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THE REALIZATION OF ECONOMIC, SOCIAL AND CULTURAL RIGHTS: THE INTERNATIONAL ECONOMIC ORDER AND THE PROMOTION OF HUMAN RIGHTS

REVIEW OF FURTHER DEVELOPMENTS IN FIELDS WITH WHICH THE SUB-COMMISSION HAS BEEN OR MAY BE CONCERNED

Written statement\*/ submitted by Europe-Third World Centre, a non-governmental organization in general consultative status

The Secretary-General has received the following written statement which is circulated in accordance with Economic and Social Council resolution 1996/31.

[21 July 2000]

<sup>\*/</sup> This written statement is issued, unedited, as received from the submitting non-governmental organization(s).

## Market rules are not those of democracy, nor of social progress

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Under the guise of globalisation – which is presented as inevitable and irremediable – a deeply inegalitarian and anti-democratic society is imposing and reinforcing itself, multiplying outcasts and oppressed people, in the North as well as in the South. The present development of this globalisation, under the neo-liberal leadership, does not lead to equal opportunities, to knowledge sharing and increased living standards for everyone, be it inside a given country or between groups of countries. The gap between economies of the centres and those of the peripheries of the global economic system is increasing every day. In fact, this gap is at the heart of the system perpetuation.

The notion of power is no longer linked with the community of States, except in "cases of emergency", described as "humanitarian". National sovereignty is admittedly still recognised on paper, but with such restrictions that it is progressively emptied of any real democratic content. The "authorized" discourse today is held by those who have the economic power. In the name of an "invisible hand", supposedly beneficial for all, any constraint to the free spreading of capital on the whole planet is abolished and any instrument giving peoples a grip on their future is abandoned. The world's seven economic great powers (G-7) – that we can find at the head of the International Monetary Fund, the World Bank, the World Trade Organisation and, but one of them, the NATO – are defining the political, financial, economic and military aspects of the pyramid-shaped power system.

## Market is not democracy

Neoliberalism is based in particular on a lie, or on a false evidence which by dint of being repeated daily by the economic elite and the media seems unquestionable: democracy and market go hand in hand and are reinforcing each other. And yet, nothing is more false and misleading.

If by democracy we mean discussion and debate leading to equal rights enjoying human beings choosing freely a project for a collective future, then the unilateral imposition of market rules on individuals and peoples is, on the contrary, antinomical to real and shared democracy. Market, as defined by contemporary neo-liberals, where "free and equal partners" would act in a deregulated space, is a pure fiction. Such is as well the belief that this free market is one of the conditions for the existence of other liberties. In fact, market is working only because it is regulated by battles of wills and power struggle which allow the strongest to come out. The question then is to know by whom and to the benefit of whom the market is regulated. Today, it is controlled, in a hidden and unilateral way, by the heavy hegemony of a few hundreds oligopolies whose cold rationality's only objective is the defence of their short term own interests and is far away of equity, representativeness and solidarity which the notion of democracy is referring to.

Confining democracy to politics – and in addition to that, excluding economics from its sphere of action in the name of "competition" and "free game of market powers", at the time when market rule has taken over (almost) every area of human activity – amounts to depriving democracy of any grip on reality; it dangerously risks taking away any meaningful content from its conquest – dearly bought, and never acquired, by peoples, working class and popular strata.

<sup>&</sup>lt;sup>1</sup> On this question see the remarkable issue of *Alternatives Sud* "Démocratie et marché", vol VI (1999)3 and in particular the article by Samir Amin, pp. 171 ff

And yet, hegemonic powers are going on with their "everything to the market" option, through the Troyan horse of the WTO. Decisions taken by this institution, like for example the negotiations on TRIPS (trade-related intellectual property rights) agreements, are "opportunities" for industrialised countries to establish new international rules protecting transnational corporations' monopolistic rent incomes, ignoring collective rights of peoples, preventing Third World countries access to knowledge and restricting possibilities of specific self-centred development. TRIPS have mainly contributed to plundering and resources harnessing of Southern countries: 80% of patents are being held by US, English, German, French and Swiss transnational corporations. The discovered, exploited, modified or adapted great biological diversity of the South is becoming the "intellectual property" of private interests of the North alone.

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For a while destabilised by opposition of all kinds which showed up at Seattle and the resounding failure of this ceremony which was supposed to open a "Millennium Round", the decision-makers hurried to declare that there is no question for them of loosing one minute before starting again. At the most, some of them have admitted that maybe it would be useful to act more tactfully, to better communicate, to open a dialogue. But, they added immediately, only with those who do not question the cardinal virtues of the market and the validity of their "liberal" credo. So, the international meetings of Washington, Bangkok and Geneva have followed, with as sole discourse (and solution) the reaffirmation of the belief in the market economy benefits.

## A necessary reaffirmation of human and peoples rights

The increasing lack of interest for voting in countries of the North, the quick disappointment which followed the introduction of multipartism in countries of the East and South, the attraction exerted by religious fundamentalism or ethnicism, but also, fortunately, the greater and greater mobilizations outside the parliamentary and institutional framework show how much peoples are perceiving the inept character of the equation linking "free and deregulated" market and any democratic project<sup>2</sup>. And the appraisal of neo-liberalism is no longer to be done, it is obvious. These 25 years of unbridled neoliberalism have resulted in a generalised chaos, an increased number of conflicts, an even more pronounced polarization of societies and countries, a proliferation of mafias and corruption phenomenons and, despite more and more pressing warnings, an ever more worrying jeopardizing of the ecosystem. The risk of provoking a situation worse than that of today is latent.

The capitalist system and its affiliated institutions have showed their limits through their economic inability to provide all human beings with the material basis for their physical and cultural life. We have to question and attack the logic of this unilateral system of regulation by the "market" so that nations and peoples can not only regain their fundamental rights within national and international democratic institutions but also take decisions relating to their own destiny.

The Europe - Third World Centre (CETIM) is pleased about the nomination of Mr. Oloka Onyango and of Ms Deepika Udagama as Special Rapporteurs in charge of preparing a study on the question of globalisation and its impact on full enjoyment of human rights. This study is to show the incidence of the present economic globalisation on human rights.

<sup>&</sup>lt;sup>2</sup> See L'autre Davos : Mondialisation des résistances et des luttes, L'Harmattan, Paris, Montréal, 1999.

The resolution for the promotion of the right to a democratic and fair international order (E/CN.4/RES/2000/62) adopted at the last Human Rights Commission is giving interesting tracks for reflecting on the necessary reforms of the international financial institutions. The resolution reiterates every State's right to an international economic order based on equal participation in the decision process and to a fair access to the benefits of the international wealth distribution. It reaffirms the right to open, democratic, fair and responsible international institutions in every cooperation area, in particular through the implementation of the principle of full and equal participation in the decision mechanisms of these various institutions.

In our view, the globalisation process of the neo-liberal model is an obstacle to the implementation of the economic, social and cultural rights (ESCR), in particular of the right to development. It violates articles 1 and 2 of the Pact on economic, social and cultural rights. Any international cooperation between States for the implementation of the ESCR is compromised or limited by agreements elaborated in international financial and trade institutions. In this area, the Europe - Third World Centre (CETIM) is earnestly asking the Special Rapporteurs of the Sub-Commission to thoroughly study the role and impact of the Bretton Woods financial institutions and of the World Trade Organisation on the implementation of the ESCR.