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New Economic Approaches for a Coherent Post-2015 Agenda

Sustainable Globalization is an Imperative Not an Option

by

Dr. Ruzanna Tarverdyan

Founding President, The Geneva Consensus Foundation

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"Sustainable Globalization is an Imperative Not an Option!"

"In the new global partnership, each of us has a role and responsibility."

HLP Report

We must all participate equitably in shaping the global economy to support this new consensus for development-centred globalization."

Doha Manar

On the Road to 2015.

Sustainable development is the most significant collective challenge facing humanity. Addressing it without compromising our shared prosperity and the right to development of future generations requires a significant alteration of macroeconomic governance and calls for renewed role of the state in providing strategic vision and innovative policy responses towards *green-growth-stimulating strategies*

Since Rio, international community has inspired to integrate the social, economic, and environmental dimensions within a single framework. Nonetheless, no country has yet succeeded. Prevailing governance systems tend to separate these pillars at policy, planning, and management levels. This disconnect has led to a widening of inequality, both at global and national levels, pervasive social tension, alarming pace of climate change and environmental degradation.

To reverse the trajectory, the time has come to put sustainable development at the core of decision making and to re-visit the role of macroeconomic governance: *create policies conducive to more equal, prosperous, peaceful and just world*. To cope with widespread market failures and asymmetries, a new paradigm is needed, that will ensure a balance between markets and the constructive government policies directed to facilitating structural transformations, diversification and industrial upgrading.

International trade, financial and monetary systems shall be reformed to propose innovative policy packages for managing globalization, that, *based on the principles of generational accounting*, would assure the sustainable advancement of the world economy and simultaneous pursuit of SDGs in developing and developed countries alike: :

- to better reflect the voting power of the changing global economy and address persistent risks,
- to account for social and environmental *opportunity costs* and reconcile interests of capital and labour within planetary boundaries,
- to evaluate current and past achievements of policy and predict improvement opportunities,
- to identify the *efficient-effective-equitable* allocation mode for earth's finite natural resources.

A new *dynamic and diagnostic metrics* of societal well-being is needed, that will:

- go "*beyond GDP*" to a "*triple bottom-line*" of economic, social, and environmental performance,
- recognize peace and security as a core element of wellbeing and good governance.

A New Global Partnership.

The Report of the UN Secretary General's High-Level Panel on Post 2015 Development Agenda: "*A New Global Partnership*" calls for the post-2015 agenda:

- to drive five fundamental transformative shifts,
- to build multi-stakeholder partnerships,
- to forge a political consensus .

Implementation of an integrated approach to poverty reduction and sustainable development, in this age of globalization, requires policy coherence and the political will to create a strong partnership between national and international stakeholders: including governments, legislators, employers, workers and the financial system and also academics and civil society representatives:

- to set common sustainable development goals,
- to create enabling institutional capacity, social and physical infrastructure,
- to harness the ingenuity and dynamism of business for sustainable development,
- to form global partnership for development data,
- to develop evidence based solutions, and
- to mobilize resources.

Developing countries shall increase their productivity and enhance competitiveness by creating new advanced socially-responsible, resource-energy-efficient and environmentally-friendly productive capacities.

Trade does indeed provide a central vehicle for a broad based and sustainable prosperity and is vital for helping countries to transfer modern green technologies and innovative solutions and to restructure their current production systems away from BAU practices towards sustainable trajectory.

It is also important, that developed countries : honour their aid commitments and harmonize their procedures with national plans, and through effective and efficient development cooperation and development finance to assist development countries' efforts in moving to a position where they can mobilize their own resources for sustainable development.

Public-private partnerships can also help scale up and speed up access to resources, specialized skills, innovations and know-how necessary to build, operate and maintain environmentally sustainable and people-centred globalization.

From Vision to Action:

Building on the historical achievements of MDGs and Rio+20, the main target of the global community is to elaborate and implement “*An Action Agenda for Sustainable Development.*”

In the wake of transformative shift, the core task is to address the hard issue of creating an integrated policy framework within the UN system and at the global, regional, and national levels, with due respect to countries’ ownership and grounded in respect for universal human rights, peace and security.

To assess and analyse policy interventions on the international scene, and identify opportunities and mechanisms for possibly improved performance and foster synergies towards key policy issues a new collaborative framework shall be developed for mobilizing the potential of the World Community to ensure better, proactive and integrated responses to global economic turmoil.

In a search for unified effective multilateral system, with a new spirit of enhanced international cooperation, the experience from the *United Nations Inter-Agency Cluster on Trade and Productive Capacity*, led by UNCTAD shall be expanded, as a major contribution to coherence within the UN and multilateral system vision of “working as one” and the coordination of trade and development operations.

Mechanisms for participatory decision-making processes, that will manage effectiveness-efficiency-equity trade-offs in globalization and will enable all development stakeholders to make informed choices and build a consensus on managing the process of globalization and plan future development policies of countries towards the achievement of the SDGs need to be developed.

We submit that, only within a new global partnership will the global world be able to strike a balance and create the foundations for innovative policy packages ensuring harmonic convergence of wellbeing of people, planet, and societal prosperity:

- understandings between developing and developed countries play a key role, both within country groups as well as in global society,
- through regional and global dialogue, a more inclusive form of globalization can emerge.

Consensus is the foundation of stability and sustainability, forging an international bi-polar, triangular, and global consensus is a potent mechanism for shaping national and international policies that are socially just, economically productive and environmentally friendly.

*Dr. Ruzanna Tarverdyan, Founding President, The Geneva Consensus Foundation
Chemin de Mon Soleil 3, 1202 Geneva. Switzerland*