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Human Rights



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## **International Conference on the occasion of the 25th anniversary of the World Conference on Human Rights (Vienna City Hall, 22-23 May 2018)**

### **Background Paper for Working Group 2: Promotion of Equality in our Societies**

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#### **1. Status Quo and Emerging Trends**

The promotion of equality has been at the heart of efforts towards the implementation of human rights since the entry into force of the major human rights conventions and the Vienna World Conference. Five years ago, at the International Conference on the occasion of the twentieth anniversary of the Vienna Declaration and Programme of Action (VDPA) in Vienna, experts discussed how to ensure a human rights-based approach for the post-2015 agenda. One of the single most important developments on the human rights agenda since then was the adoption of the 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs) which are strongly grounded in international human rights standards. Goal 10 of the SDGs focuses on the reduction of global inequality.

The VDPA itself makes some direct and indirect references to equality. It stresses the promotion of equality at large, and more specifically for certain groups (for example equality between women and men and the non-discrimination of indigenous peoples). Equitable economic relations, the reduction of extreme poverty and social exclusion, and social progress are identified as means to reduce global inequality.

Inequality can be defined as the state of not being equal, especially in status, rights, and opportunities. A number of authors distinguish “economic inequality”, mostly meaning “income inequality” or, more broadly, inequality in “living conditions”. Others further distinguish a rights-based, more legalistic approach to inequality — inequality of rights and associated obligations (DESA 2015).

This background paper will mainly focus on economic inequality in close relation to Goal 10 of the Sustainable Development Goals and as a major denominator for poverty reduction. Rising economic inequality has also been identified as a major reason for undermining the social cohesion of contemporary societies, which contributes to corruption, organised crime, radicalisation, populism and, thereby, to the current crisis of democracy and human rights, as outlined in the concept note to the Vienna +25 conference.

Growing inequality and the persistence of multiple dimensions of poverty are affecting both developed and developing countries. Some even speak of an “inequality crisis” (Gallas 2014).

Economic inequality is seen as detrimental to democracy and social cohesion (IMF 2017), and a violation of human rights (Nowak 2015 and 2017). However, this shift in perception and analysis has so far largely failed to translate into material change on the ground. Worldwide, the levels of economic inequality consolidate at a high level or continue to rise.

At the same time, while the international community has made significant headway towards lifting people out of poverty, and the most vulnerable nations – the least developed countries, the landlocked developing countries and the small island developing states – continue to make inroads into poverty reduction, inequality still persists. However, large disparities remain in access to health and education services and other relevant rights. While income inequality between countries has been reduced to some extent, inequality within countries has risen. There is growing consensus that economic growth is not sufficient to reduce poverty if it is not inclusive and if it does not involve the three dimensions of sustainable development – economic, social and environmental (UN 2017).

Studies on income inequality show that increases in national incomes are most pronounced in the advanced economies. The emerging economies also exhibit an upward trend in national income although it is less substantial. The least developed economies, however, have been detached from this trend and remain isolated. Moreover, there has been an enormous redistribution of income. During the last three decades, the labour share of income has declined in nearly all countries going hand in hand with increased personal income inequality. Wage dispersion also rose substantially, contributing to greater income inequality and leading to a growing gap between the top and the bottom income earners (Atkinson 2015, Obst 2015, Piketty 2014).

Resource inequalities are another major issue in the international debate. By 2030, according to estimations, the demand for water and energy will augment by 40%, the demand for food even by 50%. The UN Food and Agriculture Organization (FAO) notes that the need for increased food production – given the prognosis of a world population of 9.6 billion by 2050 – will require more agricultural land. However, in several regions, due to climate change and the political framework, food production will decrease. For example, the growing production of bio-fuels has direct negative impacts on the loss of agricultural land and has strongly contributed to the drastic augmentation of global food prizes (SEI 2011).

Recent trends of underfunding of social welfare systems through Europe and North America, and the implementation of austerity measures through much of the world, has become a major threat to economic, social and cultural rights. For example, the 2008 global financial crisis and the ensuing great recession threw millions out of jobs and increased poverty levels substantially. Spikes in world food prices led to price increases threatening food security (Fukuda-Parr 2015).

Inequality of opportunity is one aspect which drives the current migration policy crisis. Millions of people have migrated from their homes to other countries in recent years. Some migrants have moved voluntarily, seeking economic opportunities. Others have been forced from their homes by persecution or war and have left their countries to seek asylum elsewhere. The absolute number of international migrants has grown considerably over the past 50 years, from about 79 million in 1960 to nearly 250 million in 2015, a 200% increase –

although in relative terms in view of the growing world population, the rate has remained relatively stable (Connor 2016).

Climate change through volatile weather patterns, severe drought, storms and major flooding already has devastating effects on human rights, and the severity of such disasters are said to increase. Even if current climate commitments are fulfilled, global temperatures could rise by 4°C from pre-industrial levels by the end of the century (Sherwood et al. 2014). Such climate change would have severe consequences for a variety of human rights, in particular the human rights to life, food, water, health, and housing and would increase global inequalities.

Inequalities along the trajectories of gender, colour, ethnicity, age, disability, sexual orientation, religious, political, social or other status continue to occur across the globe. For example, the global gender gap will take 100 years to close at the current rate of progress. In 2017, it was noted that years of global gains made by women are beginning to erode and "equality is in retreat" for the first time since 2006 (WEF 2017).

Financial instability, growing economic inequality, the current migration policy crisis and climate change are collective problems which stem from complex transnational systems and groups of actors in those systems. The proliferation of responsible agents complicates the conventional approach of establishing a violation, a duty-bearer and then seeking redress. Taken together, these factors suggest that forward-looking preventative approaches which target systemic root causes rather than symptoms are necessary. Such an approach would be based on the precautionary principle and would need to integrate human rights into policy planning and practice (Lukas 2015).

This Working Group will discuss how to address evolving concerns of people regarding inequalities while – in the interest of all – upholding human rights commitments. It will examine which measures are needed to ensure that human rights principles such as equality and non-discrimination are integrated in responses to emerging issues and make specific recommendations to policy-makers and other relevant stakeholders.

This background paper shall serve as an inspiration for discussions in the Working Group. While it specifically look at economic inequality in close relation to Goal 10 of the SDGs, the discussion may well go beyond this focus. It will be guided, inter alia, by the following questions:

- *What are the main reasons and factors for (in-)equality in our societies? What role do the global financial system and phenomena such as corruption play in aggravating inequalities? In which areas did we make substantial progress and what can we learn from these examples? What is the contribution of the SDGs in this regard?*
- *What is the impact of new technologies, for instance on labour rights, and how can we address potentially negative consequences on equality?*
- *Are there specific grounds of discrimination that will have to be examined more closely, like age and inter-generational issues? Are the concepts of "equality/anti-discrimination" on the one hand and of "vulnerability" on the other hand still helpful concepts to counter inequalities in society or should we develop new approaches?*

- *How can we best integrate a human rights-based approach to poverty prevention and poverty reduction policies on national and local levels?*
- *What do the Sustainable Development Goals mean on a local level and how can they be integrated in city strategies for sustainable urban development?*
- *What are the benefits of an equal society for the general population? In what ways do we have to adapt our communication strategies to better pass on the message about equality to all people? How can we reach out to people who feel disenfranchised by globalisation?*

## 2. Guiding Questions

**2.1** *What are the main reasons and factors for (in-)equality in our societies? What role do the global financial system and phenomena such as corruption play in aggravating inequalities? In which areas did we make substantial progress and what can we learn from these examples? What is the contribution of the SDGs in this regard?*

Studies show that the drivers of income inequality vary widely amongst countries, with some common drivers being societal changes associated with technology and globalisation, and weakening protection for labour. Increasing the income share of the poor and the middle class actually increases growth while a rising income share of the top 20 percent results in lower growth – meaning that benefits do not “trickle down” (IMF 2015). This suggests that policies need to be country-specific but should focus on raising the income share of the poor, and ensuring there is no hollowing out of the middle class. To tackle inequalities, policies should focus on making tax systems more progressive and increase public spending on health, education and social protection (IMF 2017, Atkinson 2015).

In particular, two key drivers of inequalities emerge from global configurations: transnational production networks coordinated by transnational corporations impacting on the expansion of low paid employment; and the global financial system, leading inter alia to an escalation of top income shares (Gallas et al. 2016, Nowak 2017 and 2015, Obst 2015, Lukas 2013).

Recent efforts to curb tax evasion of transnational corporations are highly relevant to increase States’ maximum available resources to realise human rights and decrease income inequality (Henn 2013).

Some studies suggest that income inequality increases the level of corruption through material and normative mechanisms. Inequality also adversely affects social norms about corruption and people's trust in the legitimacy of rules and institutions, thereby making it easier to tolerate corruption as acceptable behaviour; as corruption also contributes to income inequality, societies tend to fall into vicious circles of inequality and corruption (Jong-sung and Khagram 2005, Badinger and Nindl 2012).

The SDGs take account of the need to reduce inequalities within and among countries (SDG 10) and set critical targets to achieve this goal, such as progressively achieve and sustain income growth of the bottom 40 % of the population at a rate higher than the national

average; adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality; and improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations. In particular, the SDGs focus on the progressive realisation of gender equality and the empowerment of women and girls (SDG 5). This includes the elimination of discriminatory legal frameworks, the elimination of all forms of violence and harmful practices, and the effective participation and equal opportunities at all levels of decision-making in political, economic and public life. Finally, the SDGs acknowledge the importance of promoting decent work (SDG 8) in order to reduce income inequality and realise critical labour rights.

The implementation of these targets remains a major challenge – recommendations by the Working Group in this regard would be of high relevance and should flow into SDG implementation reviews. SDGs 8 and 10 will be reviewed in 2019 (SDG 5 has been reviewed in 2017).

## ***2.2 What is the impact of new technologies, for instance on labour rights, and how can we address potentially negative consequences on equality?***

New technologies have the potential to facilitate human workload but may threaten certain job categories. 5% of current occupations stand to be completely automated if today's advances in technology are widely adopted, while in 60% of jobs, one-third of activities will be automated. The effects of automation on work will differ from country to country, with developed economies like the US and Germany likely to be hit hardest by the coming changes, as higher average wages "incentivise" automation. Automation is also likely to increase income inequality. However, the worst effects of this transition can be mitigated if governments take an active role, with more spending on labour force training and support (McKinsey Global Institute 2017). Negative effects of globalisation have also triggered an increase of low income employment and a growing precariousness of jobs in certain regions. Various forms of the "sharing economy" as inter alia represented by Uber or Airbnb have led to better prices for consumers but have increased pressure for certain categories of employment and the number of "independent workers" in precarious situations inter alia in terms of working hours, annual leave and social security (Schor 2014).

## ***2.3 Are there specific grounds of discrimination that will have to be examined more closely, like age and inter-generational issues? Are the concepts of "equality/anti-discrimination" on the one hand and of "vulnerability" on the other hand still helpful concepts to counter inequalities in society or should we develop new approaches?***

Demographic change and ageing profoundly impact on the social fabric of societies in some regions of the world. Consequently, new grounds of (non-) discrimination have emerged in the international discussion, in particular in view of age and inter-generational aspects of discrimination. While struggling to prevent age discrimination, abuse and neglect of older persons in care, and to ensure equal access to health services, a comprehensive conceptual framework for policy responses to address implications for ageing societies is currently missing. However, plans to develop an international treaty on the elimination of age discrimination are ongoing. In October 2010, the United Nations General Assembly adopted Resolution 65/182 which established the Open-Ended Working group on Ageing (OEWGA) for the purpose of strengthening the Human Rights of Older Persons. The debate regarding the

necessity of an international convention on the rights of older persons has criticism of states that have argued that drafting a new convention would be resource intensive, noting that the international human rights framework is already under-resourced. These States called for a strengthening of existing human rights mechanisms. On the regional level, the Inter-American Convention on Protecting the Human Rights of Older Persons entered into force in 2017.

The concept of vulnerability has been introduced in a number of human rights policy documents, reports and judicial or quasi-judicial decisions. Through the usage of the concept, it is implicitly or explicitly assumed that the protection of human rights would improve. The recognition of vulnerability is perceived as a “condition for the respect of human dignity”, and it is assumed to avoid group and identity categories. However, the concept has also been criticised by some scholars as being counterproductive to the aim of human rights protection because it puts emphasis on the “deficit-orientated nature” of the concept and links it with “stigma” (Brown 2011). For some, the reduction of the concept to specific “vulnerable groups” in a stereotypical representation may have negative consequences for groups or individuals excluded from the concept. Authors who have done empirical research on the application of vulnerability are more critical of the concept and demonstrate the problems of applying it in practice (FitzGerald 2012).

#### ***2.4 How can we best integrate a human rights-based approach to poverty prevention and poverty reduction policies on national and local levels?***

Eradicating poverty in all its forms and dimensions, including extreme poverty, is one of the greatest global challenges and an indispensable requirement for sustainable development.

Much work has been done on a human rights-based approach on poverty reduction with some milestone document such as the OHCHR Guidelines regarding a human rights-based approach on poverty reduction strategies and the UN Common Understanding (see OHCHR 2012 and UN 2003).

There are a number of examples of good (and bad) practice, and a successful application of a human rights based approach to poverty prevention and reduction is largely context-specific. However, research on the impacts of the economic crisis suggests two critical levels of intervention: human rights compliant cuts to state spending, keeping social programmes largely intact and shielding socially disadvantaged groups from the effects of the crisis; and introducing progressive taxation which does not target these groups and increases the state’s maximum available resources. This approach was, for example, implemented by Iceland in the wake of the crisis (Eydal and Ólafsson 2016, Independent Expert on the effects of foreign debt on human rights 2014).

A further avenue is a human rights based-approach to social protection. Considerable work has been done by M. Sepúlveda and others to show the added value of such an approach. Social protection systems are an instrumental tool towards state compliance with the human rights of people living in poverty. There is strong evidence that social protection initiatives significantly contribute to reducing the prevalence of poverty and ensure that those living in poverty enjoy at least minimum essential levels of economic, social and cultural rights (Sepúlveda and Nyst 2012).

Key contributions of a human rights-based approach to social protection and poverty reduction are: clear obligations on States to guarantee social protection; a range of international human rights standards to justify social protection; core obligations and minimum standards that can be expected, as well as the specific requirements of disadvantaged groups; a range of human rights principles (equality and non-discrimination, participation and accountability) to justify social protection and influence the design of schemes; and a focus on accountability mechanisms, and institutional capacity, to guarantee the appropriate design and delivery of social protection. In this way, a human rights based-approach links demand-side with supply-side considerations, when social protection can often appear more technical and supply-side focused (Piron 2004). This approach is closely aligned with the ILO initiative on social protection floors, a global initiative to realise basic social protection for all. According to the ILO, a number of developing countries have already successfully taken measures to realise social protection floors, among these Mexico, Brazil and Chile. Argentina, China, India, Thailand, Ghana, Mozambique and South Africa have introduced important elements such as family benefits, access to education and health services (ILO 2012).

### ***2.5 What do the Sustainable Development Goals mean on a local level and how can they be integrated in city strategies for sustainable urban development?***

In 2008, for the first time in history, the global urban population outnumbered the rural population. This milestone marked the rise of a new “urban millennium” and, by 2050, it is expected that two-thirds of the world population will be living in urban areas. With more than half of humankind living in cities and the number of urban residents growing by nearly 73 million every year, it is estimated that urban areas account for 70 per cent of the world’s gross domestic product, making urbanisation one of the twenty-first century’s most transformative trends (UN 2016).

Given the importance of this topic to global development efforts, recent movements seeking to address sustainable development from an urban perspective have taken place throughout the world. At the 2016 United Nations Conference on Housing and Sustainable Urban Development (Habitat III) in Quito, a “New Urban Agenda” was adopted, with a vision of cities for all, referring to the equal use and enjoyment of cities and human settlements, seeking to promote inclusivity and non-discrimination. This encompasses social basic services for all, resilient urban services during armed conflicts, integrated and age- and gender-responsive housing policies, and cities that are accessible to persons with disabilities. The realisation of the concept of “Cities for all” also includes the definition and reinforcement of inclusive and transparent monitoring systems for reducing the proportion of people living in slums and informal settlements, and requires the implementation of sustainable urban development programmes with housing and people’s needs at the centre of the strategy.

The realisation of the New Urban Agenda requires an enabling environment and a wide range of means of implementation, including access to science, technology and innovation and enhanced knowledge-sharing, as well as capacity development and mobilisation of financial resources, taking into account the commitment of developed and developing countries, especially for those who are the poorest and most disadvantaged. Efforts are made by some national and local governments to enshrine this vision, referred to as “right to the city”, in their legislation, political declarations and charters. The New Urban Agenda will be reviewed

periodically, and will have effective linkages with the follow-up and review of the 2030 Agenda for Sustainable Development to ensure coordination and coherence in their implementation.

***2.6 What are the benefits of an equal society for the general population? In what ways do we have to adapt our communication strategies to better pass on the message about equality to all people? How can we reach out to people who feel disenfranchised by globalisation?***

According to the UN, inequality threatens long-term social and economic development, harms poverty reduction and destroys people's sense of fulfilment and self-worth. As already noted, it endangers social cohesion and is a violation of human rights. It is therefore imperative to make greater efforts to reduce inequality and combat discrimination, inter alia by investing more in health, education, social protection and decent jobs especially for disadvantaged groups. Some of the possible means of implementation have been outlined in brief in this background document.

How the message of "leaving no one behind" could be most effectively communicated should be the subject of further discussion in this working group. The role of schools as important implementation institutions of human rights education and the training of critical journalists on this topic could be possible ways forward.



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