

## Economic Inequality, Financial Crises and Human Rights

Side Event

31<sup>st</sup> session of the Human Rights Council

9 March 2016 • 14:00-16:00 • Room XXIII, Palais des Nations

### *Objective*

The event aims to contribute to current debates on the development and rights implications of inequality by exploring the linkages between wealth and income inequality and human rights, with a particular focus on economic and financial crises. It will discuss how policies and institutions that are grounded in a human rights framework can contribute to reducing inequalities and strengthening resilience.

The event aims to raise awareness of analytical work linking issues of economic inequality and crises with human rights, and the work of UN human rights monitoring bodies.<sup>1</sup> The report of the Independent Expert on Foreign Debt and Human Rights, submitted to the Human Rights Council at its 31<sup>st</sup> session, will constitute a basis for the discussion (A/HRC/31/60).

### *Background*

The enduring effects of financial and economic crises—and the economic austerity measures often chosen to counter them—have acute negative impacts on the most vulnerable and marginalized groups in society. Women, children, minorities, migrants, persons with disabilities, older persons, youth and the poor suffer most the effects of decreasing opportunities for work and cuts to social welfare programmes, and reduced affordability of food, housing, water, medical care and other basic needs. At the same time, economic inequality is growing in many countries and regions of the world, and on a global scale the gap between the very rich and the very poor is still shockingly wide. Over the last few years, this problem has received considerable attention from civil society, researchers and the international community.<sup>2</sup>

Recent discussions have begun to focus on the linkages between economic inequality, financial crises and human rights. On the one hand, it seems clear that financial crises and the adjustment programmes adopted in response impair a country's general economic performance, increase economic inequality, and have negative socioeconomic impacts, particularly on vulnerable populations. On the other hand, the notion that inequality may also be an important contributing factor to the emergence of financial crises has recently gained attention. The Independent Expert on Foreign Debt and Human Rights reflects on both dimensions in a report to the Human Rights Council for its 31<sup>st</sup> session in March 2016. His report explores the following questions:

- Does inequality lead to more financial instability?
- Does financial instability lead to higher levels of inequality?
- What impacts does increased inequality have on human rights?
- What guidance does human rights law provide for addressing inequality?

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<sup>1</sup> See for example the report by Special Rapporteur on Extreme Poverty and Human Rights, Philip Alston (A/HRC/29/31)

<sup>2</sup> See for example T. Piketty, *Capital in the Twenty-First Century*, 2014; OXFAM, *An Economy for the 1%*, 2016; Goal 10 of the UN Sustainable Development Goals, UNRISD Flagship Report on Poverty and Inequality 2010

### ***Partners***

UNRISD is pleased to organize this event in collaboration with the UN Independent Expert on Foreign Debt and Human Rights, and in partnership with:

- Friedrich-Ebert-Stiftung, Geneva Office
- OHCHR
- ILO

### ***Modality***

There will be brief presentations by five panelists, which will then form the basis for subsequent debates and questions from the floor.

Panelists are invited to speak on the following topics:

- why inequality needs to be considered from a human rights perspective
- how inequality is both consequence and cause of sovereign debt and financial crises
- how austerity policies fuel inequalities, negatively impact social protection and social development and impinge on human rights, in particular for vulnerable groups
- how human rights approaches can help to address economic inequality
- why fiscal and tax policies are key instruments to promote equality, crisis resilience and human rights
- how economic inequalities go hand in hand with other inequalities and multiple forms of discrimination, whether by gender, race, age or resident status
- what needs to be done to create more equal and just societies

### ***Panellists***

- Juan Pablo Bohoslavsky, Independent Expert On Foreign Debt and Human Rights
- Isabel Ortiz, Director, Social Protection Department, ILO
- Mark Herkenrath, Director, Alliance Sud
- Richard Wilkinson, Co-Founder, The Equality Trust (via Skype)
- Stephanie Blankenburg, UNCTAD
- Ambassador Regina Maria Cordeiro Dunlop, Permanent Mission of Brazil

Moderator Katja Hujo (UNRISD)

Welcome remarks by Hannah Peters (FES)

Closing remarks by Stefania Tripodi (OHCHR)

### ***Audience***

The event will bring together the experiences of national governments, international agencies, non-governmental organizations and academics.