

# Voices that make a difference

This Social Watch Report goes to print in September 2009, a year after the US Government failed to rescue Lehman Brothers from bankruptcy. The collapse of this global investment bank marked the peak of a crisis that started at the epicenter of globalized finance on Wall Street and soon spread to national economies everywhere.

Since “crisis” has been the keyword for 2009, the question that Social Watch asked its network of national grassroots organizations to respond to in framing their country reports was obvious: What is the social and environmental impact of the global economic and financial crisis in your country? What is your Government doing about it? What proposals are being put forward by civil society?

Each national Social Watch coalition, examining the situation in its own country, has identified a variety of ways in which the crisis is affecting them. Those findings are the heart of this report and they provide the bottom-up perspective of the people working with and from the grassroots.

This is not a commissioned report. Each national Social Watch chapter is made up of organizations and movements that are active year-round on social development issues. Their findings are not intended as pure research. Rather, they are used to draw the attention of the authorities to issues of concern and to help shape more equitable, gender-sensitive and pro-poor policies.

Asked to comment on the crisis, the Social Watch national chapters decided on their own priorities and emphases and even on their own definition of what the current crisis encompasses. To make the report possible, each national Social Watch coalition raises its own funds and defines its own ways to consult with the grassroots to gather evidence and validate their findings. They do not shy away from criticizing national authorities, policies, elites or governance systems whenever they feel it is necessary. And the voicing of critical views helps strengthen democratic processes. But even when the reports find that much can (and needs to) improve at home, these findings also point to international constraints that cannot be solved at the country level.

There is little democracy in international decision-making either for civil society or for governments. Civil society organizations cannot attend, even as observers, many of the key decision-making fora and in many cases this is also true for governments of developing countries, especially the least developed countries. The World Bank and the International Monetary Fund, the two main pillars of global financial governance, are controlled by seven countries and the United States has veto power in both institutions (as does the EU, if its member countries take a common position).

Thus, the convening at the heads of state level of the “G-20”, an informal grouping of 22 economies from the North and the South considered to be of “systemic importance” is a welcome step towards recognizing the new realities in the world economy. But it is clearly not enough, for two main reasons: first of all, because some 170 countries are left out, as happened at the G-20 summits in Washington (November 2008), London (April 2009) and Pittsburgh (September 2009). And secondly, because the G-20 has no institutional weight, no legal status, no accountability, no secretariat in charge of following up on its resolutions and unknown rules for reaching a decision in case the closed-door negotiations fail to reach an agreement.

Yet, it is argued that the advantage of the G-20 is that a reduced number of leaders meeting at the highest level is able to produce significant results, while a large meeting conducted in a transparent way could only produce inflated speeches for political consumption but no significant agreements. What happened over the last 12 months, instead, was that the General Assembly of the United Nations, meeting in Doha in December 2008 and in New York in June 2009, managed to come out with a consensus of the “G-192” (the total number of members of the UN) that goes deeper in its analysis of the global crisis than has any other internationally agreed document.

Social Watch was an active participant in all the hearings convened by Father Miguel D’Escoto, president of the 63<sup>rd</sup> session of the UN General Assembly, and submitted recommendations to the commission of experts led by economist Joseph Stiglitz that advised the highest international body in its deliberations on the economic and financial crisis and its impact on development. Social Watch organized, together with dozens of local and international civil society organizations, a “Peoples’ Voices” event in New York that brought together local victims of the crisis with activists and researchers from around the world. Our network was also actively involved in the round tables during the June High Level Conference itself and even when only a few of our recommendations actually found their way into the final outcome document, we publicly commended the government negotiators for having achieved a consensus that seemed impossible.

Now it is time to put those agreements into practice; to transform the words into action.

The whys and hows of bringing this about is what the reader will find in this Social Watch Report 2009. ■

ROBERTO BISSIO  
Social Watch International Secretariat