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Parliamentary Forum at the 2021 United Nations High-Level Political Forum on Sustainable Development (HLPF)

Message from the pandemic: Bring “government” back

Monday, 12 July 2021 (virtual)

The Parliamentary Forum at the 2021 UN High-Level Political Forum on Sustainable Development aimed at a reassessment of the neoliberal consensus – in place for four decades – that market forces are almost always better at determining the best possible outcomes for society, as well as in responding to challenges and crises, than governments are. The global response to the COVID-19 pandemic, which was led by governments rather than by private industry and market forces, has cast doubt on this assumption. Achieving a speedy recovery from the pandemic and reviving the stalled Sustainable Development Goals (SDGs) will require substantial government intervention.

The meeting was organized by the Office of the Permanent Observer of the IPU to the United Nations in New York and was moderated by Ms. Paddy Torsney, Permanent Observer of the IPU to the United Nations. About 150 members of parliament participated from all regions of the world.

Introduced by the President of the IPU, Mr. Duarte Pacheco, the meeting featured two panels composed of parliamentarians, experts, and IPU staff. The first panel was composed of Mr. Pedro Arrojo-Agudo, UN Special Rapporteur on the human rights to safe drinking water and sanitation and former member of parliament (Spain), Ms. Isabel Ortiz, Director of the Global Social Justice Program at Columbia University, and Ms. Nancy de la Sierra, President of the SDGs Commission of the Senate of Mexico. The second panel was composed of Mr. Martin Chungong, IPU Secretary General, Mr. Alessandro Motter, IPU Senior Advisor for Economic and Social Affairs, and Mr. Issa Mardo Djabir, Member of Parliament, President of the SDGs Committee of the National Assembly of Chad.

Summary of the discussions

Opening the meeting, the **IPU President Mr. Duarte Pacheco** noted that the COVID-19 pandemic had demonstrated the importance of government, parliaments, and public authorities, especially in terms of regulation of the economy. He noted that, since the 1980s, much of economic thought had emphasized “the invisible hand” of the market as the primary engine of progress which governments should not interfere with. The COVID-19 pandemic and the subsequent recovery had begun to break that consensus in favour of more State involvement in the economy.

The COVID-19 pandemic had led to an increase in poverty and unemployment around the globe, and had exposed a general trend of under-investment in health, education and other public goods. Pre-existing

inequalities had widened. While not endorsing the creation of a completely state-controlled economy, Mr. Pacheco suggested that national governments should start working on establishing a “new paradigm” of increased State investment in the economy, research, and social equity programmes to aid citizens and continue to make progress towards fulfilling the SDGs. Renewed support for multilateral organizations must be a part of the new paradigm as well.

Ultimately, an honest, open discussion about the role of government was necessary to deal with both short-term issues, such as the COVID-19 pandemic, and long-term ones, such as the SDGs and climate change. Mr. Pacheco exhorted participants to engage in the discussion freely, without dogmatic pre-conceptions which did not help in addressing questions that were often more complicated than they seemed at first. He recommended a more pragmatic approach based on a willingness to share and adopt best practices.

Discussion on the main theme

Mr. Pedro Arrojo-Agudo opened the discussion with an analysis of the “global water crisis”. Currently, roughly 2.2 billion people on Earth did not have guaranteed access to safe drinking water. Most of them did not live in arid regions, but yet could not access safe drinking water because of poverty and instability. Such a situation was in large part the result of liberalization and privatization policies that treated drinking water as a commodity, rather than a public good, and thus cut off access to water to anyone who could not afford to pay for it. Mr. Arrojo-Agudo seconded Mr. Pacheco’s calls for a “new paradigm” to address serious inequalities such as that. The COVID-19 pandemic had forced a change away from strict neoliberal economics and towards more government investment in public health systems, infrastructure, and the environment. The expansion of water, sanitation, and hygiene (WASH) services worldwide must be treated as a “democratic challenge”, rather than as a business opportunity.

Ms. Isabel Ortiz continued the discussion with a critique of budget-cutting fiscal policies which, as in the case of healthcare, had led to underfunded, and understaffed public facilities and had reduced access to services due to privatization and financialization. That had reversed the trend back towards State involvement in healthcare, as well as the “municipalization” of services such as water and public transportation. Ms. Ortiz also criticized the global trend of responding to economic crises with austerity measures such as caps on salaries of civil servants (mainly teachers and healthcare workers), cuts to social security, pensions, and welfare programmes, and increased reliance on privatization and regressive sales taxes. Such measures were unnecessary and counter-productive. Instead, States should respond to such crises by, among other things, instituting more progressive taxation, combatting illicit financial flows, formalizing the informal economy, restructuring debt, tapping into foreign exchange and fiscal reserves, reducing military spending, and adopting more flexible macroeconomic models that tolerated inflation and deficits. Above all else, budgetary decisions must be taken as part of a public dialogue involving all stakeholders, rather than as technocratic measures implemented by small groups of economists behind closed doors.

Ms. Nancy de la Sierra concluded the panel discussion by emphasizing that the COVID-19 pandemic had been and continued being a health, social, and economic crisis, one that had also retarded fulfillment of the SDGs. National governments, particularly national parliaments, must protect the welfare of citizens by tackling urgent problems such as unemployment and public health. Furthermore, the United Nations must play a role in providing solutions to the COVID-19 pandemic, and national governments must in turn respect the importance of the SDGs and continue making progress towards fulfilling them.

Main messages from the debate

The debate, consisting of eleven interventions from as many countries, as well as comments from the three panelists, emphasized the following points:

- The relationship between national governments and the private sector is complex, and there is currently no clear consensus on the delicate subject of public-private partnerships. Some delegates

were largely in favour of such partnerships, while others expressed skepticism and argued that they should only occur under heavy governmental regulation and oversight.

- Many developing countries are still in great need of medical supplies and vaccines to combat the COVID-19 pandemic. Vaccine equity should be a priority for the international community. Here too, strong government leadership was needed to redirect resources where they were most needed.
- The international community, governments and parliaments must remain committed to fulfilling the SDGs, in particular those relating to gender equality, public health, and climate change.
- Parliamentarians must encourage political debate on economic alternatives to market-based solutions that are clearly proving ineffective in the context of today's growing challenges.

2021 Survey of parliamentary engagement in the VNRs

IPU Secretary-General Mr. Martin Chungong opened this segment of the meeting by emphasizing that the completion of Voluntary National Reports (VNRs) by national governments served not only as an exercise in internal stocktaking, but also as an opportunity to learn and to educate the public on issues relating to the implementation of the SDGs. VNRs should be completed with the input not only of national governments and parliaments, but of all major stakeholders such as civil society groups and labour unions. The IPU's annual survey of parliamentary engagement in the VNRs provided a gauge of the strength of parliamentary oversight of that important process.

Mr. Alessandro Motter, IPU Senior Advisor for Economic and Social Affairs, continued the discussion by presenting preliminary findings on parliamentary involvement in the 2021 VNRs. As at 7 July, only 15 parliaments out of 42 whose governments submitted reports to the HLPF, had participated in the survey. The picture that emerged from the survey responses, as well as a reading of national reports presented to the HLPF, indicated that up to half of the 42 parliaments did have some level of input to the process, whether through reports, meetings with constituents, or other means. However, the data also indicated that, overall, parliamentary engagement in the process was still limited in both quality and quantity. Few national parliaments were provided with a plan by their government on how to get involved, and some were not even informed of the process until its completion. There was virtually no improvement in parliamentary engagement with the VNRs compared to 2020. A final report from the current year's survey exercise would be published in September.

Mr. Issa Mardo Djabir, Member of Parliament, President of the SDGs Committee of the National Assembly of Chad, concluded this part of the meeting by discussing the efforts of the government of Chad to implement the SDGs. In 2018, the Chad National Assembly created a committee to oversee SDGs implementation. Due attention was given to ideological and gender diversity and to the inclusion of all stakeholders. As the central coordinating body of Parliament on the SDGs, the committee worked hard to increase the quality of Chad's report to the 2021 HLPF.

Two brief interventions followed but no real substantive discussion was possible due to time limitations.

In closing the meeting, the moderator thanked all participants for their contributions.