



New Consensus on Comprehensive Social Policies for Development

A Roundtable of social and employment policy experts from several governments, CSOs and research institutes of the Global South and Global North, as well as from international organisations, gathered in Stockholm and Kellokoski in November 2006 upon the invitation of the Governments of Sweden and Finland. The Roundtable,

Recalling the international agreements reached at the Copenhagen Social Summit in 1995, and reaffirmed at the 2000 and 2005 World Summits,

Concerned at:

- The limited progress in achieving the main development goals of the Copenhagen Social Summit: poverty eradication, full productive employment, and social integration.

- The failure of current policies and fragmented projects to reduce poverty, global and national inequality, unemployment, informality, social exclusion, vulnerability, social conflict and the feminization of poverty as one of the striking indicators of failure.
- The imbalance of donor financing between the UN and development banks, and the proliferation of narrow mandates given to the UN by member states, with no matching funding to promote comprehensive social and employment policies at national, regional and global levels.
- The lack of a social dimension in the regional economic integration arrangements and processes.
- The marginalization of the social dimension in globalization.

Recommend that:

1. Comprehensive social and employment policies should be given urgent priority as an essential part of balanced, socially, economically, and environmentally sustainable development.
2. The mission towards a Society for All should be adopted as a goal that creates a social compact between a competent government and people. A Society for All policy supports the coherent use of social, employment and economic policy instruments to generate jobs, to regulate economies and to provide social protection, to boost productivity and domestic demand, and to achieve pro-poor growth through the combined efforts of women and men of all ages enabled by equitable and empowering policies at the national, regional and global levels.

1. Comprehensive Social Policies in National Development Strategies

Given the urgency to achieve the MDGs and broader development goals and to redress poverty, inequality and conflict, comprehensive social policies must be brought to the forefront of the national development agenda. In the Copenhagen Summit, governments committed themselves to three inter-related priorities: poverty eradication, full productive employment and social integration. Since then poverty has been at the centre of development policies, but employment, inclusion and social protection have not received the attention that they deserve, e.g. in the MDGs and Poverty Reduction Strategies (PRSs). Finally, at the 2005 World Summit, governments called for more ambitious National Development Strategies—and for Decent Work Agendas including universal social rights, employment, social protection and social dialogue. Such

strategies should be backed by increased donor aid. At the UN-ECOSOC in 2006 all country groups committed themselves to supporting Decent Work Country Programmes.

Building more ambitious equitable National Development Strategies requires an increased policy space, so that governments can integrate economic and social policies for optimal employment growth and redistribution of income, assets and agency of all people. All policies, including macroeconomic, infrastructure and sector policies, have different social and distributional impacts and these impacts have to be understood *ex ante*, and turned into equitable, participatory and non-discriminatory policies that provide more and better formal employment, that strengthen livelihoods, raise incomes, provide universal social protection and

foster social inclusion. Gender equality and the empowerment of women is an essential element of socially, economically and environmentally sustainable policies.

Social policy must become the foundation of National Development Strategies, as part of the binding contract between the state and citizens, addressing the vision of a *Society for All*. Critical instruments of social policy operationalise decent work, human development and pro-poor growth. Economic growth and structural transformation support the attainment of social objectives, but not all growth is pro-poor: Employment intensive and equitably shared growth—which poor people and communities can participate in, contribute to and benefit equally from—reduces poverty much more effectively and sustainably than jobless, unequally distributed growth.

Background: Revitalizing the Copenhagen Agenda

Comprehensive Social policies - Decent Work for All - a Society for All

Finland, in close partnership with Sweden, invited a group of social and employment policy experts—including policy makers, practitioners and policy analysts from developing and developed countries—to an Experts' Meeting on Social Policies for Development in a Globalizing World in Kellokoski, Finland, 1–3 November, 2006.

The main goal of the Meeting was to support and contribute to the follow-up of the Copenhagen World Summit for Social Development (WSSD) and related processes. A specific task of the Meeting was to make sure that some well-informed voices from Africa were heard and listened to by Northern partners, and that the Southern and Northern partners then jointly prepared a Policy Note and Action Plan that might attract the attention of all country groups participating in the inter-governmental discussions during the next session of the UN Commission for Social Development (CSocD), 7–16 February, 2007 in New York.

The Kellokoski Experts' Meeting aimed at facilitating a global process to promote the design and implementation of appropriate approaches and models of comprehensive social and employment policies in Africa and in other parts of the 'Global South'. The event was one step in a multi-stakeholder partnership and dialogue of like-minded countries, agencies and experts. It built on the results achieved thus far by the partners. It was closely co-ordinated with two adjacent events organized in Sweden by the Nordic Africa Institute on 30 October and by Sida and UNRISD on 31 October on Social Policy in a Development Context. It was intended to also feed into similar brainstorming events organized by others still before (and after) the CSocD-Feb 2006.¹

¹ E.g. The SADC/AU/Nepad/UN-DESA Conference "Towards Regional Social Policies for Africa", the Helsinki Process Roundtable on Employment and Growth, and the World Social Forum in Nairobi, Jan-2007.

The Challenge of balance and coherence in Sustainable Development

Poverty eradication has been the primary and overarching objective of international development co-operation for almost 12 years, ever since the World Summit for Social Development (WSSD) in Copenhagen, in 1995. It is a noble goal, and the organisers had no reason or intention to deviate from this goal. However, like many partners worldwide, we had also become convinced about the need to revisit the outcomes of the UN Conference on Environment and Development of Rio de Janeiro (1992) and the Copenhagen Summit for Social Development (1995), respectively:

Rio introduced the concept of sustainable development, and emphasized the need for a balance between the social, economic and

Mechanisms for effective implementation and enforcement of social legislation need to be strengthened. Social protection is not only good for pro-poor growth, it is also one of the human rights enshrined in Article 22 of the Universal Declaration of Human Rights. Therefore, it is intolerable that still today only less than a quarter of world population has access to social protection. Reliable social protection can help families and societies prevent irreversible losses of human and social capital and break the inter-generational cycle of poverty and exclusion. Uni-

versal policies, expanding coverage of social services, health insurance and social pensions are a crucial priority in efforts to achieve socially sustainable development.

The “liberalisation-privatisation-deregulation” approach that dominated development policies in the 1980s and 1990s favoured minimal state involvement and led to the marginalisation of social and employment policies and ministries, starving national capacity for comprehensive social policies. That capacity must be urgently re-built with-in government, social partners, the wid-

er private sector, civil society organisations and research centers.

Comprehensive social policies must be based on a multi-disciplinary and inter-sectoral approach. This requires capacity building in the weakly resourced social, labour and community development ministries, as the urgent priority of donor support. Efforts to tailor and operationalise equitable development approaches in national contexts, including the Decent Work Agenda, the UN Policy Guidance Notes and the AU Social and Employment Policy Frameworks should be supported.

2. Regional Social Policies

National Development Strategies involving comprehensive social and employment policies must be complemented by various forms of regional cross-border co-operation as a stepping stone to a socially just globalisation. The UN, together with regional organisations such as MERCOSUR, AU,

etc., must facilitate research and inter-regional multi-stakeholder dialogues on regional social policies, which could provide:

- protection from global market forces that might erode national social development;

- a stronger regional voice in global discussions about economic and social policies;

- mechanisms to handle the social consequences of regional trade agreements.

environmental dimensions of sustainable development. In Copenhagen the governments of the world agreed that poverty eradication, full productive employment and social integration are the three most important challenges of social development in the world. The Copenhagen Declaration called for a people-centred and equity-oriented approach to meet the challenges in all these areas.

Since then the global development community has systematically focused on poverty. Now, in retrospect, we have started to ask ourselves— in all country groups and international organisations— whether we have isolated poverty too strictly from the other main goals of sustainable development: employment, social integration, sustainable consumption and production patterns, equity, empowerment and a people-centred approach.

Since Copenhagen, there has been a growing international consensus about the multi-dimensionality of the poverty challenge, and about the complementarities and interdependencies between social and economic development. However, the

tension between the economic vs. social and environmental approaches to development and poverty eradication has remained a problem, especially as an economic “growth first” thinking has continued to dominate in the World Bank and the other large development funding institutions, tacitly assuming that equity, decent work and sustainability could be achieved only after economic growth has first been achieved. We are convinced that good social and employment policies are an essential ingredient of good economic policy, and vice versa.

Mainstreaming social policy involves recognizing, assessing and drawing on the social dimensions of all policies and programmes, not only on the national, but also on the regional and global levels. This had been the main message of the World Commission on the Social Dimension of Globalization, co-chaired by President Tarja Halonen of Finland and President Benjamin Mkapa of Tanzania. This had also been the main conclusion of the Arusha Conference on New Frontiers of Social Policy, organised in December 2005 by the World Bank, with funding from Finland, Norway, Sweden and the UK.² The

Kellokoski Experts' Meeting explicitly aimed at moving forward— as well as complementing in some crucially important ways— the agendas opened by the World Commission and the Arusha Conference.

The Comprehensive Social Policy Agenda

Social policy is not only about the basic social services (education, health and social protection), although they remain important in every society. Social policy is also about the— more or less socially sensitive— strategic orientations and impacts of macro-economic policies and infrastructure investments. The “3R” rule of thumb provides a good checklist for analyzing the **social dimensions** of all policies, i.e. what impact do the various policies and reforms have on the **Social Rights**, **Social Regulation** and **Social Redistribution** nationally, regionally or globally?

In various global fora and networks³ a simultaneous interest has emerged to rethink the coherent conceptual frameworks and prioritized action plans

² See: www.worldbank.org/socialpolicy

³ E.g. the UN-ECOSOC, UN Commission for Social Development (CsocD), African Union/NEPAD, EU, OECD-POVNET, etc.

Potential instruments of regional social policy are:

- Regional social charters, human rights declarations, and councils;
- Regional regulations on migration policy, human trafficking, and labour standards, including the portability of employment and social protection rights.
- Regional redistribution mechanisms such as cross-border employment projects, social protection and disaster mitigation funds.
- Cross-border technical co-operation
- Best practice lesson-learning and peer-review mechanisms

Among the steps needed to enhance capacity to achieve these objectives are:

- The strengthening of regional secretariats focussed upon social and employment policy and development
- The facilitation by the UN of meetings of the social and employment secretariats of regional groupings of countries (ASEAN SAARC, SADC, ECOWAS, EAC, AU, MERCOSUR, etc), UN regional economic commissions and regional development banks, to compare best regional practice and to enable further development of regional social policies
- Efforts to tailor and operationalise the Decent Work Agenda, the UN Policy Guidance Notes and the AU Social and Employment Policy Frameworks should be supported

- Better co-ordination of the regional actions of the ILO, WHO, UNICEF, UNDP, UNESCO, regional development finance institutions, the World Bank and the IMF working with the UN Regional Economic Commissions and regional groupings of countries.
- Strengthening of the voice of social partners and the broader civil society and private sector at regional level
- Strengthening of regional social science research capacity, co-operation and co-ordination.
- Moves to utilise regional organisations as agencies to transfer and dispense donor funds for regional social and employment policy purposes.



for comprehensive social and 'decent work' policies, including the following elements in context-specific, tailored combinations:

- 1) **Employment**, including entrepreneurship and employability
- 2) **Basic social services**: social protection, education and health
- 3) The specific challenges of **disadvantaged population groups**, e.g. women, youth, older people, people with disabilities, etc.
- 4) **Equity-orientation**, empowerment, social inclusion, social dialogue, social risk management and accountability in all policies and all governance, including pro-poor growth and taxation.
- 5) Social and distributional **impact assessment** and risk/vulnerability analysis of all policies and all governance
- 6) **Multi-disciplinary** approach and methods to analysing society, economy, culture and environment.
- 7) Enhancing private- and public- sector **social responsibility**

Some of these elements have been high on the global normative development policy agenda (e.g. MDGs), in regional co-operation and in country-level poverty reduction- and other development-strategies and development co-operation funding, while others have been rather marginalized. In general, the ministries and agencies responsible for social and employment policies (and their broader constituencies) have been very inadequately funded by governments and development agencies, internationally, regionally, and also at national and local levels.

It should be explicitly underlined that in the view of the organisers of the Kellokoski Experts' Meeting employment, social protection and the other "**decent work**" themes are essential pillars of "**comprehensive social policy**", which therefore is an "inter-ministerial" and inter-organizational challenge that requires social sensitivity and coherent co-operation by several ministries and departments, including not only ministries of social affairs and labour but also of finance, education, health, community development and infrastructure, etc.. Therefore, it should be understood

that reference to "comprehensive social policy" in this report always includes also employment and the other themes of the decent work -framework.

Brainstorming among the participants of the Kellokoski Experts' Meeting 1-2 Nov, 2006 in Finland about the need to find sustainable ways to mainstream comprehensive social policies in development resulted in a description of the strategic action lines, including the development of instruments and capacity needed to enable national champions of socially sensitive and employment-intensive policies to articulate these concerns more effectively in the national, regional and global policy-making processes in all sectors.

The outcome of this collaborative work is the Policy Note entitled **New Consensus on Comprehensive Social Policies for Development**. The full report of the Kellokoski Expert's Meeting is available at <http://www.stakes.fi/Social-Policies-for-Development>. The hard copy has been published by the Ministry for Foreign Affairs of Finland with support by the Ministry of Social Affairs of Finland and STAKES, the national research centre for welfare and health.



3.

Global Social Policies and Financing the UN

In Copenhagen, governments committed themselves to an improved and strengthened framework for international, regional and subregional cooperation for social development, in a spirit of partnership, through the United Nations and other multilateral institutions.

In practice, the imbalance of donor financing between the UN and multilateral development banks is worrisome at a time when more ambitious equitable National Development Strategies need to be designed. A greater balance of donor funding to the development banks and UN-bodies is needed.

The UN as a whole and the UN-DESA in particular suffer from a proliferation of narrow mandates given by member states at various UN-meetings. These decisions mandate the UN to work on important but isolated elements of the comprehensive social policy agenda, with no matching resources to work properly on any of them. Neither the mandates nor resource allocations cover all aspects of the comprehensive social policy agenda of the Copenhagen Declaration and Plan of Action. The best way for governments represented in the CSocD to promote comprehensive social and employment policies is to give a mandate and matching finances to UN-DESA, UN-agencies and UN research institutes like UNRISD, and to support governments and regional groupings in their efforts to implement the full comprehensive social policy agenda of the Copenhagen Summit.

A large number of UN-agencies can contribute to the various elements of

the comprehensive social policy agenda. Plurality is the strength of the UN family, but innovative thinking is needed to avoid the risks of fragmentation and marginalisation, especially at the country level. A closer and more equal collaboration—'*Disseminating as One*'—between UN-agencies at all levels can enhance the capacity of the UN-system as a whole to contribute constructively to the development of comprehensive social and employment policies at national, regional and global levels.

Global social policies are much needed to ensure that the benefits of globalisation accrue to all. The existing instruments of the UN to advance social development need to be reviewed and put into effective use. The mandates require periodic review, and effective operationalisation. The reform of the CSocD methods of work needs to be followed up in light of the concerns and recommendations raised above. The CSocD and ECOSOC can effectively facilitate the design and implementation of comprehensive social policies and decent work by providing a mandate on comprehensive social and employment policies, including a specific mandate on social protection, which is currently missing.

To enhance system-wide coherence in UN-work on all three dimensions of sustainable development—social, economic and environmental—the Member States should make available appropriate financial and human resources to UN-DESA to enable it to facilitate constructive interlinkages between the UN's normative, analytic and opera-

tional work on issues related to the World Social Summit.

Increased allocations of bilateral donor budgets to social and employment policy work are required to build capacity among the national champions of comprehensive social policy and decent work for all. Better co-ordination and harmonisation between the UN, specialised agencies, development banks and bilateral agencies could free up the necessary financial resources.

Besides supporting the UN, the donors should support the Global South's own efforts to develop the analytic capacities of the permanent national, regional and independent institutions and multi-stakeholder networks of research and social dialogue.

It is important for development policy making to get away from the culture of short-term donor-driven projects and consultancies and to move into supporting existing institutions and national institution building with long-term perspectives. Institutional partnerships and twinning between government authorities and other stakeholders (South-South and North-South) could be used for policy dialogue and mutual learning on social and employment policies in the context of globalisation. Enhanced policy ownership and autonomy is essential for democratic accountability and sustainability. Well-aligned and harmonised budget support should be used as the preferred financing instrument where feasible. ■

Kellokoski Experts' Meeting on Comprehensive Social Policies for Development.

African Union Comission - Kamel
Esseghairi;

Canada / IDRC - Marie-Claude Martin

CODESRIA - Adebayo Olukoshi

DFID - Rahul Malhotra, Ellen Wratten

European Comission - Rudi Delarue,
Thomas Haahr

Finland - Aino-Inkeri Hansson,
Vappu Taipale, Laura Furuholm,
Marjaliisa Kauppinen,
Riitta Kangasharju, Petri Kruuti,
Eeva-Liisa Myllymäki, Mikko Mäntysaari,
Liisa Ollila, Pekka Puustinen,
Leif Rönnerberg, Juho Saari,
Victor Savtschenko, Ritva Vuorento,
Timo Voipio, Ronald Wiman,
Matti Ylönen

GASPP - Bob Deacon

Germany / GTZ - Rüdiger Krech

Helpage International - Sylvia Beales

ICSW - Denys Correll

ILO - Krzysztof Hagemeyer

India - Jayati Ghosh

ISSA - Alejandro Bonilla-Garcia

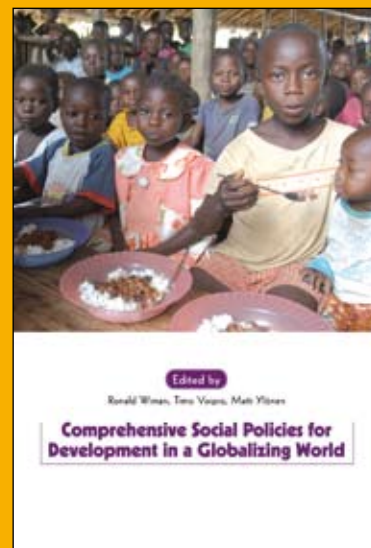
Norway - Eva Kløve

South Africa - Wiseman Magasela,
Pat Naicker, Unathi Mguye,
Jimi O. Adesina, Nick de Villiers

Sweden - Ylva Sörman Nath,
Eva Tobisson

Tanzania - Paschal Assey, Servacius
Likwelile, Masuma Mamdani,
Azaveli Lwaitama, Theofrida Kapinga,
Rajab Kondo

UNDP - Dorothy Rosenberg



Unicef - Mariana Stirbu,
Petronella Masabane

UNRISD - Thandika Mkandawire,
Katja Hujo

UN-DESA - Sergei Zelenev, Isabel Ortiz

World Bank - Anis Dani, Jens Sjørlev

<http://www.stakes.fi/social-policies-for-development>

Development Policy Information Unit

Street address: Kanavakatu 4 a, 00160 Helsinki

Postal address: Box 176, 00161 Helsinki

Telephone: + 358 9 1605 6370

Telefax: + 358 9 1605 6375

Exchange: + 358 9 16005

E-mail: keoinfo@formin.fi

Internet: <http://formin.finland.fi/developmentpolicy>



MINISTRY FOR FOREIGN
AFFAIRS OF FINLAND