accelerate growth and combat illicit financial flows, Ms. OVONJI-ODIDA said that regulation of multinational companies was critical. Rich countries, which had created regulation in their own space, must take steps to ensure that those rules were implemented when those companies operated in Africa, as well.

Answering a question posed by Ireland about why an airline had not transformed transportation in Africa, Mr. MMARI said there had been initiatives to support State airlines for example in Tanzania. However, it was an industry that relied on demand and was extremely sensitive to the boom and bust of the global economy. Many airlines in Africa were finding it difficult just to "break even".

The representative of the International Atomic Energy Agency (IAEA) asked about the window of opportunity on Africa's reliance on labour intense activities with the rise of technology and even robots. Ms. BAKRI said the only way in handling the challenge of automation was investing in the poor and in policy that ensured they would not slide back into poverty.

The representative of Nigeria, associating himself with the African Group, said his continent's system had been rigged against Africans and called for a radical approach to correct the imbalance. There was a deliberate attempt to underline and exploit Africa by multinationals. "Africa is bleeding," he warned.

Responding to a question posed by Algeria's delegate, who also associated himself with the African Group, Ms. OVONJI-ODIDA concurred with his statement that young people must be at the front and centre of development. It was absolutely important to invest in their education and develop their skills.

Panel Discussion II

This afternoon, the Council held a panel discussion on "bringing the Economic and Social Council system together". Moderated by Elliott Harris, Assistant Secretary-General and Head of Office in New York, United Nations Environment Programme (UNEP), it featured the following panellists: David Donoghue, Permanent Representative of Ireland to the United Nations and Chair, sixty-second session, Commission on the Status of Women; Philipp Charwath, Deputy Permanent Representative of Austria to the United Nations, and Chair, fifty-fifth session, Commission on Social Development; Cristina Popescu, Counsellor in the Permanent Mission of Romania to the United Nations, and Vice-Chair, fiftieth session, Commission on Population and Development; and José Antonio Ocampo, Professor of Professional Practice in International and Public Affairs, Director, Economic and Political Development Concentration, School of International and Public Affairs, Columbia University (United States), and Chair, Committee for Development Policy.

Mr. HARRIS noted that poverty was a multidimensional phenomenon that manifested itself in many ways, from income levels and lack of opportunity to substandard education and health care, as well as vulnerability to economic and physical shocks that could reverse precarious gains which poor people might have made on the path to prosperity. From the perspective of the Sustainable Development Goals, much of the focus had been on the symptoms of poverty rather than the root cause. Poverty reduction efforts so far had centred on income, with the idea that if incomes rose, everything else would follow. While the 2030 Agenda made it possible to better understand the interlinking aspects of poverty, policy integration was not an easy matter, he said.

Noting that the panellists represented the Council's most important functional bodies, he asked them to discuss how their respective entities had addressed its overall theme for 2017, "eradicating poverty in all its forms and dimensions through promoting sustainable development, expanding opportunities and addressing related challenges", and what conclusions had been drawn from their deliberations. He also asked them to discuss how they addressed the question of how to make poverty eradication an integral objective of all policies. What would it take, and what lessons could be learned with integrating their conclusions and forwarding them to the high-level segment and the High-Level Political Forum?

Mr. DONOGHUE said that women's empowerment in the changing world of work had been the theme of this year's session of the Commission on the Status of Women. That provided an impetus to consider the impact of such topics as innovation, technology, mobility and the informality of work, among others. One issue that came up was the persistence of the feminization of poverty, a challenge that had been addressed in the Beijing Platform for Action. If poverty was to be eradicated, then gender equality and the empowerment of women and girls must be accelerated, he said, adding that policies must be targeted in order to reach all women who faced poverty and marginalization. He went on to summarize the Commission's conclusions, which included the vital need for women's participation and leadership in order to achieve sustainable development and end poverty.

Mr. CHARWATH said the Commission on Social Development's mandate — considering general questions regarding youth, disabled persons, older persons and families — had been rendered more relevant by the 2030 Agenda's goal of leaving no one behind. Poverty eradication strategies for sustainable development were the theme of the Commission's latest two-year cycle, whereas the Economic and Social Council chose a different theme every year. He also explained that the Commission had no negotiated outcome documents, but rather Chair's summaries of its deliberations. A key theme was that economic growth was not enough. Key points included the importance of disaggregated data, decent employment, vocational training and measures to address youth unemployment. The Commission noted the importance of strong institutions, Government capabilities, the need for political will and a wide societal consensus to invest in social protection.

Ms. POPESCU said the Commission on Population and Development this year had addressed changing population age structures in the context of sustainable development. Taking such changes as part of development planning was essential for achieving the Goals, she said. On a global scale, a gradual shift was under way whereby older persons would be as numerous, or even outnumber, children and youth. Lower birth rates would result in a concentration of people of working age, creating a window of opportunity for rapid development driven by per capita income growth. However, progress would depend on a number of enabling factors, she said, noting that during the Commission's recent session, delegations highlighted the importance of investment in education and health, promoting women's empowerment and gender equality, jobs for young people and addressing the needs of older persons.

Mr. OCAMPO said the Council's great value lay in the fact that it was a system which comprised the Council itself, its commissions and its expert bodies. Making that system work well was essential. This year, he said, the Committee for Policy Development considered the reasons why some least developed countries had been able to graduate to middle-income status. Some countries that were rich in natural resources had seen rapid income growth, but insufficient human asset accumulation. Others had undergone successful structural transformation, but remained vulnerable due to a lack of economic diversity. In addition, there were countries that had shifted towards manufacturing and services, but where the agricultural sector remained important. He went on to emphasize the importance of coordinated ODA, as well as the need to maintain trading preferences for some time for those countries that graduated from "least developed" status.

In the ensuing discussion, Switzerland's delegate asked about ways to ensure that the functional commissions' contributions were truly taken into account by the High-Level Political Forum. Her counterpart from South Africa, meanwhile, noted that the emphasis on women had stood out in the discussion.

NABEEL MUNIR (Pakistan), Vice-President of the Council, asked the panel to say more about negotiated outcome documents and Chairs' summaries, saying the former might represent "the lowest common denominator" whereas the latter could go a bit further.

Mr. DONOGHUE, responding to the Vice-President's question, said he had experiences with both options, and that with outcome documents "you can get language through that might surprise you". For many Member States, only a negotiated outcome document could be considered a legitimate product that provided them with a sense of ownership.

Mr. CHARWATH said he agreed on that point. With regard to Switzerland's question, he said the functional commissions had broad mandates that exceeded the Sustainable Development Goals. He said he personally favoured one-year cycles for the Commission on Social Development, but others did not.

Mr. OCAMPO emphasized the analytical nature of his Committee's documents, which addressed major issues before the Council. He added that, in his view, the High-Level Political Forum must focus on specific issues in order to send out a strong message. Some selectivity on its part would be essential to guarantee success.

Ms. POPESCU said she, too, agreed on the importance of outcome documents. This year, she added, the Commission on Population and Development held informal consultations on a draft resolution, but Member States failed to agree on some issues such as reproductive rights and sexual education. She added, however, that the lack of such a resolution did not limit the Commission's ability to contribute to the work of the Council and the High-Level Political Forum.

Panel Discussion III

The afternoon's second panel on "a multistakeholder approach: roles, responsibilities and results", was moderated by Andrea Ordóñez, Research and Partnership Coordinator, Southern Voice. It featured presentations by Huguette Labelle, Chair, Independent Advisory Board for Senate Appointments, former Secretary of State, Canada and former President, Canadian International Development Agency; Shira Kilcoyne, Director, Government Affairs International, GlaxoSmithKline; and Manuel F. Montes, Senior Advisor, South Centre.

Ms. LABELLE underscored the need to build ownership of decisions and greater trust among institutions and Government. Respect for diversity and "the other" and among civil society, Governments, labour and academics was instrumental. Local networks helped bring together the business sector and non-governmental organizations. She underscored the role of strong, sustained Government leadership in advancing the development agenda. Providing grants and capacity-building helped build momentum and develop policy. As countries began to distribute resources to local governments, it often became clear that corruption could easily spread. With Governments handing out contracts to different sectors, such as construction, transparency was even more crucial.

Ms. KILCOYNE, as a member of the private sector, said businesses had a critical role in multistakeholder partnerships. Describing several ways GlaxoSmithKline had engaged in such partnerships, she said most of those collaborations focused on improving health care and education. The purpose of partnerships was to generate mutually beneficial relationships because "investing early in the developing world will be the key to the future success of our business". Her organization had also helped co-develop a malaria candidate vaccine against the disease, early stages of which had proven to be successful. Entering into partnerships with non-governmental organizations in least developed countries helped directly re-invest funds into communities. Advocacy was one area, she stressed, where both the public and private sector could come together.

Mr. MONTES said that in most societies business had enormous influence over policy and in making social decisions. Business could not pick and choose what social objective it would adhere to. Safeguarding democratic decision-making and human rights must be a priority of business. All stakeholder interests, not just those of the private sector, must be taken into account. Because stable and decent jobs were a path out of poverty, business remained critical in development and community growth. Businesses also had a key role to play in paying taxes and participating in public-private partnerships that mobilized resources. States must set priorities and regulations, he added, outlining the heavy disadvantages faced by the farming sector, particularly agricultural producers in developing countries.

In the ensuing discussion, speakers touched on what the Economic and Social Council and the United Nations system as a whole could do to encourage and increase partnerships, with Ms. LABELLE emphasizing the need to bring different actors to the table for deliberations. Ms. KILCOYNE said the United Nations system was well placed to advocate for sustainable development. Mr. MONTES said it was difficult to make long-term plans with limited resources. Without the appropriate budget, the vision of the United Nations could be distorted and greatly influenced by donors.

 For information media. Not an official record.