



Putting people first, not profits

Economic Policy Working Group Shared Response to the COVID-19 Crisis April 2020

The COVID-19 pandemic is revealing the failures of the global economic system and deepening its inherent injustices and inequalities. The [Common Charter for Collective Struggle](#), initially drafted by movement members and adopted by ESCR-Net in late 2016, outlines five conditions facing communities around the world, including impoverishment and dispossession amid abundance, deepening inequality, corporate capture of government decision-making, climate change and growing repression. The Common Charter has, in turn, provided the starting point for the Economic Policy Working Group’s Systemic Critique Project, which recently launched a [Timeline of Capitalism](#) and related popular political education tools, linking these conditions to our current global economic system. The timeline reveals that capitalism—as a system elevating privatization and competition, dependent on inequality and exploitation—had a beginning, has shifted over time and can be transformed. From a human rights perspective, the ultimate measure of any economic system or policy is its impact on people, particularly the most vulnerable, and its role in facilitating respect, protection and fulfilment of economic, social, civil, political, cultural and environmental rights, foremost by governments, based on maximum available resources and international assistance and cooperation.

As COVID-19 ravages the world economically, the [International Labour Organization](#) estimates that 25 million people may lose their jobs by the end of the crisis, with youth, older workers, women and migrants bearing a disproportionate burden of the job crisis, as women are “over-represented in low-paid jobs and affected sectors” and migrants facing vulnerabilities “due to lack of social protection and [access to] rights.” The [Kairos Center](#) notes that this crisis will hurt 140 million poor and low-income US residents disproportionately. These sentiments are echoed by the [Law and Society Trust](#) in Sri Lanka, where 60 percent of the population works in the informal economy and “many people are forced to choose between the risk of getting and spreading the



virus and losing their job, being unable to pay rent, and struggling to feed their families”. [UNCTAD](#) confirms that the emerging economic crisis will hit the bottom of the economic ladder the hardest, including those working in the certain service sectors. In South Africa, shack dwellers are facing ongoing forced evictions and demolition of their housing during the pandemic. Anticipating that again “it could be the poor of the world, more than a billion of whom live in shack settlements, who are hit hardest,” [Abahlali baseMjondolo](#) emphasizes, “It does not seem possible to prevent this virus from spreading when we still live in the mud like pigs, when in many settlements there is no water, or hundreds of people sharing one tap, and many settlements lack any access to sanitation.” In Zimbabwe, a member noted, “Despite not having any income during the lockdown, the government did not suspend payment of social services or provide a facility to cushion the poor during this lockdown period.”

Analyzing government responses, the [Center for Economic and Social Rights](#) reveals that even the richest countries are overwhelmed in containing the pandemic and calls for a human rights based approach in formulating economic stimulus packages to cushion the poor. However, many governments are focusing on [bailing out](#) for-profit corporations, and there’s a major risk that the crisis will be used by commercial companies as an opportunity to expand their markets and profits, including in sectors like education, where major global IT players are [positioning themselves](#). Highlighting a long history of structural adjustment programs that made education, water and other essential services “a target for ‘profit making’” and privatization at the expense of “many women and marginalized communities in Asia and the Pacific, Asia Pacific Women Law and Development ([APWLD](#)) highlights “the [World Bank and International Monetary Fund](#), announced their neoliberal response [to the crisis] in the form of new ‘emergency loans’ targeting poor countries where the health systems are the weakest and people are most vulnerable.” Even in Europe and North America, public hospitals are overwhelmed, consequently escalating the number of lives lost, particularly in impoverished and marginalized communities. The uneven impacts of COVID-19, including along lines of class, gender, race, ethnicity and citizenship status, reveal the shortfall of the current economic model in advancing substantive inequality within and between countries.



In this regard, the pandemic is further exposing and entrenching the structural injustices of the capitalist system.

Our short term demands

- As states move to avert public health, social and economic crises, members are calling on governments to first protect the lives and human rights of all citizens and non-citizens before providing support to the corporate and finance sectors, addressing the particular risks facing healthcare and frontline public sector workers, informal and contractual workers, and other vulnerable groups. While appropriate measures may vary by country, the [Egyptian Initiative for Personal Rights](#), for example, has called for urgent action via an expanded “exceptional payment” to informal workers, a moratorium on utility bills and taxes for lower- and middle-income persons, an increase in cash benefits through social security pensions, and increased allowances for subsidized bread and other goods.
- Members demand an immediate halt to harsh treatment, arrests and punishment related to [curfews and economic lockdowns](#).
- Sovereign debt and loan payments should be Immediately suspended or cancelled for developing countries, based on human rights principles of international assistance and cooperation, allowing the use of maximum available resources to contain the impact of COVID-19 and respect, protect and fulfil human rights.
- The G20 should ensure the flow of resources to poorer countries; their recent [pledge to defend global economy](#) against COVID-19 pandemic should be redirected from unspecific support focused on renewed global growth and market stability to ensuring human rights in immediate responses to COVID-19 and recovery processes.
- To ensure maximum available resources to address the pandemic and realize human rights, global elimination of illicit financial flows, tax havens and tax holidays for corporations should remain a priority.
- Governments should block any use of the COVID-19 crisis to enable the commercialization or privatization of essential services, including by being very careful to



not handover data or the management of certain sectors, such as education, health care, or water and sanitation, to multinational companies.

Long term demands: advancing alternative economic models post-COVID-19

ESCR-Net and its members are advocating for transformative alternatives to the dominant social-economic model grounded on realizing human rights and social justice for all. Social movements and indigenous communities are already implementing alternative models including social solidarity, cooperatives and participatory economies. Asia Indigenous Peoples Pact ([AIPP](#)) highlights longstanding indigenous practices--vital to the survival and well-being of communities--that serve as “a declaration of collective commitment by the community to restore the balance of nature and to support one another in most crucial times.” The [Kairos Center](#), via the Poor People’s Campaign, insists that the analysis, demands and alternatives of poor people are ultimately vital to transforming the socio-economic structures and distorted moral narratives perpetuating poverty, racism, militarism, and ecological devastation. Similarly suggesting that “feminist and peoples’ movements must be at the centre,” [APWLD](#) argues that “the world has sufficient wealth” to realize human rights, including universal public healthcare services and social protection, and “only requires the political will for implementation.” [FIAN International](#) is monitoring and advocating people’s and communities’ right to food and nutrition, elevating “alternative solutions” from communities and civil society organizations around the world. Sharing a long held vision of many “women’s rights activists,” International Women’s Rights Action Watch Asia Pacific ([IWRAW-AP](#)) argues that “a different world, less reliant on the demands of capitalism, is possible after all – but it requires valuing human lives over business interests...based on human rights principles of equality, non-discrimination and respect for the planet.” The Global Initiative for Economic, Social and Cultural Rights ([GI-ESCR](#)) offers “hope that this crisis opens the ground for re-thinking how to organise and govern our societies,” suggesting, “Human rights, as a framework and a movement, and in particular ESCR, will be a crucial element...for demanding transformative change through

solidarity, cooperation, reciprocity and collective action,” in order to address climate change, inequality and the need for strong public services.