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## Concept note for the General Debate on

### ***Parliamentary leadership for a people-centred economy: Work and well-being, inclusion and sustainability for the twenty-first century***

This debate takes up a theme that began with the [2013 Quito Communiqué](#) of the 128<sup>th</sup> IPU Assembly, which stressed the need to refocus economic policy towards human well-being defined as culture, education, good health, harmony with nature, more time for family and a variety of other pursuits. Given that employment and income are contributing factors to human well-being, the question of this debate is how to decouple employment creation from policies narrowly designed to prop up economic growth as an end in itself.

Over the past couple of decades, and more acutely since the 2008 economic and financial crisis, the world economy appears to have entered a period of profound instability and long-term stagnation. High rates of growth appear harder to achieve, negatively impacting job creation. Growth patterns between countries are increasingly uneven. Austerity policies are becoming predominant. At the same time, heightened competition caused, among other things, by recent advances in artificial intelligence, automation and digitalization is changing dramatically the relationship between workers and employers as well as broader labour market conditions.

A combination of policy choices and structural factors may also account for the downward trend in global growth. For reasons still unclear, in leading economies productivity gains are declining (relative to the post-war boom years) despite huge technological advancements. While financial institutions, led by central banks, are making credit more available, productive investments, including in developing countries, are stuck at low levels. As the government's regulatory role is being diminished, transnational corporations grow larger and more powerful, influencing governments to support economic policies that put profits before people.

Around the world, especially among young people, there is greater awareness of how economic growth can negatively affect the environment. Given the world's finite resources, the economy needs to use non-renewable resources in great moderation and renewable resources within their normal life cycle. However, despite numerous commitments, the global economy as a whole is already consuming more than one and a half planets. Soon four planets will be needed if current projections of population growth and rising consumption hold true. While high-income countries account for approximately 20 per cent of the world's population, they consume more than 70 per cent of the world's resources.

The current growth-centric, consumerist economic model is further exacerbated by the phenomenon of "financialization" of the economy, in which short-term gains are most often preferred to long-term investments. The system tends to produce goods with a short lifespan and to induce unsustainable consumption of the planet's dwindling resources. At the same time, although long-term investments in renewable energies create five times more jobs than conventional investments, they are not properly factored into the equation.

In their Sixth Global Conference of Young Parliamentarians outcome [Statement](#), young members of parliament agreed that a country's success could not be gauged merely by measuring its economic growth. Factors such as equality, education levels and emotional fulfilment were just as important. At their 2019 meeting, the Speakers of parliament of the G20 countries noted in their [Joint Statement](#), "we need to rethink our economies and better harness the opportunities that arise from a green economy perspective, including circular economies, sharing economies and solidarity economies".

SDG 17.19 calls on governments "to develop measurements of progress on sustainable development that complement GDP". Just as important are measurements that better capture levels of happiness and well-being with a view to guiding public policy. A heightened focus on human well-being necessarily requires a new economic model in which the whole system puts the person at the centre of all decisions and operates within finite planetary boundaries. In this new model, work may be less dependent on artificially propping up consumption and production, calling for a major shift in economic thinking.

The concept of a green economy is an important contribution to this new thinking. Transitioning towards a sustainable green economy model is not easy, however, and may not suffice without controlling for overall growth on a global scale. The green economy will have to contend with the complex cross-currents of globalization, mobilize massive investments, and adjust to the employment impacts of the new technologies associated with the Fourth Industrial Revolution. In developing countries where growth is most needed to meet basic human needs, the green economy will need to find a different articulation, including in terms of a new deal with industrialized economies with respect to trade, investment and industrial policies.

Finally, governments will still have to contend with long-standing issues such as workers' rights, informal work, fair wages and benefits, but also emerging questions about alternative working arrangements and business models that are of greater concern to young people who are joining a labour market characterized by technological disruption and who will account for 75 per cent of the workforce in 2030. Flexible work arrangements, reduced work hours and more autonomy and participation in the entire workflow, compared to alienating and repetitive work, is what millennials ask for in exchange for greater innovation, creativity and mastery of technologies. Their motto is that working more does not mean working better.

Leading questions for parliamentarians:

- How can economic globalization be reformed to be more people-centred and more compatible with environmental limits?
- Can work be thought anew within a limited growth, green economy perspective?
- What innovative policies and good practices that can support livelihoods outside paid work can be shared?
- In what way can developed and developing countries transition to a new green economy, bearing in mind the principle of "common but differentiated responsibilities"?
- How can we coordinate regional planning in areas that share the same specificities or have the same objectives?
- How can we as parliamentarians bring added value to this agenda, and what are our parliaments doing in this respect?