Shifting the Global Social Policy Discourse: The impact of the global economic crisis on ideas about social protection, social development policy and global social governance.

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Abstract (100 words)

This paper takes as its focus two related issues central to the responses made by intergovernmental organisations to the global economic crisis. One is the renewed focus on a Global Social Floor or Minimum Social Protection Package. Is the IMF in its renewed lending policy influenced by these ideas and does the global social floor go far enough towards a state lead social development strategy? The second focus is the renewed call for the strengthening of ECOSOC. Of central concern is the role of the G20 vis-a-vis ECOSOC, the possibility of new forms of UN funding for global social development and the salience of an alternative strategy for global governance reform based on South-South cooperation and world-regional governance.

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Overview.

This paper takes as its focus two related issues central to the responses made by intergovernmental organisations to the global economic and social crisis. One is the renewed focus engendered by the crisis on a Global Social Floor or Minimum Social Protection Package. This had been argued for by a Global Social Policy Advocacy Alliance consisting of individuals in the ILO, UNDESA, UNICEF, Help Aged International, etc. and is now finding new institutional expression as one of the several urgent calls for action agreed upon by the Chief Executive Board for UN Co-ordination at its meeting in Paris on 5th April 2009. Item 6 of the communiqué refers to a “Social Protection Floor” the details of which are now being articulated under joint ILO-WHO leadership. Of key concern here are two issues: a) whether the IMF in its renewed lending policy has been influenced by these ideas and is giving greater priority to increasing social expenditures in the wake of the crisis, and b) whether the global social floor goes far enough in itself in breaking the misjudged “global politics of poverty alleviation” and replacing it by the desired “global politics of welfare state (re) building”.

The second focus is the renewed call for the establishment of an Economic Security Council to better ensure that the UN as distinct from the International Finance Institutions (IFIs) are at the heart of global economic and social governance. This call was made in the report of the Commission of experts of the President of the UN General Assembly and others. The paper sets this in the context of a broader debate on global (social) governance reform triggered by the crisis. Of central concern here are a number of issues; a) the role of the G20 vis-a-vis ECOSOC, b) the possibility of new forms of funding for global social development and c) the salience of an alternative strategy for global governance reform based on South-South Cooperation and world-regional governance.

The paper is structured as follows;

First a brief historical context is provided of the global debates about how the reaction against structural adjustment gave way to an alternative more progressive set of social development prescriptions which, however, could often not be implemented because of the continuing pressures of limited ODA and the constraints of the PRSP process.

Second is a more detailed treatment of the emergence of the idea of Global Social Floor. The emergence is traced back to an informal global network or invisible college of experts working in and around the ILO, UNDESA, ICSW, Help Aged International etc.

Third the desirability of the Global Social Floor approach is then assessed in terms of whether it perpetuates or breaks with the global politics of poverty alleviation. What would be its likely impact on social inclusion and equity and on effective inclusive social development in developing countries? If adopted would it mean that this global economic crisis is ushering in a renewed period of state lead development within which social expenditures are central, equitable and a high quality endeavour?
Fourth is a review of the outcomes of several recent global meetings in the context of the global financial crisis. These include the G20 London meeting of April 2009, the UN Chief Executive Board April 2009 Meeting, the Commission of Experts of the President of the General Assembly, the June 24-26th 2009 UN High Level Meeting on the World Financial and Economic Crisis, the World Bank sponsored Global Learning Forum on Social Protection Responses to the Crisis Cairo June 15th-18th and the UNCTAD May 18-19th Symposium on the Global Economic Crisis and Development. The question here is to what extent has all of this conferencing further shifted the global discourse in favour of either the global social floor and/or a renewal of the idea of state lead social development?

Fifth the recent shifts in policy on the part of the IMF and its recent lending practices are assessed against the benchmarks of its past practices and policies, of the idea of the Global Social Floor and of the project of state lead social development.

Sixth will be the focus on the possibilities of global social governance reform. The co-existence of the emerging G20 with power but no legitimacy and no secretariat on the one hand and the still weak ECOSOC, with formal legitimacy and a secretariat but limited power on the other will be discussed.

Seventh the vexed issue of global taxation for global development will be focused upon. Has the global economic crisis triggered a renewed call for global taxation regulation and innovation?

Finally the possibilities for further UN reforms such as a strengthened ECOSOC and strengthen global funding will be contextualised within the earlier reaction by the G77 to the High Level Panel report on UN System Wide Coherence. As assessment is made of whether the renewed debate engendered by the crisis will be sufficient to break the North-South, UN-IFI stalemate on reform. Concluding that this is unlikely the paper will then advance the argument that a better and more likely approach to Global Social Governance Reform might lie down the path of increased South-South cooperation linked to a strategy of World Regionalism with regions developing an effective social dimension.

(i) Historical Context: the shifting global discourse on social policy and development

As is common knowledge the state lead development strategies in Africa and Latin America of the 1960s and 1970s were challenged and largely destroyed during the structural adjustment period of the 1980s and 1990s. The collapse of the communist project in Eastern Europe gave a further twist to this. In terms of social policy in a development context I concluded (Deacon 1997) that the opportunity created by the collapse of the communist project was grasped enthusiastically by the World Bank. In alliance with social development NGOS a social safety net future was being constructed. This approach I concluded “was challenging powerfully those defenders of universal social security based welfare states to be found in the EU and the ILO” (Deacon, 1997:197). Thus the World Bank’s role in shaping and damaging national social policy in a development and transition context has been very important in the 1980s and 1990s. Its insistence on user charges prevented access to education and health. Its beneficiary index demonstrating that public spending often benefited those
other than the poor was used in effect to undermine the embryonic welfare states of Latin America, South Asia and Africa. The losers were the urban middle class who had depended upon state universities and hospitals and pensions. These losers were in danger of being thrown into the arms of new global private service providers and as a consequence abandoning their historic role as state builders.

This dominant logic did not go unchallenged and as I described ten years later (Deacon 2007) the ideas about desirable national social policy carried and argued for by the international organisations in the early years of this century revealed something approaching a ‘war of position’ between those agencies and actors within them who continued to argue for a more selective, residual role for the state together with a larger role for private actors in health, social protection and education provision and those who took an opposite view. This division of opinion often reflected a disagreement as to whether the reduction of poverty was a matter of targeting specific resources on the most poor or whether it was a matter of major social and political-institutional change involving a shift in power relations and a significant increase in redistribution from rich to poor. “It does seem in 2006 that the tide has turned against the targeting and privatising view and the opportunity now exists for the UN working with sympathetic donors such as the Scandinavians and some other European countries to begin to undo the damage wrought by the Bank over the past decades” (Deacon 2007:171). At the level of the global social policy discourse ideas about social policy as a desirable social investment were being reinvented, the notion that services for poor people are poor services was rediscovered, the finding that inequity might be bad for business and security was remerging, the importance of middle class buy in were being remembered. Below we examine one aspect of this shifting discourse in more detail; that of the emergence of the idea of a global social floor and show how the global economic crisis has propelled it to centre stage and then, however, ask if that idea goes far enough.

(ii) The emergence of the idea of the Global Social Floor

A recent public presentation of the campaign for a Global Social Floor brought together Isabel Ortiz, then Senior Policy Advisor, UN DESA, Michael Cichon, Director, Social Security Department, ILO, Silvia Stefanoni, Director, HelpAgeInternational and Gaspar Fajth, UNICEF on a public side event at the Doha Financing for Development Conference in December 2008. The publicity material for this event; “A new Deal for People in a Global Crisis: Social Security for All” asserted that:

“The current global financial crisis is an opportunity to create a Global New Deal to deliver social protection in all countries through basic old age and disability pensions, child benefits, employment programs, and provision of social services…… Social security is a human right (Articles 22 and 25 of the Universal Declaration of Human Rights) and it is affordable, a basic package is estimated to cost from 2 to 5 percent of GDP as an average. It is feasible if the international system commits to providing financial support for a Global New Deal to jump start an emergency response to the urgent social needs of our times”.
Similar events have taken place in the context of different UN regional and global meetings, such as the UN’s Commission for Social Development in February 2009, or at Cairo's World Bank Conference on Financial, Fuel and Food Crisis Conference (June 2009).

There is no one clear starting point to the emergence of the policy ideas with which this network is associated and several strands of activity feed into the current rather more sharply defined ‘campaign’ for a ‘global social floor’ or ‘minimum social protection package’.

a) The work of ILO in its Global Campaign on Social Security and Coverage for All (2003), initiated after the 91st Labour Conference by ILO Director-General Juan Somavia, with the support of staff like Wouter van Ginneken, Michael Cichon and others.

b) This was picked by the work of the ILO’s World Commission on the Social Dimension of Globalisation, published in 2004, which called for a Global Social Floor (ILO, 2004b:110).

c) The Socio-Economic Security work programme of the ILO lead by Guy Standing until he left the ILO which culminated in the Report entitled Economic Security for a Better World (ILO, 2004a) which argued for a range of policies including a citizenship income and categorical cash transfers.

d) The subsequent attempt by Michael Cichon, now Director of ILO Social Security, to mainstream within the ILO some elements of the legacy of Guy Standing’s work. Cichon, with Standing gone was able to try to reconcile the idea of universal cash transfers with the extending social security campaign. Thus the call for a new Minimum Social Protection Package and a new ILO Social Protection Standard (ILO, 2008).

e) The work of the Globalism and Social Policy Programme (GASPP) between 1997 and 2004 convened annual GASPP seminars which brought together progressive social policy thinkers in academia and development agencies and international organizations. GASPP seminars had been attended by Standing (ILO), Sundaram (subsequently of UNDESA), Voipio (Finnish government), Disney (ICSW), and several UNICEF, UNDP, WHO sympathetic professionals.

f) The work of individuals in the OECD;DACs Social Development Advisor’s Network. Timo Voipio’s active membership of the Social Development Advisors Network was used to keep many outside that network informed of developments. This including Ortiz, Beales, Deacon, and ILO, UNICEF etc colleagues.

g) The drive by a team of like-minded colleagues (Jose Antonio Ocampo, Jomo K. Sundaram, Isabel Ortiz) in the United Nations Nation’s Department of Economic and Social Affairs to produce UN policy social policy (Ortiz, 2007) advice to counter World Bank thinking.
h) The campaigning work of the ICSW, initially under Julian Disney’s leadership and now under Denys Correll’s, to shape the UN agenda on social issues. Denys convened one of the public platforms for the Global Social Floor Presentation at the Commission for Social development in February 2009.

i) The Kellokoski, Finland Expert’s Meeting convened by Timo Voipio and Ronald Wimann on “Social Policies for Development in a Globalizing World” held in November 2006. This generated the document: Comprehensive Social Policies for Development in a Globalizing World (Wimann et al., 2006) that asserted “Universal policies, expanding coverage of social services, health insurance and social pensions are a crucial priority in efforts to achieve socially sustainable development” (Wimann et al., 2006:12). This event was attended by experts from major donors (Sweden, Finland, Norway, Germany, UK DFID, Canada), several UN agencies (ILO, UNICEF, ISSA, UNDESA, UNRISD, World Bank) together with two representatives of global civil society (ICSW and Help Age International) along with several African governments. The Kellokoski experts meeting was attended by Voipio, Ortiz, Beales, Deacon, and Correll.

j) The Campaign for a cash transfer approach to social protection and in particular for Universal Social Pensions in Africa lead by Sylvia Beales of Help Aged International culminating in the adoption of the idea at the first ever meeting of Ministers of Social Development in Africa in November 2008 (Deacon et al., 2009). The meeting of Social Development Ministers was preceded by an international expert advisory meeting involving Beales, Deacon, ILO (Cichon’s immediate colleague; Krzysztof Hagemejer) and others.

The crystallization out of from this broader progressive global social policy stream of the specific campaign for a Global Social Floor can probably be dated to November 2007 when a bid was drafted for funds for a campaign to establish a Coalition for a Global Social Floor. Then it was envisaged there would be “an alliance of organisations united in the common pursuit of a fairer globalization and the right to social security for all, driven by the conviction that a global social floor is achievable and essential to fast-track poverty reduction”. It was expected that the core groups of the coalition would consist of international organizations (the UN Department of Economic and Social Affairs (DESA), the UN Development Project’s (UNDP) POVERTY CENTRE, the ILO, UNICEF, the UN Population Fund (UNFPA), the WHO), bilateral aid agencies (German GTZ, UK DFID, Swedish SIDA), social partners (the International Trade Union Confederation (ITUC), the International Organization of Employers (IOE)), international non-governmental organizations (HELPAGE International, Save the Children, International Council on Social Welfare). No such funding was secured but the informal networking including public campaigning at the level of senior players in UNDESA, ILO, UNICEF, Help Aged International etc took place as described earlier and has lead as we see later to the adoption of this policy by the chief Executive Board of the UN System.
(iii) Assessing the desirability of the Global Social Floor

Before examining and celebrating the further advance of the idea of the Global Social Floor made possible by the global economic crisis we need to assess it in terms of whether it is a fundamental break from the social policy as safety net discourses of the 1989s and 1990s. My concern is that for the past 30 years, despite the small variation in policy prescription emerging from global agencies the dominant discourse in international development has been the “global politics of poverty alleviation” which focuses on the poor and seeks policies focused upon them to lift them out of poverty, protect them from it or compensate them for it. I argue that this needs to give way to the “global politics of welfare state (re)building” focussed on the alliances that need to be constructed between the poor and non-poor (especially the middle class) to rebuild bonds of solidarity nationally and internationally.

What social policy and social development science taken together tells us about the better ways to reduce poverty is fairly consistent. In the context of developed countries Goodin’s (1999) comparative research of liberal, conservative and social democratic welfare states concludes that whether the objective of policy is poverty alleviation, social inclusion or the facilitation of personal autonomy etc. social democratic welfare states are best at doing the job. This remains largely unchallenged by social policy analysts. For developing countries Mehrotra and Jolly’s (1997) comparative review of those countries with higher than expected human development indicators concluded too that a common feature of such human development leaders was the universal provisioning of social services. The UNRISD Social Policy in a Development Context research programme lead to similar conclusions. At the same time there is clear evidence that in both rich and poor countries more equity is good for growth, for poverty alleviation and well being (Wilkinson R and Pickett K 2009).

Unfortunately the global economic scientific community framed the analysis and therefore the policy response in different terms. The World Bank’s technocratic approach based on the use of a beneficiary index to assess which social groups benefitted from public expenditure in Africa, Latin America and Asia concluded in the 1970s and 1980s that the middle class did. Cost cutting economists argued that this was unjust from the point of view of the poor and hence this lead to the well-known story of the Bank’s and IMF’s assault on the embryonic universal welfare states in those countries. An alliance between the Bank, the poor and development NGOs was constructed that challenged fundamentally the universalism of the European social policy experience. In turn this gave rise to the OECD-DAC poverty targets focussed upon the poor which in turn gave rise to the MDGs which were themselves a retreat from the more universalism formulations of the Copenhagen social summit. Those who constructed the global politics of poverty alleviation were ignorant of the political economy of welfare state building that teaches us that this depends on the construction of cross class alliances and middle class buy-in to reform.

While as we have seen there has been some shifting in the global politics of social policy in a development context recently with the emergence of the newer global discourse on a global social floor, on universal or conditional cash transfers and a minimum social protection package this has not yet in my view shifted us towards the global politics of welfare state building. The global social floor or minimum social
The issue to be addressed is the middle class and their historic role in state lead development. Effective functioning states which meet the welfare needs of their citizens and residents do so because they also meet the welfare needs of their state builders. In sum:

- A focus on the poor distracts from cross class solidarity building.
- A focus on the poor undermines the middle class commitment to pay taxes.
- Countries need higher education as well as primary, city hospitals as well as rural clinics, wage related pensions as well as social pensions and cash transfers to poor.
- We need to pay civil servants, judges, tax collectors more money to avoid endemic corruption.
- The recurrent budget of the state needs to be in aid budgets.

The question becomes can we re-establish this global politics of welfare state building within the context of globalisation and its economic crisis? In this global era the middle class, who have been abandoned by their states (with a bit of help from the Bank and IMF) have become outward looking and aspire to have their needs met by attachment to global markets rather than national states and to trans-national actors rather than national ones.

There has been some recognition of this issue in recent scholarly and policy related publications. Shana Cohen (2004:114), researching the global aspirations of the middle class in Morocco notes

> “the political goal of the global middle class would be to obtain access to services formerly subsumed within the province of the state, that now increasingly comes from the non-located, heterogeneous social relations that signify and support globalisation”. (as a result) “the social and political bond between elite and non-elite falls apart globally and locally leaving only economic benefit and exploitation”.

Reflecting on the Tanzanian and other African experiences Finnish scholar Jeremy Gould (2005:148-9) has demonstrated that the Aid business has played a major part in seducing the professional and middle class of developing countries from the developmental role they used to occupy;

> “Seduced by access to the dollar economy, they prioritise acquiring skills for.....the requirements of the aid cartel....at the expense of contributing to the development of domestic manufacturing and processing industries that would generate actual wealth within the national economy”...“the intellectual and entrepreneurial class must choose between a self-referential and parasitic post-developmentalism, and national(ist) development projects- enhancing domestic savings and productive investment, improving the productivity of land and labour, building the revenue base of the public economy “.
Some policy documents have begun to address the issue. Policy analysts like Nancy Birdsall, using income-based definitions of class, have associated political stability with a large middle class (2006). Like modernization theorists before her Birdsall makes the assumption that the middle class, educated and dependent on modern institutions and technologies, will engage in civic activism and support political liberalization. Analyzing the failure of relatively successful African economies to undergo political transformation, she remarks,

“Africa seems to be subject to a different kind of trap [in addition to the poverty trap] – that created by the lack of a healthy middle class and the institutions that support and reinforce the middle.” (2006: 3)

Unclear how to address the problem she notes

“In the world’s poorest countries, where the middle class is tiny and vulnerable, is the first task to build healthy state institutions (insisting for example on good governance and minimal corruption), or is the first task to provide economic infrastructure and opportunities (building roads and schools) in order to catalyze growth of an economically independent middle class?” (2006: 2)

The DFID (UK) White Paper ‘Making Governance Work for the Poor’ (2006) comments that “a growing middle class, more educated citizens, and a greater willingness by civil society and media to speak out” (2006: 22) puts pressure on political leaders to improve the performance of the state. It also guards against worsening the problem identified by Gould. “It is essential that international partners avoid doing things that undermine a country’s capability.” The White Paper cites as examples, AIDS projects that “have recruited professional staff from government health services which are already struggling to provide health care” and the practice in fragile states, such as Afghanistan, of “giving aid only through non-governmental organizations (NGOs) or private contractors [which] can actually hold back the process of building the capability of the state.” (2006: 25). Birdsall too writes that a consequence of aid can be the “diversion of talented, educated citizens from government and from small businesses to work for donor and UN agencies and international NGOs, where salaries are higher and more secure.” (2006: 4)

What then would be a global social policy strategy after the crisis to overcome the problems of middle class neglect, consequentially inadequate services for the poor and outward looking global aspirations of the globalised and neglected middle class?

Cohen argues (2009);

“a policy approach to fostering an educated, middle-income population identified with more vulnerable populations entails integrating international health, social, governance, infrastructure, and environmental policies with national employment strategies. Broadly, this means connecting job creation and employment

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1 For this section of the paper I am indebted to my colleague at Sheffield Shana Cohen who prepared a briefing paper in April 2009 for Moroccan policy makers using the Birdsall and UKDFID sources.
trajectories across the public, private, and voluntary sectors to the achievement of global objectives, such as the Millennium Development Goals, and local social change. Such an approach may entail re-organizing the division of labor, creating new kinds of jobs to lower unemployment and meet social need while encouraging individual ambition to shift from accumulation to collective good.”

investing specifically in ‘helping’ professions like teaching or medical care makes sense not only because of local job creation, providing hope for younger generations, and validating ‘doing social good’ but also for increasing the skill level of younger Moroccans looking for jobs abroad”.

The answer for Cohen seems to lie partly in a return to state lead development within which a large fraction of the middle class find their welfare needs met by working for the welfare needs of all in high quality universal public institutions of health and education and social services. It also lies partly in a modification of this strategy to take account of existing mobility aspirations and existing international service markets. Here it is clear we enter the terrain of managed migration, of drain-brain compensation mechanisms, of channelling remittances for public purposes that require careful scrutiny which go beyond the scope of this paper.

(iv) Contending global meetings and conferences: retuning to safety nets, consolidating the Global Social Floor or advancing to state lead social development?

The question therefore becomes what shifts in thinking about social policy and social development have been engendered by all the conferencing that has taken place in the wake of the global economic crisis? Do the ideas emerging spell a return to the global policy of poverty alleviation with its focus on safety nets because in a crisis governments can’t afford anything else? Do the ideas emerging give support to the rather more progressive policy, the criticisms above not withstanding, of the Global Social Floor to protect people from the consequences of the crisis? Do they even herald a rediscovery of the central place of social policy as social investment in the context of a rediscovered Keynesianism which understands the contribution of social expenditures to economic growth?

At an early stage in the formulation of responses to the crisis Joseph Stiglitz reminded governments in the North not only to look at rescuing their own banks, but to take into account the need to increase aid flows to the world’s poorest countries “to ensure they can afford to implement their own economic rescue packages”. More comprehensively, this message was formulated in the Report of the Commission of Experts of the President of the UN General Assembly (GA) on Reforms of the International Monetary and Financial System presented by the Commission of Experts at the Interactive Thematic Dialogue of the UN GA on the World Financial and Economic Crisis and Its Impact on Development, 25-27 March 2009. Amongst other things, the report points to the risk of impairing global social solidarity and the potential consequence of that. The warning against cutting back development assistance in the context of the global crisis was also uttered by various others. Kofi Annan, it his function as Chair of the African Progress Panel did this in a report ‘Africa: Preserving progress at a time of global crisis’. Nancy Birdsall from the
Center for Global Development discussed problems and options in ‘How to Unlock the $1 Trillion That Developing Countries Urgently Need to Cope with the Crisis’, while the President of the World Bank called upon countries to commit 0.7% of the funds being made available for ‘fiscal’ stimulus to be allocated to a vulnerability fund for developing countries for safety nets and other purposes.

The UN’s ‘World Economic Situation and Prospects 2009’ argued that the “tightening of access to credit and weaker growth will cut into public revenues and limit the ability of developing country Governments to make the necessary investments to meet education, health and other human development goals” The IMF itself has released a report on ‘The Implications of the Global Financial Crisis for Low-Income Countries’ and how it plans to approach them. We examine IMF policy in a subsequent section. An overview of the fiscal stimulus strategy in several developed countries and the need to extend these country packages to a global new deal was provided by Isabel Ortiz (of UNDESA). A joint statement on the crisis was produced by the WTO, IMF, OECD, ILO and World Bank. The Director-General of the ILO also called for a “Global Jobs Pact” to forestall a “prolonged and severe” jobs crisis that would lead to a massive increase in unemployment and working poverty.

Among other related reports and critical comments published early in 2009 were the UNCTAD report on the global crisis; The Action aid report, the Eurodad discussion and that of the Commission for Social Development. The ILO contributed to the discussion with decent work response to the crisis.

In terms of the first coordinated world response to the crisis it fell not to the UN, not to the Bank, not to the IMF but to the first ever meeting of the G20 at heads of state level at the April 2nd G20 summit to fashion global policy on the hoof. It committed $1.1 trillion to support countries in crisis, as follows: $750 billion to an unreformed IMF, $250 billion for trade facilitation, and only $100 billion for development purposes (including social development), through unreformed multilateral development banks. The UN was only given a marginal role, to monitor the crisis, with no additional resources. So in April 2009 we were faced with an interesting paradox. The world’s rich countries were embarking on huge fiscal stimulus packages involving often large social spending guided by long forgotten Keynesian principles while for the poorer countries the equivalent task was being given to the IMF without a word of comment about the fact that the IMF historically was focussed upon forcing countries into neo-liberal short term pro-cyclical budget balancing macro-economic policies which were the total opposite of that now being prescribed for rich countries. The important question of whether the IMF was about to change its spots and policies and embark on a policy of encouraging poorer countries to invest in social expenditures to spend their way out of their crisis is addressed shortly.

This fore-fronting of the G20 and the IMF as the global agencies to address the crisis annoyed many in the UN system and, concretely lead to a meeting of the UN Chief Executive Board in Paris later in April which generated the CEB Issue Paper; The Global Financial Crisis and its impact on the work of the UN system. The meeting was able to draw upon an earlier draft report considered in 26-27 Feb by the CEB’s High-Level Committee on Programmes. The report called for coordinated action across the UN system in eight key policy fields: i) finance, ii) trade, iii) employment and production, iv) environment, v) food security, vi) social services, empowerment and protection of people, vii) humanitarian, security and social stability and viii)
international cooperation for development. In terms of specific policies the ILO would
lead on a Global Jobs Pact and “to help developing countries cope with the crisis, a
counter-cyclical global jobs fund could be established”.

Most important from this paper’s point of view was initiative six, which was to work
towards a global “Social Protection Floor which ensures access to basic social
services, shelter, and empowerment and protection of the poor and vulnerable”. This
has subsequently been elaborated in the June 2009 UNCEB document (UN CEB, 2009) as a “floor (that) could consist of two main elements: (a) public services:
geographical and financial access to essential public services (water, sanitation, health,
education); and (b) Transfers: a basic set of essential social transfers…..to provide a
minimum income security”. The ILO and WHO would lead on this policy supported
by a host of other agencies such as UNICEF, UNDESA etc. The Global Social Floor
had become UN policy at least in terms of the UNCEB.

On November 4th 2009 the policy was discussed
(http://www.un.org/ga/second/64/0411summary.pdf) at the second committee of the
General Assembly at which it was reported that collaborating agencies and a group of
supporting donor agencies had met in the ILO Training Centre in Turin in October to
develop a blueprint of a manual for joint country activities on the Social Protection
Floor. The inter-agency meeting was attended by FAO, OHCHR, UNAIDS,
UNDESA, UNESCO, UNFPA, UNICEF, WB, WFP, WHO, World Bank and UNDP,
HABITAT, IMF, UNCEB (video link) and the following observers: ADB, BMZ,
DFID, Finnish Ministry of Foreign Affairs, GTZ, HelpAge, Save the Children. The
experts approved in principle a draft Manual on the Strategic Framework for joint UN
operations for national social protection floor initiatives
(http://www.socialsecurityextension.org/gimi/gess/RessShowRessource.do?ressourceId=14484)
. The manual brings the respective tools and competencies of different
agencies together and establishes a comprehensive guideline for UN regional
coordinators/country directors and country teams who are expected to take the lead in
organizing the UN support for national social protection floor initiatives. (ILO/WHO
2009).

It remains to be seen how this initiative translates into the practice of agencies. There
are some positive signs. Even UNICEF, which has been reluctant to throw its lot in
with a ONE-UN policy seems to be on board. With Isabel Ortiz now deputy
responsible for economic and social policy in UNICEF New York, having moved
from UNDESA where she drafted the important social policy guidance notes, the
agency is clearly putting effort into the needs for social protection investments to
smooth the experience of the crisis. UNICEF’s current webpage
(http://www.unicef.org/policyanalysis/index_49072.html) entry concerned with
UNICEF’s response to the crisis asserts; “Given the economic situation facing many
countries, ensuring investments in children is not only a vital moral imperative, but
also sound economic policy. Evidence consistently shows that where children and
mothers have poor health, nutrition and education, they are likely to earn less, be less
productive members of society and then pass this poverty on to their children. To
prevent this crisis from having implications for generations to come, vital investments
must continue to be a priority for those involved in the response”. It adds
“Furthermore, evidence shows that even during a time of crisis, maintaining these
investments are possible. In Ghana, primary school enrollment rose by 14 percent after fees were abolished as part of a broader program to dampen the economic effects of fuel price reform. UNICEF hosted jointly with UK’s ODI a conference on *The global economic crisis – integrating children in the policy response*. It examined the ways in which the food and fuel price volatility, financial market volatility and global economic slowdown are affecting children and youth in both developing and developed countries and recommended policy responses. It took place November 9-10, 2009 in London, UK and was concluded by an address from Isabel Ortiz. Echoing the 1987 call by UNICEF (Richard Jolly) for Adjustment with a Human face, Isabel Ortiz of UNICEF’s policy division called for a *recovery with a human face*.

Helen Clark, new UNDP Administrator in a speech at the G20 meeting of Ministers in Pittsburg also at least paid lip service to this new ONE-UN policy; “The United Nations in April agreed that there should be a common framework to tackle the economic crisis, help speed up recovery, and build a more inclusive and greener globalization. The framework developed includes initiatives for food security, trade, a global jobs pact, and a social protection floor”. While Michael Cichon, Head of Social Security at the ILO has been in the forefront of the global campaign for a social protection floor within the ILO this policy is still having to jostle for attention with the dominant Decent Work campaign (within which of course social protection plays a part). The tripartite organisation is still finding it hard to address issues of human rights and overall poverty as distinct from workers rights and wages policy.

It is hard to determine if the World Bank’s formal membership of the UNCEB and its formal participation in the Global Social Protection Floor UN initiative is changing its policies and practices on social protection. Its two flag ship training programmes on pensions and safety nets are going ahead as before. The Bank did sign up to the joint Statement with UNICEF and a host of other UN agencies and INGOs on Advancing Child Sensitive Social Protection. Interestingly in the wake of the global financial crisis impact on the sustainability and utility of private defined contribution pension schemes the Bank’s current work is focused on social pensions. Its recent publication on *Closing the Coverage Gap: The role of Social Pensions and other Retirement Income Transfers* captures well the reasons why a reliance on contributory schemes of either the defined benefit or defined contribution kind have their limitations: (Holzmann etc al 2009:18)

“Many of the problems behind low coverage rates in low- and middle-income countries are structural, cannot be resolved overnight, and fall outside the scope of social protection policy. A sustained expansion of the contributory system in the average low- or middle-income country would require fundamental changes in the productive structure of the economy

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and the functioning of its product and labor markets.....Against this background, social pensions and other retirement transfers emerge as an important instrument for bridging the coverage gap—at least for the time being—by focusing on individuals with no or limited saving capacity, who are more likely to be outside the contributory system”.

Noteworthy in this context is the Bank’s concern that defined contribution pension schemes might not provide a decent pension for those forced to retire during the crisis in the value of pension assets. That this in turn might encourage countries to reverse recent reforms setting up private schemes and return to state PAYG schemes has prompted the World Bank to caution against radical reversal and to offer public subsidy for a short while to those affected 6!

So a step appears to have been taken in the direction of the ONE-UN lining up behind the minimum social protection package. However at the same time a further UNCEB initiative: “Additional Financing for the Most Vulnerable” would ensure “countries with limited fiscal space (would have) additional financing in the form of concessional loans”. This initiative gave support to the “Vulnerability Fund (VF) that had been initially proposed by the President of the World Bank (see above) when he called upon countries to commit 0.7% of the funds being made available for ‘fiscal’ stimulus to be allocated to a vulnerability fund for developing countries for safety nets and other purposes. This particular initiative the UNCEB agreed was to be driven by UNDP-World Bank. So we should be aware that the outcome of the UNCEB meeting might not be so much a new step in the direction of ONE UN with ONE (global social floor) policy under ONE leadership with ONE budget but just the old story of the ILO-WHO universal global social floor approach with no funds behind it and a World-Bank-UNDP vulnerability fund to be used for among other things safety nets. An empirical question yet to be answered is whether there is any money donated by impoverished donors to any of these contending funds or approaches. Indeed as McCulloch N. and Sumner A. (209:105) conclude in their review of the likely impact of the crisis on the development paradigm: “In short, the crisis may increase the leverage of advocates of social protection in developing countries, but in many countries, their success will depend on whether donors are able to support sufficient fiscal space for the budget reallocations involved”. The global funding issue is addressed in a later section.

After the G20 and the UNCEB all eyes (actually very few eyes given the press blackout) turned to the upcoming meeting which would really get to grips with the world economic crisis: The UN Conference on the World Economic Crisis and its impact on Development, eventually held on June 24th-26th 2009. This conference had been resolved upon at the December UN Conference on Financing for Development and had been pushed hard for by the President of the General Assembly positioning himself differently from the Secretary General of the UN who was much more inclined to work with the G20 as a centre of global power. In the words of the a Trans-National Institute’s spokesperson:

“Miguel D’Escoto Brockmann, the avuncular Nicaraguan priest and elected President of the General Assembly of the United Nations ..had dared to inject

huge energy into the process by pulling together a high level UN commission chaired by Nobel Prize heavyweight Joseph Stiglitz and calling for radical changes in the institutions and rules that led to the crisis. Western diplomats were soon briefing journalists that Brockmann was a “radical socialist” trying to impose its vision on the world community. Then when it became clear that the largest block of countries, the misnamed Group of 77 (in fact made up more than 130 nations) was also pushing forward many of the same ideas, the rich countries played down the importance of the conference and refused to send high-level representation. Finally the rich countries went through the G77 declaration and removed anything that entailed any reform to either the institutions (such as the IMF, World Bank and World Trade Organization) or the international rules and laws that enabled the crisis to spread and deepen. The result was an anaemic final UN document that does little to tackle the root causes of the financial crisis.”

The following table compares some aspects of the draft outcome document with the final outcome.

<table>
<thead>
<tr>
<th>Causes of crisis</th>
<th>18th May draft</th>
<th>22nd June draft after changes</th>
<th>OUTCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>IMF conditionalities</td>
<td>Concentration of income and wealth... (para 6)</td>
<td>Systematic fragilities and imbalances (para 9)</td>
<td>Same as</td>
</tr>
<tr>
<td>New Sources of Finance</td>
<td>Without unwarranted conditionalities (20)</td>
<td>Streamlining conditionalities (17)</td>
<td>Same as</td>
</tr>
<tr>
<td>Economic Security Council</td>
<td>Establishment of new innovative forms of financing (28)</td>
<td>Establishment, where appropriate, of voluntary innovative... (31)</td>
<td>Same as</td>
</tr>
</tbody>
</table>

In terms of the concerns of this paper the challenge to traditional IMF conditionalities was watered down, the policy on innovative forms of financing was diluted and the proposal to strengthen ECOSOC by creating the Global Economic Council was abandoned. The story of course continues and we await the outcome of the 64th General Assembly of the United Nations. Paragraph 54 of the final outcome document invited the General Assembly to establish an ad hoc open-ended working group of the General Assembly to follow up on the issues contained in the outcome document, and to submit a report on the progress of its work to the General Assembly before the end of the sixty-fourth session. The 53rd general Assembly did this in July.

The 64th General Assembly will consider this again on November 23rd-24th.

\(^7\) A/RES/63/305
Meanwhile UNESCO, in the form of the Social and Human Sciences Division’s Management of Social Transformations (MOST) programme examined the impact of the global financial crisis (GFC) in its September 2009 meeting in Paris. The MOST programme, often overlooked by analysts, regards itself “as the only United Nations programme in charge of contributing through social science research to the development of policies able to better respond to the changes of contemporary society, the MOST Programme should be called upon more than ever to play its unique role: that of a think tank of nations”. Unfortunately its deliberations rarely reach detailed policy conclusions. Of note however was the contribution of the UNRISD spokesperson, Katja Hujo who outlined the impact of the Global Financial Crisis on developing countries. She “went on to look at four areas of social policy responses. The first area was health and education where she spoke of maintaining and expanding social infrastructure in health, education and care services which would creates job opportunities for women who are suffering more than men in this GFC. The second area was investment in water, sanitation, transportation, housing etc which all have beneficial impacts on health. The third area was social protection where governments should expand and create cash transfer and employment programmes with wider eligibility conditions, increased amounts of benefit or increasing their duration. Fourth was the expansion of labour market policies by combining short-term with long term measures” (ICSW 2009). Finally in terms of a shift towards the idea of state lead investment and development the _UNCTAD Least Developed Countries Report 2009_ argues the case that “the developmentally orientated elite…should establish a social compact through which broad sections of society support the developmental project” (UNCTAD 2009: 51)

The answers to the questions posed at the start of this section would seem to be as follows.

1. First; do the ideas emerging from intergovernmental organisations spell a return to the global policy of poverty alleviation with its focus on safety nets because in a crisis governments can’t afford anything else? There is a hint of this in the approach of the World Bank’s vulnerability fund and in the endorsement of the strengthened IMF as the agent for injecting monies but it depends on whether IMF policy for poorer countries is changing which we turn to in the next section.

2. Second; do the ideas emerging give support to the rather more progressive policy, the criticisms above notwithstanding, of the Global Social Floor to protect people from the consequences of the crisis? At the level of global discourse and at in the attitude of the UN Chief Executive Board it would appear so but whether funds follow to back this policy up is another matter

3. Third; do they even herald a rediscovery of the central place of social policy as social investment in the context of a rediscovered Keynesianism which understands the contribution of social expenditures to economic growth? Here for developed countries it clearly has had this impact and to the extent that this is a further nail in the coffin of a failed neo-liberal project it should lead to empowering those such as UNRISD researchers, MOST spokespersons, UNCTAD and others who put forward such arguments in the development context. But again it is question of the resources available to poorer countries. In this respect the arguments of Stiglitz’s UN commission for funding
stimulus packages in poorer countries is crucial and their limited availability is crucial.

(v) IMF changing policies and practices: advancing social protection and social development?

Is the IMF changing its spots? Strauss-Kahn, new IMF Boss, insists it’s a new IMF and its website insists “the IMF tries to ensure that economic adjustments taken to combat the impact of the crisis also take account of the needs of the most vulnerable by developing or enhancing social safety nets. Social spending is being preserved or increased wherever possible. For instance, in Pakistan expenditure will be increased to protect the poor through both cash transfers and targeted electricity subsidies. About a third of programs in low-income countries include floors on social and other priority spending. Structural reforms are designed in a way to protect the most vulnerable. For instance in Hungary, low-income pensioners were excluded from benefit reduction”. Even if we take this at face value the drift of the argument is NOT for social expenditures as social investments to support a renewed state lead development project. It is not even for a global social protection floor. At best t is for a targeted approach to poverty alleviation and a residual means tested approach to social policy. Bad news indeed.

Indeed while the IMF has lead the argument for large-scale fiscal stimulus in the rich world to kick-start economic growth the Centre for Economic Policy Research (CEPR) finds that nine agreements that the Fund has negotiated since September 2008, including Eastern European countries, El Salvador, and Pakistan – contain some elements of contractionary policies. These include fiscal (budget) tightening, interest rate increases, wage freezes for public employees, and other measures that will reduce aggregate demand or prevent economic stimulus programs in the current downturn. Similarly Eurodad’s analysis (Molina-Gallart 2009) of ten IMF agreements signed in the last six months shows that the IMF is still advising stringent fiscal and monetary policies to low income countries as well as controversial structural reforms. The paper comments that “If the Fund is to provide funding to poor countries to meet the financial gaps created by the crisis it has to change and it has to do it soon. Reacting poorly and reacting late may mean mean death and starvation for millions of people in poor countries”. Other research on loans to El Salvador, Latvia and Ethiopia come to the same conclusions (Molina 2009). Similarly UNCTAD in its 2009 annual trade and development report notes that “In reality, the conditions attached to recent lending operations have remained quite similar to those of the past. Indeed, in almost all of its recent lending arrangements, the Fund has continued to impose proc-cyclical economic tightening”. The report (UNCTAD 2009:56) goes on to argue

“The scope for counter-cyclical policies among smaller developing countries and countries in transition varies greatly. Many countries with current account deficits and a weak currency are pushed by their creditors to lean towards pro-cyclical macroeconomic policies with high interest rates and fiscal conservatism. However, a departure from the traditional policy practices and policy rules is warranted, indeed indispensable. As the pro-cyclical policy stance is the result of concerns over the threat of further currency depreciation the international community must allow
these countries the room of manoeuvre to stabilize their real economies. This can be done best by way of creating unconditioned international assistance to stabilize devaluing currencies at a certain point by direct intervention of the countries with revaluing currencies. To enhance their scope for counter-cyclical responses further, compensatory financing, reserve swaps and additional and reliable foreign aid flows should be made available immediately.”

(vi) The Global Economic and Social Governance impasse: G20 and ECOSOC.

So the G20 and the more-or-less unreformed IMF drive the post-crisis agenda for the global south while the UN presents all of its usual contradictory features to engender despair in its supporters. On the one hand it advances at the level of ideas towards a global social floor but can’t stop the IMF and Bank (with the UNDP in tow?) pursuing a more modest agenda. It arranges set piece global conferences with the prospect of making a major global advance only to be derailed by an alliance of mainly northern national interests. What is to be done?

The UK based ODI in a thoughtful piece notes that “ECOSOC has the broad mandate and legitimacy, but finds it hard to deliver. The G20 has neither the full mandate nor the accountability, but it can deliver”. We might question the ability of the G20 to deliver without having a secretariat but the co-existence of these two centres of power as far as economic and social policy are concerned is undisputable. At the same time the shift in the locus of global power from the G&/8 to the G20 is a form of progress from the point of view of much, but not all, of the global south. The ODI concludes:

Leaders then have two options in April. Either, they give up on the UN and opt for further strengthening of the G-20, with a wider mandate and with a permanent secretariat. We could see G-20 Summits running in parallel with and eventually superseding the G-8. Or they could turn their backs on élitist bodies like the G-20, insist on reform of ECOSOC, and demand better performance from the UN. Or – an attractive compromise – they could do both. The G-20 is the right short-term solution. The UN is the right long-term solution. That suggests that the G-20 should have UN issues on its agenda in April and also avoid taking actions that will make UN reform more difficult. The G-20 should channel some of the extra money it will raise through the UN, especially in the form of grants rather than loans for the poorest countries.

Kermal Dervis ex UNDP and now advisor to UN Gen Sec on G20 talks of bringing the informal G-club system of governance and the formal UN system together (Dervis 2009). The Institute for Global Policy wants ECOSOC to elect a G20? The Stiglitz Committee had called again for an Economic Security Council and, interestingly a Scientific Advisory Panel (cf. Climate Change) to pool the best advice on the social and economic aspects of the crisis. Even Pascal Lamy of WTO suggested “I see a new triangle of global governance emerging that we need to strengthen. On one side of the triangle lies the G20, providing political leadership and policy direction. On another side lie member-driven international organisations providing expertise and specialized inputs whether rules, policies or programmes. The third side of the triangle is the G-
192, the United Nations, providing a forum for accountability. Exactly how these three sides were to work together was not clear.

Meanwhile the key UN players, of course stick to the G77 line that the UN is the agency to take overall responsibility for economic and social affairs. Thus the UNCTAD report (UNCTAD 2009); The Global Economic Crisis: Systemic Failures and Multilateral Remedies

“The United Nations must play a central role in guiding this reform process. It is the only institution which has the universality of membership and credibility to ensure the legitimacy and viability of a reformed governance system. It has proven capacity to provide impartial analysis and pragmatic policy recommendations in this area”.

(vii) Global crisis, global taxation and social development.

Quite central to the future viability of any system of global governance, whether based upon the UN or upon a working relationship between the UN and G20 and certainly central to any global fiscal stimulus package which directs money to infrastructure and social investment expenditures in developing countries is the question of taxation or alternative independent sources of finance for development. If donors want to escape their increasingly unmet aid commitments and if recipient countries want to be free of aid dependency then the search both technically and politically for sources of global funds to aid a massive global redistribution project become of central importance. That is not to say that developing countries should not at the same time seek all possible means to strengthen their own resource base through taxation on land, mineral resources and through other means (Hujo K and Mcvanahan S 2009).

One positive impact of the global financial crisis is that it has brought issues of global tax regulation (for example tighter rules on tax havens) and issues of global forms of tax (for example a Tobin tax) much higher up the global political agenda. Issues which had been campaigned on at the margins for decades now become the subject of intergovernmental deliberations at a high level.

Not that we should be too positive about the global policy shifts on tax havens. All that is being discussed are means to make the activities of havens more transparent so that governments might try to raise more taxes from “their” companies. Nobody is talking yet about a global tax levying authority. Discussions at the 2008 finance for development conference were disappointing on this count. None-the-less the tax haven issue is now takes a central place in discussion of the global economic crisis.

Regarding the Tobin tax a measure of this type has gained support from the German finance Minister, Mr Steinbrück and his colleague in the Foreign Office, Mr Steinmeier. The head of the British Financial Services Authority proposed a tax on financial transactions to prevent excessive profiteering by banks. Both Germany’s Chancellor Merkel and France’s President Sarkozy have publicly said they support the idea. Governments in Europe and South America already have experience of specific FTTs, and parliaments in France, Austria, Belgium, Canada and Finland have considered implementing a tax on foreign exchange transactions.
Of importance here is the The Leading Group established in 2006 which now consists of 56 member countries and 4 observer countries, international organisations (including World Bank, UNICEF...) and representatives of the civil society. It had lead the world’s discussions about innovative forms of financing for development. The fact that it established a Taskforce on International Financial Transactions and Development which met for the first time on October 22nd 2009 is highly significant. Its communiqué reads:

“In order to support the achievement of the Millennium Development Goals (MDGs) and other internationally agreed development objectives, development financing must be improved through innovative mechanisms to ensure stable, predictable flows that are complementary to traditional assistance. Such innovative financing for development require a genuine scaling-up and are behind the creation of the Leading Group in which 59 countries and the major international organizations and NGOs take part. The goal is to ensure a fairer distribution of the wealth generated by globalized economies. We, the signatory countries, have decided to set up a Taskforce to explore several options for financing development based on an assessment of the feasibility of an approach focused on international financial transactions. The creation of our Taskforce on International Financial Transactions for Development builds on the 2004 Declaration on Action Against Hunger and Poverty and recommendations of the Leading Group on Innovative Financing for Development and complements the work of the Taskforce on innovative financing for health systems. Our work, drawing on an international committee of experts, will produce a detailed report in May 2010 proposing operational recommendations to the Taskforce and the Leading Group”.

(viii) Towards a conclusion: The alternative of South-South Cooperation and World Regional Social Policy and Development?

The impact of the economic crisis on thinking and practice at a global level about social policy and development on the one hand and global governance on the other reveals as was to be expected contradictory elements. On the one hand those wishing to advance a comprehensive and universal social protection agenda have found their corner strengthened against those who still favour a residual approach because of the UN Chief Executive Board picking up the banner of a global social floor. At the same time monies provided by the Global North to help countries in the Global South steer their way out of the crisis is still being channelled through an IMF which despite its web-page makeover still clings to conversing the social protection only of the poor. Those who argue that we should advance beyond both residualism and a minimal global social floor in the direction of a new wave of state lead social development find little support among donors for this although the message is readily understood in much of the Global South. Discussions among many countries has pushed the idea of a global source of revenue based on a Tobin tax higher up the visible global agenda but the UN as an agency still lacks a sustainable independent source of funding.

8 http://www.leadinggroup.org/article48.html
9 http://www.leadinggroup.org/article467.html
There has been a major break from the unaccountable G7/8 Northern club form of
global governance with the coming in to its own of the G20. Much but clearly not all
of the Global South is finding a voice in that arena. At the same time this sidelines
even more the UN and its legitimate claim to be the paramount body responsible for
world economic and social policy. However much the UN Chief Executive Board has
used the crisis to strengthen the One-UN agenda and in turn the UN the deliberations
on global economic and social policy at the UN’s General Assembly are even more
marginalised. While the G77 champions the UN at this time of crisis the EU and the
USA (still) put there main energies into the G20.

These contradictory tendencies and the continuing stalemate between those wanting a
more progressive social development agenda fashioned by the UN and those
pragmatically going with a G20 reflect the now long standing impasse that I have
elsewhere called the North-South impasse (Deacon 2007). Given this policy and
governance-reform impasse at the global level some have argued to bypass the
impasse by a renewed focus on both new forms of South-South cooperation, policy
lesson learning and even funding. The UNESCO MOST programme has been an
important player in facilitating dialogues between Ministers of Social Development in
Africa and elsewhere. China’s increased interest in Africa means as Sarah Cook (2009)
has concluded that “Having the new rising power as a partner gives Africa an
unprecedented policy-space”. Rather than continued frustrating engagement with the
stalled policy and governance agenda at a global level it would be better for the
Global South to fashion its own social development policies in the new spirit of
South-South Cooperation and regional co-operation. Indeed as McCulloch N. and
Sumner A. (2009) conclude

“it seems likely that this crisis will result in much greater activism by
developing countries in the design and implementation of their own
development policies. The Washington Consensus was already under
siege before the crisis – it is now dead – at least in the sense that Western
policy prescriptions are perceived by many developing country
policymakers as having been completely discredited by this crisis. The
hope is that we will see the emergence of development policies which are
much more context- and country-sensitive as a result”.

It is in this context that I and others have argued that investing in forms of regional
governance in the Global South becomes important. Thus the Trans-national Institute
(2004:2) project on Alternative Regionalisms puts it like this:

“As the crisis of neo-liberalism deepens, there is an urgent need for
the articulation of alternatives. The TNI Alternative Regionalisms
programme aims to address the question of development alternatives
from the perspectives of social movements in Africa, Asia and Latin
America and seeks to effectively influence the shape and substance
of regional governance in the South, as key lynchpins in a more
pluralistic, flexible and fairer system of global governance”.

More recently colleagues at the United Nations University Comparative Regional
Integration Studies programme (UNUCRIS) and I have advanced this project in more
detail with a comparative analysis of the extent to which there are world-regional
social development policies being pursued by actually existing regional forms of
governance. In World-Regional Social Policy and Global Governance (Deacon et al
2010) we set out an argument as to why a regional approach to ensuring there is a
social dimension to globalization is important, an exposition of what a regional social
policy might ideally look like within the several world regions, an empirical review
and assessment of the extent to which a social dimension to regional integration is
emerging in Africa, Latina America, South and East Asia and Europe and an analysis
of the drivers for and obstacles to the further development of regional social policies.

There is much that is happening in the wake and context of the global economic crisis
to strengthen the case for regions claiming more power in a reformed architecture of
global social governance. Regional formations of government (EU, ASEAN, AU) or
at least some of them are integrated into the G20 system. Regional South-South
Banking arrangements, already in existence in the form of the Islamic Development
Bank and now emerging in Latin America and East Asia. The ASEAN + 3 countries
are moving toward a $120 billion Asian Monetary Fund, and South America’s Bank
of the South was launched in May with $10 billion in start-up capital. (See Ortiz, I
2009)

Not all would agree however. Marx Saxer (2009) for the Friedrich Ebhert Stiftung
Dialogue on Globalization project argues:

“While regional integration processes are making reasonable progress in some
regions (e.g. West Africa, Southeast Asia), there is no reason to expect this
situation to materialize in every region. It is thus unrealistic to speak, for the
medium term, of a global governance architecture building on regional
integration processes. …… The regions in which integration processes are not
making headway – South Asia, North Africa and the Middle East, or East
Asia – will have to be integrated into the global architecture by other means.
This is not to say that there is no need to continue to provide support for
dynamic integration processes like those underway in West Africa and – to a
lesser extent – Southeast Asia. However, the global architecture will, in the
medium term, be more likely to build on a mix of regional governance and
efforts to integrate individual major actors like China, India, Russia, Brazil,
Mexico, and South Africa directly at the global level.”

To conclude, whether the focus is on global discourses and governance, regional
discourses and governance or national discourses and governance the world
economic crisis only reinforces the urgency of the common political task that still
faces us as was expressed quite cogently by Cox (1999:26) in assessing the tasks
facing Gramsci’s organic intellectuals in today’s world:

Their task now is to bridge the differences among the variety of groups
disadvantaged by globalisation so as to bring about a common understanding of
the nature and consequences of globalisation, and to devise a common strategy
towards subordinating the world economy to a regime of social equity. This
means the building of a counter-hegemonic historic bloc that could confront the
hegemonic forces of globalisation in a long term ‘war of position’……..Their
task now is to be able to work simultaneously on local, regional and world
levels.
What I wrote in 2007:193 still pertains. This common strategy would require I still insist ‘some combination of equity-driven national social policies, strengthened regional social policies and a measure of global social redistribution, effective global social regulation, and the articulation and effective realization of global social rights’.

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