

Maryknoll Office for Global Concerns responds to “In Larger Freedom”

The following paper was developed in 2005 as a response to [“In Larger Freedom,”](#) a report released by the UN Secretary General Kofi Annan which urged UN Member States to adopt a package of specific, concrete proposals to tackle global problems and enable the UN to better respond to current challenges. The secretary’s recommendations are drawn in part from the conclusions of two UN-commissioned panels on collective security and on the anti-poverty Millennium Development Goals, as well as promises made in the Millennium Declaration of 2000.

The Maryknoll Office for Global Concerns represents the Maryknoll Sisters of St. Dominic and the Maryknoll Fathers and Brothers, each with special consultative status with ECOSOC. Maryknoll Missioners – priests, brothers, sisters and lay people – live and work in some of the world’s most impoverished communities. As an organization committed to upholding the right of all people to meet basic needs and to live in dignity and harmony with the rest of creation, we would like to provide input on the Secretary General’s report “In Larger Freedom,” especially on the sections “[Freedom from Want](#)” and “[Freedom from Fear](#).”

Our positions on “Freedom from Want” largely reflect those contained in the document “[U.S. Progressive Organizations Outline Stance on Global Development Issues in Spotlight for 2005](#),” the collaborative effort of a number of NGOs, as well as the document “[Trading in Justice: The Local Impact of Global Economic Decisions](#)” containing Maryknoll missioners’ perspectives on international trade and investment.

As an NGO based in the United States, many of our comments are directed at the countries of the G7, who hold a disproportionate share of power and influence in the global economy.

Millennium Development Goals

The [Millennium Development Goals \(MDGs\)](#) were designed to catalyze global attention around issues of poverty and development in the Global South. [In 2005], we are a third of the way closer to the 2015 deadline for achieving the MDGs, but we have yet to see at a grassroots level any direct results of the declarations made in 2000. The Millennium Development Goals, important as they are, will remain irrelevant to people living in poverty unless governments take immediate action to comply with their commitments.

Goals and targets

September 2005 is an important opportunity for the international community to evaluate progress on the Millennium Development Goals five years into the process, and issues of “Freedom from Want” should not be eclipsed by other items on the agenda for the High-Level Plenary. Significant attention should be devoted to the MDGs this year so that a consensus can be reached on key priorities, implementation strategies and challenges, with particular attention to the structural barriers preventing development.

In regard to the specific goals and targets of the MDGs, we would like to affirm Target 16 of Goal 8 on creating “decent and productive work for youth,” a crucial issue for the prevention of youth violence. Around the world, particularly in Latin America, youth violence is growing. Young people who become involved in gangs, drugs and organized crime often do so because there is not room for them in the current economic system. New international labor regulations are urgently needed: reduction to a 30-hour workweek with pay commensurate with a 40-hour work week would allow for a better

distribution of work opportunities, among other benefits. An assessment of technology's contribution to unemployment is also needed.

As part of the five-year evaluation of the MDGs, careful attention must be paid to the ways in which current economic and social policies work against achievement of the goals and targets. In education, for example, many countries' education budgets have not been raised to meet higher demand from a population increasingly aware of the benefits of education. This reduces the quality of education. Furthermore, under pressure from the international financial institutions and other creditors to reduce State intervention in all areas, governments are privatizing education. Regarding the elimination of school fees (see par. 44), governments are moving in the opposite direction, yet this reality is not reflected in the Report. There is a need to identify the concrete policies that deny children a quality education, and a comprehensive evaluation of the barriers facing the other MDGs should also be undertaken.

Methods

Achieving the MDG targets would represent significant progress toward a world free from want, but will require a serious commitment to changing the global economic system. None of the MDGs can be achieved by continuing to follow the same policies that have been pursued over the last 25 years. We are concerned that the methods, as distinct from the targets, outlined in the MDG documents represent little change from previous policies. We therefore urge countries to address structural imbalances in the global economy as a necessary component of comprehensive development endeavors.

Increased aid funding alone will not be enough to accomplish our goals. While the last of the Millennium Development Goals calls for the world to "develop a global partnership for development," it frames that partnership in terms of the existing relations between impoverished countries and wealthy countries, as well as with international trade and financial institutions. Its recommendation on debt, for instance, relies on the Heavily Indebted Poor Countries (HIPC) initiative, an IMF/World Bank program which has failed to achieve its stated goal of providing a "robust exit" from the debt crisis.

We are concerned that requiring developing countries to put forward "sound, transparent and accountable national strategies" (Annex 5n) will impose policy conditionalities on countries seeking aid. This vague wording is particularly concerning because the existing MDG blueprint puts its faith in IMF/World Bank policies, which prioritize "free trade," export production, budget cuts, privatization, and corporate rights and privileges. These policies, deeply unpopular in the Global South, have exacerbated poverty and increased the gap between rich and poor in many of the countries where they have been implemented, most dramatically in sub-Saharan Africa. To make progress toward the MDGs will require acceptance of a broader picture of the possibilities in the Global South, including the restoration of self-determination in policy-making.

Missing from Annex 5 (a)(i) is any mention of sustainability or recognition of the limits to growth. Emphasis should be on investment intended to build sustainable local communities, whether rural or urban, in order to create opportunities for dignified work, in contrast to speculative investment. There is inadequate recognition that development and economic growth often fails to provide jobs that lift people out of poverty. Meaningful work that connected people to the earth and to the community has been replaced most often by assembly plant jobs that undercut family and community life, are dehumanizing, and do not pay the workers a living wage. All workers, both organized labor and the informal sector, seem to be in a "race for the bottom" as highly mobile corporations pursue the cheapest labor sources in every corner of the world. Job loss is common as local products are

undersold by imported goods. In many places the real value of wages has decreased while productivity has increased. Millions of people now work in the informal sector without regular income or benefits.

In addition, the bias towards private-sector led growth in Annex 5(a)(i) limits space for poor countries to design and implement culturally appropriate national development strategies. Promoting social and economic justice, inclusion of marginalized sectors and redistribution of resources, including through progressive taxation, are essential components of reducing poverty, and these strategies should be given recognition in the final document.

Governments responding to development needs must uphold people's right to participate in the important decisions that affect their lives. In country after country around the world we have witnessed the development of alternatives for social and economic organization that are respectful of the local reality, attentive to the real needs of local communities, both urban and rural, and often environmentally sustainable. Yet these proposals are often discounted as irrelevant, impractical or inappropriate in the context of an integrated global marketplace. The wisdom gleaned from grassroots experiences of survival must be honored. We urge governments to listen with care to voices from the margins now much too infrequently heard and almost never heeded. When devising concrete projects to address the MDGs or other development objectives, governments should engage the populations they seek to help as partners in order to ensure successful, appropriate and effective programs, and consult with experienced NGOs for advice on best practices.

Debt

Nations in the global South continue to suffer under a crushing burden of international debt, much of it illegitimately accumulated by undemocratic and corrupt governments and lenders who served as willing accomplices. Sub-Saharan Africa alone pays \$13 billion to wealthy creditors including the IMF and World Bank, each year – roughly the amount the UN estimates is needed to effectively combat HIV/AIDS in that region. Meanwhile, dozens of African nations still spend more of their budget on debt service than on health care in the midst of the HIV/AIDS pandemic. Now is the time for definitive debt cancellation if we are to achieve a world in which external debt no longer diverts resources from impoverished people or constrains policy choices.

We believe the Secretary General's proposal to redefine debt sustainability to include a country's ability to meet the MDGs (par. 54) is a step in the right direction, though we would like to see the definition broadened to encompass a country's ability to meet its development objectives more generally. Debt reduction should aim to eradicate poverty, and move away from notions of debt sustainability based on the quality of borrowing countries' policies.

We reiterate the Report's assertion that in order to meet the MDGs, wider and deeper debt relief is needed (par. 32) and we would welcome the replacement of loans with grant-based finance (par. 54). Furthermore, we call on the G7 to agree to a plan for 100 percent multilateral debt cancellation for all impoverished nations: relief of debt service payments will not be sufficient. Cancellation could be financed via the responsible sale of IMF gold, the use of accumulated and future profits at the World Bank (IBRD), drawing down the IMF's problematic Poverty Reduction and Growth Facility (PRGF), or through voluntary contributions from rich country governments.

Provisions on debt relief in Annex 5(e) should include a commitment to contingency financing in the event of external shocks. In addition, debt relief schemes should ensure that debtor countries preserve policy space for implementing democratically designed national development strategies. Therefore,

debt cancellation should not be dependent on harmful economic restructuring, and must be implemented outside the constraints of the IMF/World Bank HIPC Initiative.

Trade

There is a clear need for a “more development-oriented trade system” as the Secretary General suggests in Annex point 5(a)(ii). Current trade rules are rigged in favor of the most powerful countries and their businesses, costing the developing world \$700 billion a year, according to the UN. Rather than experiencing real benefits from trade liberalization and the intense promotion of international trade, the most impoverished people with whom Maryknoll missionaries live and work are bearing the burden of the process.

Around the world, Maryknoll missionaries have repeatedly witnessed the disastrous impact of decisions made in distant or disconnected places on the communities where they live and work. This is happening once again as people in increasingly centralized positions of power negotiate trade agreements that place profit and growth before human and environmental well-being. In many countries they have seen good laws meant to protect the worker and the environment weakened or ignored. They have seen whole sectors of the economy in which poor people were participating, such as small scale and subsistence farming and small, locally owned businesses, destroyed.

The rules of global trade must be changed so that the real needs of impoverished nations, peoples and their environment are given priority. This will require leveling the playing field in trade negotiations, including the WTO Doha round, and ensuring a fully transparent process in which all participants have access to decision-making.

Creating a coherent, fair and transparent trade system that furthers development objectives instead of working against them will require many specific changes. The G7 countries should renounce efforts to expand the mandate of the WTO to cover new issues such as investment, competition, government procurement, biotechnology or accelerated tariff liberalization. In addition, basic social services such as water provision and healthcare, should be clearly exempted from the WTO’s General Agreement on Trade in Services (GATS). The G7 countries must put an end to policies such as subsidies that contribute to export dumping and ensure that all countries have the right to achieve food sovereignty and protect indigenous knowledge by developing their own domestic farm and food policies. Most importantly, the WTO, the IMF, the World Bank, and regional development banks must grant developing country governments the authority to develop their own national economic strategies and place controls on trade and investment in ways that support sustainable development.

We caution against the emphasis on export industries as a means to build trade competitiveness mentioned in par. 56, because current international trade policies and export-led growth models have failed to reduce poverty in developing countries. Supporters of these policies like to point out those countries such as China and South Korea that reduced poverty while experiencing strong export growth. However, these countries’ economies took off at a time when they were imposing extensive restrictions on imports and foreign investment – the opposite of the policies advocated by today’s trade agreements. By contrast, countries in Latin America, which has gone further than any other region to follow the orthodoxy by lifting “barriers” to trade and investment, have seen poverty rise.

Farmers in impoverished countries have been particularly hard hit by uneven trade rules. These rules limit governments’ power to impose import controls, pitting small producers against large-scale, often heavily-subsidized rich-country agribusiness (par. 55). However, the Secretary General’s Report does not paint a full picture of this problem, which has been exacerbated by World Bank and IMF pressure

to slash supports for small farmers. In addition, efforts are underway in the WTO and other trade negotiations that would further limit governments' powers to ensure that foreign investment, government procurement, and basic services support social goals.

We note that bilateral and regional trade treaties have become more common in recent years, yet this phenomenon is not tackled by the Secretary General's Report. These treaties provoke special concern because wealthy countries can exploit power imbalances to extract concessions from other countries that go beyond commitments or negotiations taking place at the WTO.

Aid

We support efforts to provide more development financing to impoverished countries. But such aid must not be accompanied by conditions on market reform like those currently required by the IMF, the World Bank, and other donors, or aid risks causing more harm than good. The "structural adjustment" policies that have been imposed on the Global South as conditions of loans and grants over the past 25 years must be abandoned.

We reiterate our concern that the vague language in paragraph 50 requiring developing countries to put forward "sound, transparent and accountable" national strategies as a precondition to receiving ODA places a high burden on developing countries, who are at the mercy of donor countries' interpretation of what constitutes "sound" policy.

Aid is a critical resource which, when complemented by trade justice and debt cancellation, will help build a more equitable and secure world. For four decades wealthy nations have ignored their obligation to increase foreign aid to the internationally-agreed target of 0.7 percent of their GNP. We agree that all countries that have not already done so, including the U.S., should create a clear timetable for allocating 0.7 percent of GNP to development assistance. In addition, increases in ODA should represent net long-term finance for social development, not debt write-offs, dollar depreciation, or military aid (par. 48).

In addition to increasing the quantity of aid, donor countries must transform the purpose and quality of aid. We are concerned that programs like the [U.S. Millennium Challenge Account](#) require countries to compete against each other on the basis of U.S.-designed criteria. Such conditions undermine countries' democratic structures and accountability mechanisms. The U.S. must immediately untie the strings of its aid machinery that, according to the OECD, funnel 71 cents out of every aid dollar to U.S. goods and services. Other developed countries should take similar steps to ensure that ODA is efficiently and effectively used to finance development projects to benefit the neediest communities.

We strongly support the Secretary General's call to increase the quality, transparency and accountability of ODA. As the Report mentions in paragraph 53, this will require donors to link aid to the local development needs identified by recipient countries. ODA should not be dictated by donor countries' political agendas or beholden to the needs of their suppliers. We hope that donor countries will follow the Secretary General's recommendation to "set, by September 2005, timetables and monitorable targets for aligning their aid delivery mechanisms with partner countries' MDG-based national strategies." (par. 53)

HIV/AIDS

The HIV/AIDS pandemic is the most devastating public health crisis in human history and the greatest contemporary global threat to human security. AIDS has exacerbated poverty and the spread of AIDS is, in turn, further fueled by poverty in a vicious and widening circle.

We echo the Secretary General's appeal to the international community to meet their funding commitments in the battle against HIV/AIDS. Rich countries must increase funding to fight global AIDS by paying their fair share of the amount needed – estimated by UNAIDS to be \$12 billion in 2005 and \$20 billion annually by 2007 -- to finance AIDS care, treatment and prevention. Full and annualized contributions to the [Global Fund to Fight AIDS, Tuberculosis and Malaria](#) is crucial. The Global Fund should serve as the principal vehicle to support anti-AIDS efforts in the most affected countries.

Governments have the right to create and implement their own programs/strategies to combat AIDS, and they should not be limited by market or aid program restrictions on the access to affordable high quality generic medicines. We are disappointed that the Secretary General's discussion of the HIV/AIDS crisis did not deal explicitly with the issue of access to generics, despite mention of the need to provide "proper antiretroviral treatment to all who need it within the coming decade." (Box 3)

Trade Related Intellectual Property Rights (TRIPS) agreements have also been a stumbling block to providing life-saving drugs to people suffering with diseases including HIV/AIDS in epidemic proportions around the globe. The World Health Organization revised drug strategy declares that public health should be paramount in trade disputes. Compulsory licensing should enable the production of cheaper generic drugs, making pharmaceuticals more accessible to poor people, but drug companies argue that this practice, legal under current world trade law, could undercut their profits. Trade policy must not be used to restrict the right to health, and negotiations that promote or expand drug company monopolies must be set aside to promote public health and access to affordable medication.

Furthermore, bilateral and regional trade agreements should no longer be used to circumvent WTO safeguards allowing for availability of generic medications in impoverished nations. The G7 must change its existing and pending bilateral and regional agreements to comply with the Doha Declaration's agreement on intellectual property rights to protect public health and access to medicines for all. The General Assembly should address these trade issues in September in order to adequately attend to Goal Six of the MDGs and attain the strong health systems called for in paragraph 44.

The G7 must also commit to achieving universal free HIV treatment access for all in clinical need. As a first step they must ensure that the World Health Organization's "3X5" initiative to treat three million people with HIV/AIDS by 2005 is fully realized. This goal represents approximately half of those who currently require treatment but lack access.

We would like to specify that a comprehensive response to HIV/AIDS as called for in Annex 5(i) must be driven by scientific evidence and best practice, not ideology. The G7 should support long-term investments in the education and support of health workers in poor countries, including an end to the imposition of macroeconomic policies that restrict funding for recruitment, training and retention of public health workers.

Democratize economic decision-making

The Secretary General's Report should go further in its call to the international financial institutions in par. 70 to "broaden and strengthen the participation of developing and transition countries in international economic decision-making and norm-setting." The actions required to redress these structural inequalities must be specified.

Most important decisions about trade and investment are being made by powerful nations, institutions, corporations and individuals to benefit a minority of the global population. This imbalance serves to exclude poor nations and organizations of impoverished people from a meaningful role in these decisions. People negatively impacted by private sector activities have almost no way to hold corporations accountable. Some institutions, such as the World Bank and the International Monetary Fund, are structurally exclusive, giving strong preference to the most powerful and wealthiest countries. Other instruments, such as the World Trade Organization, claim to be more inclusive, but key decisions are often made behind closed doors by a select and elite minority. The few institutions, such as the International Labor Organization (ILO), that bring different voices and perspectives to the table still do not hear the voices of the most impoverished, often unrepresented, communities on a regular basis. Yet these communities will most immediately feel the impact of decisions made in all of these places.

It is essential that governments engage in a serious debate about the transparency and justice of the current decision making structures. Action must be taken to address these structural inequalities, including reforms at the Bretton Woods institutions and the WTO, so that developing countries can have a fairer and more effective role in the policies and processes of these institutions.

The environment

Discussion of environmental sustainability in Section D is much too limited, and the recommendations for action even more so. Threats to the environment are not limited to desertification, biodiversity loss and climate change, though these issues are important. Among the environmental issues governments must recognize and attend to are the following:

The environment is also threatened by trade agreements that see environmental protection laws as trade barriers or promote unsustainable development such as highly industrialized, mono-crop farming of cash crops for export. This type of farming is usually wrought with environmental consequences as the small farmer's intimate connection to the land is lost and with it a theology of care for creation and knowledge of the most locally-appropriate and sustainable farming practices.

Some types of economic development harm the poor and the environment, and work against social development. For example, in the Philippines an integrated economy that enabled people to live has been replaced by banana exports where people work on land that they do not own, earning not enough money to live a dignified life as before. Deforestation and clear cutting for profit or to make way for large single crop fields also threaten the loss of animal habitats, desertification in once-fertile areas, and the intensification of damage from natural disasters.

In cases where development endeavors involve the use of natural resources or pollution that degrades water, air and soil quality, the costs are often disproportionately borne by poor communities, especially in rural indigenous areas. Such enterprises can have serious consequences for public health, quality of life and environmental integrity. Though poor communities often suffer the side effects, they tend to reap few of the benefits: there are far too many examples of communities who lack electricity though they are next to a power plant, or mines who import workers rather than hiring locally. Care must be taken to ensure that development projects are environmentally sustainable and that local communities have significant input and decision making in large scale public and private endeavors. In addition, governments must strengthen their regulation and enforcement of potentially polluting industries to ensure the smallest ecological footprint possible.

Natural disasters

Paragraph 65 mentions the disproportionate effect of natural disasters on poor people. In addition to an early warning system, steps must be taken to examine why the poor are disproportionately affected, and what can be done about it. Measures should also include public education about the impact of environmental destruction on the severity of natural disasters.

Redevelopment efforts should involve the affected population in planning and carrying out projects, so that they meet community needs. Communities should also be empowered to monitor the funds designated for their redevelopment, to ensure accountability and transparency.

Corruption and good governance

Corruption is a primary economic and political problem that requires concrete strategies determined in a transparent manner with input from the citizens of a given country. We urge countries to go beyond speeches, and to seek innovative mechanisms for tackling corruption, such as an independent tribunal, recognized by the UN, that could monitor corruption within governments and corporations. NGOs can also play a crucial role in monitoring good governance, and should be seen as partners in this effort.

We applaud strides towards good governance, transparency, accountability and the elimination of corruption. These should be universal standards applicable to poor and rich governments, the private sector operating nationally and internationally and nongovernmental organizations

The United Nations could take steps towards coherence and accountability by seeking ways to more faithfully embody the ideals it promotes, such as fostering development and denouncing the fact that millions live with less than a dollar a day. To that end, we urge a better balance between bureaucratic expenses and support for country field programs.

Migration

The current Diaspora of people emigrating from developing countries has had devastating effects on families and on youth, who often grow resentful or turn to violence when separated from their parents. Measures must be taken so that our global economic system does not separate families.

The report cites the remittances of emigrants to their countries of origin as a positive result of emigration, and we call for efforts to reduce the transaction costs of such remittances. We would argue that migration forced by war, repression, fear, poverty or other realities of life should never be relied upon as a solution to development. For those who emigrate to escape desperate conditions and who must journey far from home to seek the means for their families' survival, it is important that the UN recognize the right not to migrate. Governments should target development projects to areas experiencing high emigration rates, so that emigration becomes a choice, and not a necessity. Rural development is urgently needed to slow migration to the cities (par. 71), where there are "... growing numbers of people living in slums..." (Par 31, box 2 and par. 42).

Equally important are measures to ensure the right to migrate, and we urge countries to adopt just immigration policies that provide economic refugees with the means to a dignified life.

Freedom from fear

We propose a redefinition of security in terms of basic human needs, rights and responsibilities. Human Security, as opposed to national security, guarantees access to food, clean water, healthcare, education and employment. It recognizes the right of people to participate in important decisions that affect their lives and respects the integrity of creation. Human security would emerge from a

“globalization of solidarity” that promotes international cooperation to preemptively manage conflicts before they turn violent.

In relation to the Treaty on the Non-Proliferation of Nuclear Weapons, we would like to see specific reference in Annex section 6(b) to Article VI of the NPT, which obligates nuclear weapons states to move towards eliminating their nuclear arsenals. Asking states to “pledge” to meet their obligations is not enough. The nuclear weapons states have not taken any steps towards this obligation for years. In fact, the U.S. and Russia are both working to enhance their nuclear weapons capabilities which violates the spirit if not letter of the NPT. The General Assembly should seek an agreement requiring the nuclear weapons states to establish a process of how they intend to meet their obligation, including a process, timetable and a mechanism for evaluation of their efforts.

Annex section 6b (iv) mentions the right to "peaceful uses" of nuclear power. As a Catholic NGO concerned with the integrity of God’s creation, we are troubled by most peaceful uses of nuclear power, particularly electricity generation. No solution has been found for the problem of nuclear wastes, which remain radioactive for tens of thousands of years and pose challenges for human and environmental health. In addition, from a security perspective, the existence of any nuclear material poses some threat of being diverted to weapons. These issues should not be ignored.

The section on “Freedom from Fear” makes no mention of the Outer Space Treaty, which states that space should be kept for the peaceful purposes of all. However, it specifically bans only nuclear weapons from being stationed in space, rather than banning the deployment of all weapons. We are especially concerned that the United States is spending one to two billion dollars a year developing weapons to be stationed in space and/ or weapons stationed on earth to attack space based targets. No one country should control outer space, lest it be tempted to use its power in aggressive ways. Rules should be established to address the growing threat to peace in, from and throughout outer space.

The sale, distribution and trafficking of Small arms (par. 81, 120) is a growing problem that increases and facilitates terrorism, insecurity, organized crime (par. 95), drug- and human- trafficking, but the UN’s treatment of small arms is extremely poor and limited. Whether small arms are traded legally or illegally, their impact remains relatively the same: they exist and are manufactured to control and kill people. The UN is hampered in its efforts to halt production and trade of small arms because most small arms are manufactured in countries that make up the permanent members of the Security Council. Restructuring of the UN must remedy that situation.

In regards to Annex 6(h), we believe that preventive war – striking an enemy even in the absence of specific evidence of a coming attack – is morally untenable.

The role of non-governmental organizations (NGOs)

Substantive discussion of the role of non-governmental organizations is noticeably absent from the Secretary General’s Report, particularly in Chapter V. The recommendations of the Cardoso Report regarding civil society participation in the UN system should be affirmed and integrated into discussions on UN reform.