The Helsinki Process on
Globalisation and Democracy
Report

MOBILISING
POLITICAL WILL

HELSINKI
process

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Report from the Helsinki Process
on Globalisation and Democracy

Problems of a truly global nature cannot be solved by states alone – solving them requires goal-oriented cooperation between all stakeholders. The Helsinki Process offers the Helsinki Group multi-stakeholder concept as a sound and credible model for finding feasible solutions to global problems, and mobilizing political will for their implementation.

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FOREWORD

MOBILISING POLITICAL WILL THROUGH MULTI-STAKEHOLDER COMMITMENT

The Helsinki Process on Globalisation and Democracy was launched in 2003 after the call from a conference held in Helsinki in December 2002 citing the need for a global multi-stakeholder dialogue in order to bridge divisions between various stakeholders whilst analysing where common ground therein could be found. The inspiration for the conference came from the collaboration of the Finnish Ministry of Foreign Affairs and a number of Southern and Northern civil society actors. One of the most prominent ideas brought forth from the conference was to see how the energy and commitment of various actors could be further synthesised and brought behind the implementation of the Millennium Declaration.

The key idea behind the process, facilitated by the Finnish and Tanzanian governments, was the notion that various stakeholders–governments, civil society, the business community, international organisations, academia and even the media–can play a major role in accelerating thinking on global problem-solving and on implementing global commitments. In fact, different stakeholders have such diverse resources at their disposal that they could make a difference in ad-

The Co-Chairs of Helsinki Group – Ministers Erkki Tuomioja and Jakaya M. Kikwete.

dressing complex globally manifested problems such as environmental degradation or poverty through joint and well co-ordinated action. Whilst governments are able to agree on norms and legal frameworks, the business actors often have the technical solution and know-how to address the problem efficiently. Civil society, typically, has at its strengths the ability to contribute to civic dialogue on priorities and mobilisation of awareness and political will. If combined, the common action of the stakeholders could manifest a new era in agreeing upon and implementing the global agenda.

Another consideration which contributed to the launch of the Helsinki Process on Globalisation and Democracy was that the stakeholders would not need to agree upon all issues in order to be able to act together. Thus far in the process it has been realised that common elements could be found for action even though analysis would, ultimately, not be shared. Whilst doing so, it seems necessary to remain acquainted with the dialogue on values, on various ways of analysing the root causes of global problems and on the many difficult issues dividing the global community.

The first Helsinki Process bridging the gap between East and West helped in ending the Cold War whilst the second has contributed towards bridging the divide between North and South and bringing more democracy into international relations. The aim now is to set development on a new course. The involvement of all stakeholders in various capacities in global decision-making processes, as such, does not solve the problem but it can help in highlighting where gaps and difficulties remain. Through the course of the Helsinki Process, several concrete proposals have been formulated on issues ranging from the need to engage further the national-level actors–such as parliamentarians–into ensuring accountability of global decision-making processes to the analysis and emphasis on those–often the poor, women and children – marginalised from global decision-making processes.

In order to advance dialogue and the setting of priorities by various stakeholders involved, the Helsinki Process established three Tracks which worked simultaneously and contributed reciprocally to each other's work. The Tracks, which started their work in autumn 2003 and met three times before submitting their reports in January 2005, were composed of individuals who had experience and background from various stakeholder groups from the North and the South. The Tracks, entitled New Approaches to Global Problem Solving, Global Economic Agenda and Human Security, were asked to prioritise such issues from the vast global agenda where either credible support for implementation could be gathered from the stakeholder groups or where the experts invited considered that the multi-stakeholder engagement could bring particular added value.

The Tracks explored new ways in which to construct global governance and advance global leadership, discussed how to mobilise finances both from the developed and developing countries to meet the Millennium Development Goals and prioritised policies around empowering communities at risk. With a wide range of issues debated, the key concern for the need of necessary global and national governance, accountable and transparent leadership and inclusive decision making methods were highlighted by all the Tracks as one of the most vital elements allowing the implementation of global policies and in making globalisation a benefit to all. The reports of these three Tracks, as well as all research and background documentation which were commissioned to support their work, can be found within this compendium.

The high-level Helsinki Group on Globalisation and Democracy started its work in January 2004 composed of eminent personalities representing know-how from all stakeholder groups from the North and the South. The Helsinki Group was challenged, building on the work of the Tracks, to consider recommendations for priority action for improved and more democratic global governance.

The Helsinki Group met four times–in January 2004 in Helsinki, in August 2004 in Dar es Salaam, in February 2005 in New Delhi and concluded its work in April 2005 in New York. The discussions were convened as a roundtable where Members of the Helsinki Group engaged into lively debates and where the Group composed its own agenda through active engagement and participation. To start the debate and further internal dialogue the Co-Chairs presented the Members of the Helsinki Group with a set of questions: What is wrong with the world and why? What is being done about it? What needs to be done? How are we going to do it? The Helsinki Group decided to focus, in particular, on what needs to be done and how.

In its meetings, the Helsinki Group discussed issues ranging from security to human rights and from development to environmental issues. Though covering several issue areas, the challenge of improved global and national governance through engaging the resources and political will of all stakeholders remained the key concern for the Helsinki Group. The declaration of the Helsinki Group including the background documentation of the work, can be found further within this compendium.

The work of the Helsinki Group and the Tracks was greatly assisted by a number of events facilitating a wider participation in the Helsinki Process and the dialogue between the various stakeholder groups. In the last years seminars have been organised together with members of civil society, media, the academic world and business community and consultations have been held in conjunction with major global events including those at national levels. In addition, contacts with governments, international organisations as well as publications emanating

Martin Khor, Irene Khan and Jakaya M. Kikwete meeting with President Benjamin Mkapa.

from the work of the Helsinki Process have helped to broaden the network of the Process. The website of the Helsinki Process (www.helsinkiprocess.fi) has been the focal point of activities and where reports and resource materials of the key events and activities can be found.

In our experience, those who have engaged in the dialogue have been genuinely inspired in their work. That being said, it is equally true that the encounter has been challenging. Engaging in such a relationship requires openness and honesty as well as a will to learn and respect one another. In order to succeed, it is vital that differences are respected, focus is placed on issues shared rather than those which divide and that the collaboration and dialogue is built on the strengths of different stakeholders instead of on their weaknesses. Furthermore, it is important that the dialogue takes place in an action-oriented context. If it is motivated simply as an exercise for a search for common ground without any ambition to implement or to act together, the level of achievement, then, is likely to remain lower. It is easier for all to remain steady within their own agendas and not to engage into a true dialogue, which would build common reality, without an action-oriented approach.

The two years of the Helsinki Process has allowed us to study the modalities of the multi-stakeholder dialogue and to discuss the priorities of the global agenda. There is still, however, a great deal which needs to be done. It is clear that particular attention needs to be paid to the ability to identify partners and

envisage potential coalitions and alliances for these kinds of processes to be successful. Equally, it is necessary to plant the work to the existing international organisations and to provide a framework with which to mobilise political will and action. When preparing the second Helsinki Conference particular attention has been paid to coalition building and partnerships. Our ambition is to gradually but steadily turn the individual commitments into institutional commitments.

The Finnish and Tanzanian governments are taking onboard the recommendation of the high-level Helsinki Group to continue the dialogue between the stakeholders in order to gather and map out the already agreed commitments, to keep alive alternative policies and to monitor success. It is necessary to continue the dialogue and to make it more permanent so that it could be used as a strategic alliance to foster creative partnerships amongst stakeholders.

We have started a process of building a group of governments which is willing and interested to work together in order to advance issues debated within the Helsinki Process in the multilateral system. As it is obvious that the international community does not lack solutions to problems, but requires capacity to implement those solutions, we are asking the Friends of the Helsinki Process to consider which recommendations made by the Helsinki Group and the Tracks should be carried forward at various international fora and to plan, when possible, common strategies to do so. The governments involved engage themselves, through the continuation of the Helsinki Process, within a dialogue with other stakeholders necessary to global progress. The forthcoming Helsinki Conference is a launch of this process. The participants therein are invited to assess and evaluate the results of the Process so far and the discussion on the next steps of the Helsinki Process is launched. The Helsinki Process will continue.

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DECLARATION OF
THE HELSINKI GROUP

Globalisation transforms and shapes the world in unprecedented and unexpected ways. Perceptions about the benefits and negative effects of globalisation vary greatly. Whatever our views of globalisation, we recognise the importance of working together to address the challenges globalisation poses for democracy, development and governance.

The world faces many crises today, some of which are unprecedented and could jeopardise the survival of humanity. These include serious environmental problems, the persistence of insecurity and poverty, social polarisation and the threats of terrorism. People and states must take action urgently to shape the scope and processes of globalisation and to make the world safer, more equitable, more just and more sustainable.

The Helsinki Process on Globalisation and Democracy calls for an innovative approach to global problem-solving that questions traditional thinking, seeks to forge new coalitions for action, and helps marshal the political will and power of governments to bring about far-reaching and transformative change.

The Helsinki Group, convened at the invitation of the Finnish and Tanzanian governments, has met several times over two years. Our diverse group has been drawn from governments, municipalities, international organisations, civil society, faith groups, business, trade unions, academia and public policy research institutions; we come from the North and the South.

We have been inspired by the role played in the 1970s by the first Helsinki Process that placed human rights and security at the centre of the political agenda of the day, helped to bridge the gap between East and West, and contributed to the end of the Cold War.

This 21st century Helsinki Process can play a role in bringing people closer together by fostering a more democratic world through promoting equality, human security, respect for human rights and environmental protection. By providing a framework and a political process, our ambition is to create a new international consensus that deepens understanding and transforms the ways by which the human and natural worlds shape globalisation and are shaped by it.

The values we share and hope to see practised at local, national, regional and international levels are reflected in the values laid down in human rights treaties and commitments. Broadly, these values include: democratic governance, responsibility and accountability, the dignity of the individual, decent work, freedom from violence and environmental sustainability.

We have studied the work of other commissions and considered what contribution our group, with the support of two generous governments, could make to address the major political security-related, social, economic, financial and environmental problems of our time.

The choices before us are stark. Inaction would carry enormous costs in environmental damage, social upheaval, and economic dislocation. While piecemeal

or incremental action can help address some of the most pressing dangers, it is obviously inadequate unless it is based on a clear analysis of the challenge and a strong commitment to greater equity and sustainability. We recognise this change cannot occur without accountable leadership at the local, national and international levels, coupled with citizen participation at all levels. In particular, we emphasise the right to participation for those who are being marginalised or excluded.

We wholeheartedly support the fulfilment of the Millennium Development Goals and their implementation by 2015. We must move beyond that time horizon toward the year 2050. In addition, we must move beyond the traditionally accepted development agenda toward a broader set of issues that motivate people's analysis, attention and action. In order to do this, we seek to develop the synergies that actors from various backgrounds can forge to achieve common aims. Much good work is already being done by individuals, groups, organisations and governments that work on similar issues. However, too often they are working in an uncoordinated fashion without sufficient consultation and cooperation. Our goal is to build a framework that will provide those missing elements, thereby increasing the effectiveness of otherwise disparate efforts.

The added value of the 21st century Helsinki Process is to launch such a framework to help to ensure a more peaceful, just and stable international community. However, we recognise that even if all actors redouble their collective problem-solving efforts, it will not be enough to overcome fundamental deficits in democracy, coherence and compliance: people are not sufficiently involved in the decisions that shape their lives; policies diverge or contradict each other; and some actors refuse to keep their promises or respect the law.

The Helsinki Process seeks to establish a broad tent to bring together, encourage and link existing proposals and actors. We hope that the follow-up to our work will provide an operational framework and a public space in which different stakeholders can work together to create a more equitable and sustainable future. Within this framework we hope to promote new coalitions and mechanisms to evaluate ideas, innovations and proposals for advancing the global reform agenda, to monitor progress on them and to help mobilise the necessary political will and resources for their implementation.

This 21st century Helsinki Process aims to strengthen the commitment to the Millennium Declaration while broadening its agenda. The Helsinki Process seeks to stimulate similar endeavours in regional, national, urban and local contexts. We can then also harness recognised civic competence to the benefit of representative and legitimate governance.

Further, the Helsinki Process will confront the core threats to our planet and its inhabitants that require a new level of global awareness and problem solving. Likeminded governments that wish to build upon the work of the Helsinki Proc-

ess can take the lead in inspiring the political will needed to address these global concerns whilst co-operating with other stakeholders. We foresee a set of networks that allows governments and other actors the freedom to concentrate on one, several or all of the issues identified.

We propose a series of Round Tables to work on the global issues and challenges we and others have identified in our work and by many others. These transparent Round Tables should be open to all interested and relevant parties such

Vijay Pratap, Mary Robinson and Irene Kahn attending the Helsinki Group meeting in India in February 2005.

as governments, including elected representatives in national, regional and local governments; international and civil society organisations and movements, business, faith organisations and trade unions; intergovernmental organisations; participants of other commissions on global issues; academia, journalists, research institutions and think-tanks.

The precise mandates and working practices of the Round Tables will be defined by the participants themselves. Such Round Tables cannot replace legitimate institutions of democratic governance, but they can exercise real influence and provide value added to other processes that have the formal responsibility for implementing global reforms.

The Helsinki Group has worked on five issue areas: Poverty and Development; Human Rights; Environment; Peace and Security; and Governance. A narrow focus on any of them alone, however, would obscure important crosscutting issues that can be seen only when they are understood together. In each of the five issue areas, the Helsinki Process will seek to intensify commitment to the implementation of the Millennium Declaration and encourage transformational change, with our foremost focus on the needs of the poor and the powerless and the steady objective of building a shared future that is safer, more equal, more just and more sustainable.

In building this shared future, people are inspired by visions that are rooted in and nourished by the different cultural, moral and religious traditions. We support the dialogue of civilisations in order to widen our mutual understanding of the challenges before us.

The Round Table approach invites new solutions to complex problems. Enlisting people with different, even conflicting, perspectives to work together for a better future should help to generate effective policies and the will to implement them.

MEMBERS OF THE HELSINKI GROUP

CO-CHAIRS

Erkki Tuomioja, Minister for Foreign Affairs, Finland/
Paula Lehtomäki, Deputy-Chair, Minister for Trade and Development, Finland

Jakaya M. Kikwete, Minister for Foreign Affairs and International Cooperation of the United Republic of Tanzania/
Abdulkader A. Shareef, Deputy-Chair, Deputy Minister for Foreign Affairs and International Cooperation of the United Republic of Tanzania

MEMBERS

Maria Livanos Cattaui, Secretary-General, International Chamber of Commerce (1996-June 2005), Switzerland
John Evans, General Secretary, Trade Union Advisory Committee to OECD, United Kingdom
Susan George, Chairperson of the Board of the Transnational Institute [Amsterdam], Vice-President of ATTAC France, USA/France
Heba Handoussa, Advisor, Economic Research Forum, Egypt
HRH Prince El Hassan bin Talal, President of the Club of Rome and President of the Arab Thought Forum, Hashemite Kingdom of Jordan
Irene Khan, Secretary General, Amnesty International - International Secretariat, United Kingdom
Martin Khor, Director, Third World Network, Malaysia
Shantong Li, Director-General, Development and Research Centre of the State Council, China
Poul Nielson, Former Member of European Commission, Denmark
Thoraya Ahmed Obaid, Executive Director, UNFPA, Saudi Arabia
Ann Pettifor, Director of Advocacy International Ltd., Senior associate New Economics Foundation, United Kingdom
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Cyril Ramaphosa, Executive Chairman, Shanduka Group, South Africa
Jean-Francois Rischard, Vice president for Europe, World Bank, France
Mary Robinson, Former President of Ireland, Executive Director,
Realizing Rights: The Ethical Globalization Initiative, Ireland
Clare Short, Member of Parliament, United Kingdom
Marta Suplicy, Former Mayor of Sao Paulo City, Former parlamentarian, Brazil
Peter Sutherland*, Former Director General, WTO, Chairman of BP p.l.c., Ireland
Strobe Talbott, President, Brookings Institution, USA

Mr Sutherland has participated in and contributed to the work of the group and stays engaged in the Helsinki Process, but has declined to endorse the Declaration and the Proposals due to disagreements with the texts.

Members of the Helsinki Group during a meeting break in Dar es Salaam, Tanzania in August 2004. The personal contributions of the Members of the Helsinki Group discussing global priorities and future of the Helsinki Process can be found from www.helsinkiprocess.fi

HELSINKI PROCESS PROPOSALS

The Helsinki Group has worked on the five interconnected baskets of issues identified in the United Nations Millennium Declaration: Poverty and Development; Human Rights; Environment; Peace and Security; and Governance. We have not attempted to rank these, nor have we listed all issues that need to be addressed. The following proposals do not always reflect a full consensus of the Helsinki Group. Together with the proposals from the three Tracks of the Helsinki Process, they encompass items we gave particular attention. These are suggestions for the Round Tables to work on and for governments and other parties to consider.

BASKET 1, POVERTY AND DEVELOPMENT

The world now agrees on the strategies, policies and action required for the world-wide eradication of extreme poverty. The Millennium Declaration with its Millennium Development Goals provides a powerful expression of the common will of 189 States and a framework for common action. Complementarily, at the Monterrey Conference on Financing for Development the world reached a consensus on shared responsibilities for poverty eradication. The developing countries promised to take upon themselves the primary responsibility for poverty reduction in their countries and to carry out the necessary political and economic reforms. The developed countries committed themselves to improve market access for developing country products, resolve the debt problem and increase development co-operation. In addition, it is increasingly recognised that emerging market economies can also improve access by the less developed countries to their markets.

But there is a serious lack of compliance with these commitments. Nearly five years after the Declaration and a few months before the Major Event in New York where states will gather to monitor progress, the world remains far off track. Progress is being made in Asia but poverty is continuing to grow in Sub-Saharan Africa, where the need and grief have been worst felt. The probability is high that with the present volume of financing and the present pace of implementation, most of the MDGs will not be achieved and the vital goals of halving extreme poverty, providing universal primary education for all, achieving gender equality and having a drastic reduction in maternal and child mortality rates will not be achieved in many countries by 2015. At present rates of progress these goals will be met some hundred years later. This trend can still be corrected. It is equally important to recognise the need to give priority attention to the recommendation of the report of the United Nations Secretary-General to include reproductive health as an effective strategy to achieve the MDGs.

All governments acting together must end conflict, violence, human rights abuses, corruption and bad economic housekeeping in their countries and create a positive and enabling environment for entrepreneurship in terms of an appropriate legal and regulatory framework, socio-economic fabric, financial system, a broad-

ened tax base, improved infrastructure and the access of the least advantaged to productive resources.

The developed countries must live up to their commitments concerning market access, agricultural subsidies, debt relief and ODA. At the same time more concerted and innovative action has to take place at the international level, in particular on financial crisis management. Global public opinion is increasingly in favour of debt relief. World leaders and international financial institutions should make rapid progress on debt cancellation and effective debt relief schemes. Attention and action is to be directed at resolving the problems of low commodity prices faced by developing countries. The developing countries are encouraged to unite when facing their creditors.

Global problems call for global financing. In order to supplement ODA and to bring more sustainability to development financing, it is most necessary to create new innovative sources of financing as was called for in Monterrey. Many proposals have been made and explored such as an international travellers fee; arms trade tax and the currency transaction tax as well as the International Financing Facility, Contingency Insurance Facility for debt cancellation and the re-activation of the Common Fund for Commodities. The political feasibility and practicality of these proposals have to be analysed urgently and the feasible proposals have to be taken into international processes and forums where political decisions and implementation can take place. It is also important that bilateral aid increases be directed predominantly toward cash financing for fulfilling the MDGs.

A much more rigorous system of pledging is needed. Individual states must comply with a more disciplined system in order to create more transparency and compatibility when they react to situations like the Tsunami disaster or the Darfur crises. Better donor governance is needed.

Even the existing opportunities, skills and knowledge the world holds today are not equally and efficiently shared. The impact of our policies and action on poverty would be improved by enhancing our responsiveness to the voices of the poor and marginalised -- including the voices of women who tend to be the poorest and most vulnerable group. More should be made of Southern participation in and contribution to world affairs given the fact that many Southern countries have been lagging behind both as beneficiaries of global development as well as its financiers. The opportunities of the positive and constructive influence of world religions have been neglected and we encourage raising funds and efforts for the global advancement of co-operation and partnerships among world religions and their leaders. Modern technologies have opened up huge possibilities all over the world. These should be more openly shared and their pro-poor applications should be developed and made use of. On ICT development the focus should be on open source promotion.

Creating quality employment and sustainable livelihoods should be central to the agenda of global poverty reduction. By building on the conclusions of the ILO

World Commission, decent work should be developed as a major policy commitment. Decent work encompasses the creation of jobs, protection of fundamental rights at work, building inclusive social protection and giving workers a voice through social dialogue. In addition, initiatives involving governments, trade unions, business and civil society should be introduced to promote the extension of decent work in the form of labour and social protection to currently unprotected workers in the formal and informal sectors. The economic and productive activities of the poor would be enhanced greatly by empowering the poor who have property but no rights to use it as a collateral for their economic activities.

The world needs a properly balanced approach toward foreign direct investment (FDI). Such an approach needs to address the legitimate concerns of governments to provide public services, the protection of the environment and the safeguarding of the status of national and minority cultures.

An open, inclusive and multilateral rules-based trading system has made a vital contribution to peace and stability as well as development and global welfare. This role may, however, be threatened unless the legitimate concerns that have created doubts and even hostility towards the World Trade Organisation (WTO) will be addressed.

The ongoing Doha round is an important opportunity. The credibility and success of the multilateral trading system will to a large extent be dependent on the continued reduction of agricultural subsidies and market barriers in the developed countries and the broad improvement of access to benefit the developing countries. Developing countries should also contribute to the success of the Round in accordance with their needs and capacities.

Development and combating poverty have to be a central concern in WTO negotiations. The capacity of the developing countries in trade negotiations has to be strengthened and they must be able to fully utilise the space provided by special and differential treatment and strengthened provisions for this principle. Also, the problems of implementation of existing rules should be addressed adequately. Whilst trade liberalisation can be a strong impetus for growth and poverty reduction when appropriately designed and implemented, the cost of sectoral adjustment may be too high to be acceptable. Thus, liberalisation policies have to be planned carefully and in the event of adjustment costs adequate assistance must be made available, especially to vulnerable groups.

It is important to continue developing the international rules-based trading system on a multilateral and inclusive basis and resist regional and bilateral arrangements that are discriminatory and trade distorting.

The existing rules on intellectual property rights need to be developed to better take into account the legitimate concerns of developing countries.

The WTO's decision-making, negotiation procedures and transparency needs to be improved. The WTO Consultative Board recommendations should be taken into consideration.

BASKET 2, HUMAN RIGHTS

The central role of human rights was recognised by the UN Secretary General Kofi Annan in his report "In Larger Freedom: Towards Development, Security and Human Rights for All". It proposed a new structure in which human rights would be one of the three pillars of the UN together with development and security. This would involve creating a new Human Rights Council and strengthening of the Office of the High Commissioner for Human Rights along with the UN Treaty system and monitoring mechanisms. These proposals deserve to receive positive consideration. We support the Secretary General's view that there will be no development without security, no security without development, and that "we will not enjoy either without respect for human rights".

The ratification of the key international human rights treaties, including those that pertain to ensuring the human rights of women and girls, has steadily progressed, but a major gap remains between commitments and concrete actions. We support reforms that will make the international monitoring and implementation of human rights commitments more balanced and effective.

Strengthening human rights is an essential part of efforts to enhance the rule-of-law in international relations. All perpetrators of human rights violations have to be brought to justice. The International Criminal Court is to be welcomed as the first ever-permanent treaty-based court of its kind and urge all countries to respect the integrity of the Court and join the treaty fixing its establishment.

Terrorism and organised crime are violations of human rights. These criminal activities call for effective multilateral co-operation- between police and security services—within a framework of full respect for human rights and fundamental freedoms. The long-term success of our efforts at combating terrorism also depend on whether the respect for human rights and rule-of-law remains guiding principles in our actions against terrorism. We urge state leaders to be steadfast in their adherence to human rights standards and to co-operate in investigating and prosecuting suspected terrorists and their networks. The Geneva Conventions should be examined in light of the emergence of non-state agents in war, in order to develop agreement around clear and binding rules to protect the integrity of both the state and the individual.

Trafficking in human beings, with women and children being the most vulnerable victims, is a global issue and calls for responsible action from all nations. Trafficking should be regarded primarily as a crime against its victims, not states. Actions against trafficking must include legislative reforms, awareness raising and training and enhanced international co-operation. Support and protection for the victims of trafficking need to be enhanced. Trafficking must also be addressed at its source by ensuring the human security of those most vulnerable and the communities most at risk.

Making the preventive and proactive actions of the international community more timely and effective will not do away with the need to be better prepared for the refugees and internally displaced persons that violent conflicts, human rights violations and increasingly also environmental degradation will continue to produce. All governments should respect the rights of asylum established by the Geneva Convention on refugees and review the need to update the Convention to make it more relevant to current realities. The responsibility for the protection and settlement of refugees has to be shared fully by the international community as a whole.

Women continue to be discriminated against and to suffer from economic, legal, political and social inequality. In many countries women's educational and employment opportunities are restricted and they do not have the same property and inheritance rights as men. Domestic violence against women is also common even in countries where legislation is equal and sufficient but its implementation is lax. The link between human rights and development is evident when equal rights for women are denied. We call for including an evaluation of the effects for women's rights to be standard procedure in all international resolutions, agreements and treaties.

Ensuring that the benefits of globalisation are shared by all calls for fully respecting and implementing labour rights as enshrined in the relevant ILO conventions. Too often competitive pressures - such as seen in the growth of export processing zones - undermine core labour standards. They must be enforced by governments as a basic floor of decency in global economy.

Respect for human rights is consistent with economic development and will also benefit business by improving governance, reducing corruption and contributing to the stability of the economic and business environment. We support the establishment of a Special Representative of the Secretary General on Human Rights and Transnational Business, which will deepen the debate on business and human rights and help to clarify the appropriate responsibility of business in the sphere of human rights. We call for the business community to continue its efforts with voluntary standards on global corporate social responsibility. There need to be better-applied and more effective rules to govern labour standards in corporations' global operations.

BASKET 3, THE ENVIRONMENT

Even though governments and people all over the world have embraced the concept of sustainable development, we are still far from having put it into practice. Population growth is slowing but world population will continue to grow for many decades to come. Economic growth and the reduction of poverty inevitably involve the use of natural resources and it is only relatively recently that considering the sustainability of resource use has become a priority. The cumulative effects of

centuries of unsustainable use of natural resources, pollution and greenhouse gas emissions cannot be known for certain but it is already clear that global warming and the loss of environmental resources pose a very serious threat to the future. The failure of this generation to address these issues threatens future generations.

Many successes can be pointed out in reducing pollution and preventing permanent environmental damage on a local, national and regional level. Some global issues have also been successfully addressed through agreements such as the Montreal Protocol banning ozone-layer destroying substances. Climate change, deforestation, biodiversity depletion, species extinction, water deficits, overfishing and maritime pollution, however, still urgently call for policy changes and action before irreversible damage to the environment is done. Increased prosperity has made many increasingly aware of the needs for quality of environment.

Climate change requires global solutions since all countries will suffer its effects. Whilst developed countries bear the responsibility for immediate action to control emissions of greenhouse gases, it is the poorer countries and peoples who are most vulnerable. Whilst welcoming the entry into force of the Kyoto Agreement we know that at best it can only slightly slow down the advancement of climate change.

Welcoming the recognition by the United States that climate change is a problem that must be addressed, we believe that the time has come to start working on a new agreement to which the United States and all other countries should become parties. Scientific analysis points to a rise of the world's average temperatures by two degrees Celsius as a likely threshold for triggering irreparable damage on a global scale. To prevent that from taking place we should seek agreement on a further limitation of greenhouse gas emissions at the level of 15–30 percent by 2020 and 60–80 percent by 2050 compared to the levels estimated in the Kyoto Protocol. Achieving such goals calls for the use of all available instruments including investment in new technologies, emission trading and carbon taxes.

Deforestation and forest degradation contribute to climate change and loss of biodiversity as well as threatening the livelihood and traditions of indigenous and other forest-dependent communities and peoples. We call for a United Nations based legal framework for addressing these issues thatput sustainable forestry at risk and for implementing the objectives of the relevant international environmental conventions. It should include empowering participatory networks for indigenous peoples and other forest dependent communities and enable sustainable enterprise benefit from transparent markets.

Fresh water resources are becoming more and more scarce. Access to water resources is also increasingly a potential cause for international conflicts with the poor suffering the most from the mismanagement of water resources. We call for developing better integrated water resources management, which requires the participation and involvement of all local actors.

The coherence and effectiveness of our efforts to manage the environment in a sustainable manner must be enhanced. The establishment of a World Environmental organisation should be considered.

BASKET 4, PEACE AND SECURITY

Peace and security are globally indivisible in today's world. No one can enjoy full peace and security if some do not. The spectre of global nuclear war has receded considerably with the end of the cold war, and the threat of traditional war between nation states is no longer the dominant security concern. Armed conflict, including the potential use of nuclear weapons, has not been eliminated but now includes the risk of one or more non-state parties. Regional and even local conflicts, if left unattended, may have consequences on a global scale. It is essential, therefore, that existing security arrangements be updated and strengthened to address emerging and potential future threats.

Even if traditional threats to security can be ameliorated, people are not necessarily more secure in a world where violations of human rights; conflicts fuelled by ethnic, religious and other divides; the persistence of poverty and the marginalisation and humiliation of many people create the breeding grounds for hate, violence, extremism and even terrorism, sometimes on a massive scale.

New threats go beyond traditional security threats. Threats such as environmental crises and steadily increasing environmental damage, HIV/AIDS and other communicable diseases, cross-border organized crime, trafficking, drugs and terrorism threaten not only states as such but their citizens directly. State security and human security have become intertwined.

We need effective multilateral co-operation and strengthened, rule-based institutions under the umbrella of the United Nations in order to counter successfully the new threats to human and state security. In particular, terrorism cannot be eliminated without also addressing the unresolved conflicts and the conditions of insecurity that enlist new recruits for violent acts and movements. A comprehensive convention on terrorism is needed.

To prevent weapons of mass destruction from falling into the hands of terrorist groups calls for clearer analysis and more imaginative forms of action, strengthened agreements to limit their proliferation and the promotion of disarmament. We call for responsible action from both nuclear and non-nuclear states to strengthen the Non-Proliferation Treaty regime and the early entry into force of the Comprehensive Nuclear Test Ban Treaty.

Small arms kill more people every year than heavy weapons in the hands of regular armies. An international treaty limiting the trade in small arms and light weapons should be considered. This would ensure that any continuing trade is conducted under agreed rules with complete transparency. Such a treaty could also

include provisions for an international tax on arms sales contributing to new forms of development finance.

Changes in the global security environment and the nature of current threats have not been adequately recognised in the security strategies and military spending of most countries. Many states continue to direct their military expenditures toward increasingly obsolete purposes. By contrast, the non-military capabilities and policies that could meet new threats to human security are seriously under-funded.

The principle of Responsibility to Protect proposes improvements to the capacity of the international community, for conflict prevention and resolution, civilian and military crisis management and the capability for deploying forces needed for these purposes rapidly. The endeavours of regional organisations to take responsibility for conflict resolution and crisis management in their regions should be enhanced.

The challenges in the area of peace and security cannot be addressed effectively and equitably without simultaneous attention being paid to the concerns for better governance, poverty reduction and development, respect for human rights and the environment.

BASKET 5, GOVERNANCE

Globalisation, growing interdependence and the indivisibility of security have greatly increased the need of the international community to enhance the rules-based system of multilateral co-operation in all spheres of human endeavour. This has been most obvious in the fields of environment and trade but the need for more universal global rules is evident in many fields of social life. The ILO World Commission has shown that the social dimension of globalisation has been neglected in governance structures. Far from reducing the role of governments, globalisation has enhanced the need for strengthening and increasing the effectiveness of the role of nation states, governments and the public sector. Whilst recognising the need to extend the role and participation of international and non-governmental organisations in international co-operation, governments will continue to be the primary actors and those who can provide democratic legitimacy to the governance of globalisation.

At the same time, we also need to address the fundamental change in international relations that globalisation has brought about. There is a governance deficit in international structures in terms of accountability, equal treatment, policy coherence, inclusiveness and democracy. Moreover, in addition to states, there are thousands of other multinational actors, companies, civil society and international organisations. States are no longer the only actors on the international stage and they have to develop good and open working relations with all benevolent non-state actors. Hybrid networks aimed at individual global problems should be promoted as a way to harness collaboration between all the stakeholders to the benefit of deeper and faster global problem solving.

Extending effective democratic parliamentary rule is the central way to guarantee adequate national and global institutions and rule of law. Democracy is an important precondition for conflict prevention and human security. Additionally, economic development depends on adequate democratic institutions. State-building efforts and capacity building at national levels must be supported. Open information and active civil society are vital in these efforts. Leapfrogging in the use of information and communications technology in state-building is possible.

Urbanisation is both a challenge and an opportunity in today's world. A more effective local and metropolitan government should be called for with full participation and ownership of the people so that the voice of the urban poor, in particular, is adequately heard.

We support UN reform proposals of the High-Level Group and the UN Secretary-General for UN Reform. Reforming the Security Council can provide elements for a new informal and more balanced G-20+ or equivalent leaders' group, with an increased voice for the South in economic stewardship.

Whilst international organisations and negotiations will remain essentially the domain of intergovernmental co-operation, the democratic accountability of existing organisations should also be improved through the increased participation of national parliaments in global economic management. This calls for increasing the role of national parliaments in monitoring and mandating the work of their governments in international forums as well as for strengthening existing and creating new forums for inter-parliamentary co-operation in different international organisations.

Parliamentarians elected in free and fair elections should be encouraged and helped to participate in both preparing and monitoring elections. International monitoring of elections must not be selective but should cover comprehensively all electoral processes anywhere in the world. Whilst there is no single model for democratic elections and the diversity of democratic constitutional arrangements has to be respected, we call for increased dialogue and co-operation in developing common standards by which free and fair democratic elections should be evaluated.

The increasing complexity and interdependence of global problems and solutions call for reforms that improve the traditional compartmentalised systems of both national governments and multilateral organisations. The lack of coherence both in terms of policies and action needs to be corrected. As called for by the ILO World Commission, there is a need for a "Globalisation Policy Forum" which allows regular and transparent consultation and co-ordination between the UN and its agencies, the Bretton Woods Institutions and the WTO. Reforming these institutions must increase the coherence of their policies and action.

The agenda sketched out in these five areas goes beyond pragmatic problem solving. The issues are interrelated in multiple ways. A planetary vision is needed that is conscious of the delicate web of interrelatedness and vulnerability and is able to shape an order based on mutual responsibility.

CONTEXT FOR PROGRESS: A SECRETARIAT BACKGROUNDER

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"The current crisis in globalisation and democracy is defined by the convergence of security threats and social deficits which test the adequacy of global institutions to deal with the range of global challenges facing humanity in the 21st century. There seems to be a lag between the confluence and dynamics of global problems and the pace of development of the institutional framework for dealing with them. If the nation state succeeded in developing the capability for dealing with national issues during the 20th century, the system of global governance has not yet risen to the global tasks of the 21st century. A major goal of the Helsinki Process is to contribute to the strengthening of the international system to increase its capacity to deal with global challenges."

OVERVIEW: PURPOSE OF THE HELSINKI PROCESS

Watching the world go forward on a business-as-usual path is no longer viable. The problems are bigger than any of the individual actors, agencies or advocates can address alone. Only simultaneous, significant and intensified efforts by all actors will lift the world off the present path of losing ground onto a new common ground of transformational change.

This catalysing of actors and actions is possible. The vision for the future is already embodied in the Millennium Declaration affirmed by 189 national leaders at the UN Millennium Summit in September 2000 and in the Millennium Development Goals. The issue of realising the vision and achieving the Goals is a matter of political and institutional reform. The purpose of the United Nations General Assembly in New York in September 2005 is to focus world attention on the progress toward implementation.

The agenda for action has two dimensions. One is that specific, concrete, priority actions are required, each as major steps in implementing the global agenda. Key actors and avenues must be identified for *each* priority action as a means of organising and accelerating reform and change. The second is to connect these individual actions through governance processes so that scaling-up adds up to cumulative transformational change. Global governance and institutional reform must strengthen the capacity of the international system to address global challenges and to relate disparate elements and actions to each other.

One of the most important lessons learned from previous commission processes like the Helsinki Process is that follow-up is the most important aspect of a commission's work. There is little assurance that new ideas will be put into action or that new frameworks will mobilise resources for action without that key step. Articulating priorities is not enough. Follow-up and follow-through in different arenas and with different actors on specific issues are the critical elements to overall success. The Helsinki Process and the Helsinki Conference are the follow-

up mechanisms for the Helsinki Group. Action can only be realised by taking each specific action one at a time and in conjunction with distinctive sets of actors in separate arenas.

Providing new processes, initiatives and activities such as the Helsinki Process Round tables as a planned follow-up of the current Helsinki Process and one which stimulates forward movement on specific actions by connecting those actions to each other are three vital aspects in the process of transformational change. The Millennium Declaration and the MDGs provide universally accepted frameworks for bringing together specific actions into a global strategy for transformational change. There can be no break in the patterns of business-as-usual without the specific actions by individual actors. No single action and no single actor, however, can succeed in addressing the large-scale, inter-related issues confronting humanity without connecting individual moves to those of others within their domains and across domains.

IMPLEMENTING THE GLOBAL AGENDA REQUIRES:

· **Prioritising key actions for all actors.**

· **Identifying key actors and avenues for each priority action.**

· **Connecting resources to reform, action to results and leadership to change.**

· **Assuring that linkages are exploited, synergies generated and results realised.**

· **Connecting actors and actions into a global strategy for _scaling-up to add-up_.**

THE INTERCONNECTED CHALLENGES

It is clear that security threats, the poverty gap, human rights violations, democracy deficits and environmental degradation are interconnected global challenges. The human dimensions of security penetrate everyone's singular and community life in vital ways and touch everyone's sense of vulnerability. These highlight the pervasive relevance of the five major fields of action in the Millennium Declaration. The underlying conditions in developing countries also reveal the interconnectedness of these vulnerabilities. The promising way forward is to link actions in each of these discrete areas together so as to achieve a more fair, just, equal, less endangered and safer world. The Millennium Declaration and Development Goals are the unifying frameworks for international co-operation in moving this global agenda forward.

Global governance reforms and strengthening democratic processes within countries are the means to mobilise resources and actions for transformational change. *Politics is the currency that connects leadership to change, resources to reform and action to results.* Creating an L-20 type summit forum to replace the G-8 as a global strategic guidance mechanism to address global issues is a way to bring collective leadership based on national authorities to bear on global problems. Such a summit mechanism of political leaders from major developing and industrial countries is the appropriate level and type of forum for addressing issues, institutions and actions at the interface where integrative, intersectoral and interactive guidance is required.

Sectoral ministers have stove-piped mandates with heads of government being the only national authorities who can mandate cross-sectoral strategies. Industrial countries need to bring trade-finance-environment-energy-foreign affairs-and-development co-operation officials into a policy coherence framework to marshal resources for global challenges. Developing country heads of government must bring health-education-environment-finance-trade-and-development ministries together to forge multisectoral agendas to achieve the MDGs within their own priorities. Environment ministers alone cannot manage global climate change given that industry, energy, finance and foreign ministries must also be involved. Business and civil society leaders have critical roles to play in each policy nexus wherein global issues intersect. This new way of doing business needs po-

Members of the Helsinki Group engaging with the Citizens' Global Platform.

litical leadership within and between countries to articulate the interface issues, to galvanise efforts and to mobilise resources. Global and national governance reforms are essential aspects of breaking the patterns of the past.

Measuring, monitoring and evaluation become critical for democratic accountability to provide the foundation for improved governance at all levels. "What gets measured gets done" and "It does not count unless you can count it." These cryptic principles convey the importance of indicators to priorities and to policy actions. The new politics of the international agenda, as a consequence, is a politics of numbers. This results-based management approach has now permeated the entire international agenda so that there is a *new political culture for global reform*. The substantial international effort on global monitoring of the MDGs by country, by region and at the global level is not a technocratic exercise for statisticians alone but the *foundation for democratic accountability* for all actors in the global agenda at the national, regional and global levels. The first five year review of progress toward the MDGs that culminates at the UN General Assembly in September 2005 is an important part of a broader process now characterising the whole international system.

Connecting individual issue-specific actions by diverse sets of actors across major domains of the global agenda through a political process led by a reformed summit mechanism with sectoral action plans and democratic accountability energises the circuits of the international system transforming it into a mobilisation movement for transformational change. By connecting leadership to change, resources to reforms and action to results, linkages will be exploited, synergies generated and results realised. *Scaling-up will add-up.* Globalisation and democracy will have become mutually reinforcing forces for the many rather than contradictions.

ENVIRONMENTAL CHALLENGES

"The world that sustains us is in peril. Environmental problems that threaten people's livelihoods are global, long-term and complex. They involve scientific challenges, harsh political realities, powerful economic interests and deeply held values and aspirations." Mission Statement, World Resources Institute.

"The world that sustains us is in peril." This is a dire prediction coming from one of the most respected research institutes on the environment. We are past the point of analysis and lagging behind in action. A central problem today is that the pace of institutional change and policy action does not match the scale of the five major challenges of the 21st century highlighted in the Millennium Declaration. Nowhere does this mismatch seem more acute and relevant than in addressing environmental challenges. Humanity is lagging behind the pace of deterioration of its home.

No other set of issues dramatises the connectedness of our livelihoods more than environmental threats. Not only does all humanity share the same air, water, and climate but increasingly it is clear that different facets of the natural world are also interconnected.

One set of linkages is particularly visible in developing countries wherein two billion people are without electrical power. Deforestation to harvest firewood for cooking and, in some places, for heat is connected to soil erosion which, in turn, spills fertilizer and animal waste into rivers and lakes as it pollutes water supplies, endangers human health and fish, reduces food supplies and increases pressure on the land. These forest-soil-water-health-fish-land linkages are stressing the planet as half the world's population tries to eek out a living on less than two dollars per day. Global poverty, then, is a *root cause* of serious environmental degradation which in turn exacerbates poverty, poor health and low productivity.

Environmental issues are controversial as they are often pitted as trade-offs with economic growth. On climate change, however, science is making its mark on world public opinion. It is clear that human behaviour is decisive. Industrial countries need to take responsibility for their own contribution to global environmental problems and set an example for developing countries with their policies. In addition, co-operative public-private sector-civil society networks and partnerships need to be created to advance the technological innovations and changes in production patterns so that faster economic growth can occur in developing countries without additional strain on resources, climate and the environment as in the last century.

Although the issue is still being debated there is little doubt that the ongoing climate change is one of the most menacing threats and it is where the world is most seriously lagging behind. Carbon dioxide in the atmosphere is measured in parts per million (ppm) with today's atmospheric concentration of carbon dioxide at 370 ppm as compared to pre-industrial levels of 280 ppm. The central goal of the international climate protection treaty signed ten years ago is to prevent this number from rising to a "dangerous" level. Scientists have determined that 450 ppm constitutes a "dangerous" level and that nations should prevent carbon dioxide concentrations from exceeding this number. In a business-as-usual scenario, we are scheduled to reach this level by about 2030. (Speth 2003) Action on global climate change is crucial to this endangered planet in peril and crucial to the livelihoods and survival of many vulnerable poor people in poor countries

POVERTY AND DEVELOPMENT CHALLENGES

Half the world's people lives on two dollars per day. In poor countries 11 million children die every year from preventable illnesses and 500,000 women die during pregnancy or childbirth. More than 39 million people are living with HIV/AIDS.

The Helsinki Group was Co-Chaired by Finland and Tanzania. In the picture: Abdulkader A. Shareef, Jakaya M. Kikwete, Paula Lehtomäki and Erkki Tuomioja.

Children of women who have never received an education are 50 per cent more likely to suffer from malnutrition or die before the age of five. In 2020, 56 per cent of the world's population will live in cities as compared to a 47 per cent urban population in 2001. Between now and 2015 ninety per cent of the world's population increase of roughly one billion people will take place in the urban areas of the developing world. In the year 2000, 43 per cent of the urban population of developing countries lived in slums, 1.1 billion people (of the world total population of 6 billion) were without access to water and 2.4 billion people were without adequate access to sanitation.

Yet there is hope. Between 1990 and 2001, the number of people living on less than one dollar per day declined by 200 million persons in the East Asia and Pacific region alone. Health, education, gender equality, the environment and poverty reduction are on the rise as national and international priorities. New pressures for democracy and new channels for the interests of the less powerful are increasing as innovative governance mechanisms and new civil society organisations form to address the new challenges. There are leaders from In politics, business and society who now articulate a broader vision and a sense of public responsibility for the human community.

The human condition of the poor is multifaceted. There is a vicious circle of linkages, among them lack of education and gender inequality, poor health of mothers, infants and children and environmental degradation and poverty which marginalise poor people from the formal market economy, the financial

system and technological progress. The world's poor constitute a huge missing market for local domestic businesses and for foreign investors and exporters. This impedes potential world growth. Inequality of access to assets—land, credit, education, knowledge and technology—further marginalises the poor and generates inequality in incomes and massive poverty.

The Millennium Development Goals: 2015

1. Eradicate extreme poverty and hunger by reducing by half between 1990 and 2015 the proportion of people living in these conditions.

2. Achieve universal primary education.

3. Promote gender equality.

4. Reduce child mortality.

5. Improve maternal health.

6. Halt by 2015 and begin to reverse the spread of HIV/AIDS, malaria and other major diseases.

7. Ensure environmental sustainability by reversing the loss of environmental resources.

8. Develop a global partnership for development.

Inequality is no longer viewed as a derivative of poverty but a cause of it. Whereas this does not necessarily mean redistribution of income is the answer, it does mean that access to education, decent work, finance and credit, legally registered land, water and sanitation and technology must take centre stage if the scale of global poverty is to be reduced. This demands multisectoral strategies for education, gender equality, health and environment as the means of addressing the multidimensionality of poverty. This multisectoral character of the strategy is the foundation for the MDGs. *Achieving the MDGs by 2015 is the single most important means of addressing the challenge of global poverty.*

HUMAN RIGHTS CHALLENGES

The 2003 UNDP Human Development Report on the MDGs is very clear about the relationship between existing agreements on Human Rights and the MDGs. To quote at some length:

"Achieving the (Millennium Development) Goals will advance human rights. Each Goal can be directly linked to economic, social and cultural rights enumerated in the Universal Declaration of Human Rights (articles 22, 24, 25, 26) and other human rights instruments.

Recognising that the targets expressed in the Goals are not just development aspirations but also *claimable rights* has important implications:

• Viewing the Goals in this way means that taking action to achieve them is an *obligation,* not a form of charity. This approach creates a framework for holding various actors *accountable*, including governments, citizens, corporations and international organisations.

• Human rights carry counterpart obligations on the part of others–not just to refrain from violating them but also to *protect* and *promote* their realisation.

• Viewing the Goals through a human rights framework increases understanding of the policies and institutional reforms required achieving them…. *The Millennium Development Goals more explicitly define what all countries agree can be demanded-benchmarks against which such commitments must be measured."* UNDP 2003 Human Development Report (emphasis added)

The implication of "viewing the Goals through a human rights framework" is to forge key priorities for action such as the following: **(i)** strengthen the existing mechanisms for *human rights monitoring and compliance*, especially the United Nations Commission on Human Rights, **(ii)** strengthen the annual OECD ministerial meetings as a focal point for industrial country *accountability for policy coherence* in their trade-debt-finance-and-aid policies to mobilise the net flow of resources required to achieve the MDGs by 2015, **(iii)** increase the use by industrial countries of the MDGs, Human Rights and the principle of policy coherence as frameworks for budget presentations and policy proposals to their parliaments as new *results-based management tools for accountability*, **(iv)** strengthen the *role of parliaments* in developing countries in national budgets, development policy formulation and oversight of national actions and efforts by international institutions to achieve the MDGs and enforce human rights, and **(v)** developing countries, industrial countries and international institutions should continue to intensify investments in increasing *the independent statistical capacity* in developing nations as essential tools of democratic accountability.

GOVERNANCE CHALLENGES

The primary foundation for fairness in all societies is in the strength of the institutions and processes of democracy based on the rule of law. This is not a one-time effort at constitutional reform but an endlessly continuous process of vigilance, oversight and action. Parliament, judiciary bodies and the rule of law in all countries need constant nurturing and reinforcement. Democracy is the life-work of each generation everywhere and at all times. There will be no basis for global fairness without the democratic foundations within nations being firm and fair.

Democratic deficits at all levels of government national, regional and global plague the effort to move forward. Parliaments in many developing countries are weak channels for voice for the marginalised. Parliaments in industrial countries are more preoccupied with domestic issues and fail to grasp globalisation and how to manage it. Corruption is a corrosive force eroding democratic foundations. International institutions seem to be dominated by rich industrial nations and unaccountable to people, parliaments or public opinion. The common person feels, as a consequence, marginalised, disenfranchised and underrepresented both at home and abroad. Voicelessness, powerlessness and exclusion breed discontent, violence and instability, impairing security and development. These democratic deficits, as a result, are central to the challenge of globalisation and democracy and to forging a world that is more fair and, as a consequence, more just and equal. A functioning democracy requires responsible political parties and leaders.

Strengthening domestic institutions, internal democratic processes, rule of law, independent judiciaries and the role of parliaments are vital steps for enhanced security, development, human rights and environmental sustainability and for moving forward on the major global challenges.

Reform of the international system is a crucial leverage point in jump-starting transformational change and democratic reform. The priorities for global governance reform are: **(i)** reforming the United Nations Security Council, **(ii)** restructuring global economic governance by broadening the membership of the G-8, **(iii)** providing the new economic summit mechanism with a mandate to guide, oversee and activate the new global agenda embodied in the Millennium Declaration including the MDGs and **(iv)** initiating Global Action Plans for Health, Environment and Education under the aegis of the new economic summit mechanism as a way of accelerating the implementation of the MDGs and creating greater multisectoral interaction among the major international institutions.

SECURITY CHALLENGES

"The quality of international society depends on the quality of the governments that are its foundation. The best protection for our security is a world of well-governed democratic states. Spreading good governance, supporting social and political reform, dealing with corruption and abuse of power, establishing the rule of law and protecting human rights are the best means of strengthening the international order." European Union, A Secure Europe in a Better World, European Security Strategy, 12 December 2003

At the national level, the best assurance of human security and a just social order is democratic governance that is open, participatory, accountable and effective. In a country suffering from violence and persistent poverty, democratisation will be a necessary part of peaceful and sustainable recovery and development.

Jean-Francois Rischard from World Bank advocated for innovative methods of global problem solving in the various convenings of the Helsinki Process.

At its base, democracy describes the most reliable procedures for peacefully settling the disputes that arise in any society. Democracy has, however, another powerful effect as is best explained in the insight of Nobel economist Amartya Sen: "Democracies prevent famine, not because they are richer but because they resolve conflicts more readily and distribute the gains more responsively. For every person that dies in civil conflict, more than 60 people die due to the collapse of governance and service delivery in the wake of conflicts."

Contrary to some conventional doctrine, democracies can outperform autocracies in generating economic growth, providing security and protecting human rights. The best available evidence shows this to be true. This is not to claim that democratic development is fast or easy. On the contrary, it takes time and can always use help. It is possible, however, and it surpasses all known alternatives in promoting the safety and welfare of people.

Fostering security also demands better institutions for international collaboration at the regional and global levels. Preventing conflict and managing crises are best undertaken multilaterally. Multilateralism multiplies resources and capabilities but, perhaps most importantly, it can also endow any peacemaking enterprise with legitimacy which is otherwise absent. Legitimacy attracts and secures commitments robust enough to survive adversity and setback. It reinforces confidence for the next crisis and the next call to arms. Moreover, it encourages the resolve of people even in the most dire of circumstances who are struggling against injustice, violence and poverty.

Just as strengthening democratic processes and institutions imparts legitimacy and effectiveness to domestic governance, greater representativeness of international security institutions enhances their legitimacy and effectiveness. Sometimes it means stronger organisations. Regional associations, the African Union prominent among them, are already strengthening themselves to protect the security of people and of countries. The responsibility to protect is usually best exercised close to the people who need that protection. Regional organisa-

tions and purpose-built coalitions will often succeed best in meeting that responsibility.

Nowhere is democratic reform more urgently needed, however, than in the UN Security Council. The Council's anachronistic structure, membership and procedures defeat both its dependable effectiveness and its legitimacy. Reforming the Council will be difficult at best but reform is essential if the Security Council is to satisfy its Charter mission.

Suppression of terrorism exhibits the practical necessity of multilateral action for shared security. Tracking and apprehending terrorists, intercepting the circulation of their money and arms, gathering the evidence for fair and productive prosecutions—all demand close co-ordination amongst governments, businesses and others in the global community. Moreover, overcoming terrorism requires co-operative action for democratic reform and economic change. Terrorists are recruited and trained amidst the politics of violence, repression of human rights, anarchy or autocracy. These are not conditions susceptible to any unilaterally imposed solution. They call for democratic action through multilateral collaboration.

These new realities of international security were captured well in the 2004 report of the UN Secretary-General's High-level Panel on Threats, Challenges and Change. "The biggest security threats we face now," the Panel declared, "go far beyond States waging aggressive war. They extend to poverty, infectious disease and environmental degradation; war and violence within States; the spread and possible use of nuclear, radiological, chemical and biological weapons; terrorism; and transnational organised crime."

The pace of development of international security institutions and practices has not matched the pace of change of these threats so as to adequately protect our shared security against them.

Among the most important actions to enhance global security for all would be: **(i)** reforming the United Nations Security Council; **(ii)** insisting on full compliance with the Nuclear Non-Proliferation Treaty; **(iii)** supporting the International Atomic Energy Agency in the global effort to control nuclear proliferation and reinforce international security co-operation on all levels to control the proliferation of small bombs; **(iv)** strengthening the Global Partnership Against the Spread of Weapons and Materials of Mass Destruction and the Proliferation Security Initiative; **(v)** supporting the Programme of Action of the 2001 UN Conference on Illicit Traffic in Small Arms and explore the prospects for a global "arms trade treaty" and other means to control small arms trafficking and proliferation; and **(vi)** strengthening the International Action Network on Small Arms.

It is clear that environmental challenges are integrally linked to poverty and governance issues. Poverty is part of the human rights agenda and security

depends on democracy and governance, the rule of law and human rights. The progress on human rights and poverty is linked to the prospects of achieving the MDGs. Global governance reforms and adequacy of the configuration of international institutions to meet these interconnected global challenges are leverage points for accelerating the transformational change needed for the 21st century.

MAJOR ENGINES OF CHANGE

Each of the major actors needs to embark upon large-scale efforts on various levels and in various domains simultaneously in order to now deal with the interlinked challenges of environment, poverty, human rights, governance and security. Significant efforts are needed in different arenas of action: major reforms in institutions and governance processes, a strategic vision for how to connect actions, reforms and resources to goals and results; exploitation of synergies and the generation of outcomes that demonstrate convincingly that transformation is underway.

To achieve this degree of change, the private sector, civil society, the development state and the international community must each play vital roles. In addition, priorities must be set within each of the five fields of vision of the Millennium Declaration and among the major actors in order to develop a powerful enough strategy to mobilise sufficient effort to achieve transformational change. Scaling-up the mobilisation of resources, policies and efforts needs to add-up for transformational change to occur.

Transformational change that vaults societies forward to a different level and quality of life requires simultaneous and significant participation of the three major elements of society, the private sector and the development state and civil society along with the international community. The end result over the next decade will be an extrapolation of existing conditions or at best incremental improvement that fails to give global society a new sense of itself as just, open and fair without the full engagement of these four engines of change.

The Private Sector: Business leaders are increasingly interested in shaping global investment, trade and production in ways that generate social goods such as employment, income growth, environmental benefits, productivity improvements and distributional outcomes. This interest can help to create greater equality and broader participation in the gains from globalisation. In developing countries, domestic small, medium and large enterprises are the main engines for job-creation, decent work and growth. Foreign investment and enterprises supplement domestic private sector dynamism by enhancing investment, technological change, competitiveness and export potential. Even more crucial than foreign investment is the internal dynamism that attracts external resources. Foreign

private sector actors, whether banks, businesses, or investors, have a major stake in developing the missing markets for their services, products and finance. Policy reform and political commitment in poor countries vast potential markets will lay fallow without proper institutional infrastructure. The entrepreneurs, executives and leaders from developing countries *and* industrial economies have an immense common stake in poverty-reduction, income equality and job growth due to the *enormous market potential* opened up by transformational change. *Without the private sector, transformational change will not happen; without transformational change, the private sector (foreign and domestic) is condemned to slower growth trajectories failing to realise the potential of missing markets.*

The Public Sector: More often than not, unrealised market potential in developing countries means market failure; that is, business can not rely on market signals alone to guide investment and business decisions. Government failure is also an obstacle to private sector growth. Society and the private sector, as a result, have a stake in strengthening the public sector's capacity to govern and to support the functioning of the market. Successful developing countries have been those which have shaped a constructive, mutually supportive relationship between the public and private sectors rather than ones that have opted either for the primacy of the market or the primacy of the state.

The development state is one that has the administrative, legal and regulatory capacity to support the market and the private sector. It is a capable state rather

Convenors of the Tracks contributed to the work of the Helsinki Group. In the picture: Fantu Cheru, Convenor of the Track on Global Economic Agenda.

than a crony-capitalist state, one that thrives on private-public partnerships rather than fearing or being captured by them. The development state is one pushing for financial system reform to benefit small, medium and large enterprises through broad access to credit and legal frameworks to enforce contracts that buttress capital markets supported by supervisory and regulatory agencies for transparency and accountability. The development state is one that pushes for education and health systems (because they create a productive and skilled workforce) and invests in institutional and physical infrastructure that complements private sector dynamism. The development state is a strong, democratic state which reflects local values and priorities and drives the development thrust from inside outward rather than a weak, submissive state that permits external forces to drive internal priorities and outcomes.

Civil society: Civil society has created new vehicles, modalities and channels for organising, articulating and transmitting the interests and priorities of communities and sectors to private and public authorities. Civil society organisations (CSOs) have become the indispensable third party to the dialogue and decision-making necessary for nation building and for development. It is through public-private partnerships (PPPs) that the development state can engage with the private sector in more dynamic and balanced development arrangements and through partnerships with civil society that both the private and the public sector can be more responsive, efficient and effective in implementing developmental change.

The International Community: No one doubts that the internal effort within nations is the primary source of energy for change. It is further obvious, however, that external support also has a vital role to play. The international institutions that act as meeting grounds for nations to negotiate beneficial global outcomes on security, trade, regulations and foreign policies and those which have programmes on health, water and sanitation, education, employment, human rights, development and finance are critical to advancing the global agenda. The series of UN summit conferences from 1990 to 1996 played a critical role in bringing together national leaders from all countries to generate issues and ideas from which both the Millennium Declaration and the MDGs were derived. Now, the implementation of that agenda relies heavily on the configuration of international institutions as key players in making advances on global issues and in achieving the MDGs by 2015.

The key issue facing this configuration of international institutions, however, is how to address the challenges of the 21st century which are interconnected rather than isolated from each other. Herein, global governance processes are

critical for providing strategic guidance on the inter-institutional relations necessary for dealing with inter-sectoral issues. Whether it is the linkages between environment-poverty-human rights-democracy-and-security articulated in the Millennium Declaration or the synergies among poverty-health-education-gender-environment in the MDGs or the relationships between trade-finance-debt-and-aid in the policy coherence framework for industrial countries, inter-institutional guidance is necessary among the agencies of the international community and amongst ministries within industrial and non-industrial countries.

Summit reform, entailing an expanded and more representative group of countries and a mandate for guiding the implementation of the global agenda, is the central reform in global governance, which can fill the void at the apex of the international community and drive the inter-institutional relations amongst the international agencies that is required. Other reforms, most especially UN Security Council reform, are also critical. It is summit reform, however, that is the global governance reform with the greatest potential to provide the political legitimacy, energy and vision necessary to bring together the major national and international actors and agencies to constitute a cohesive international system capable of handling the challenges of the 21st century.

APPENDIX

MEETINGS AND EVENTS OF THE HELSINKI PROCESS FOR GLOBALISATION AND DEMOCRACY JANUARY 2003–JUNE 2005

21–22 June 2005	Informal Senior Government Officials Meeting of the "Friends" of the Helsinki Process *Helsinki, Finland*
March–May 2005	A series of 11 national seminars in Finland to provide information and background on the Helsinki Process and its aims
31 May 2005	Strengthening the Role of Civil Society in Multi-Stakeholder Fora - How to do it? – Workshop at the Montréal International Forum G05 Conference *Montréal, Canada*
2 May 2005	"Beyond the Millennium Development Goals" – A Panel Discussion at the OECD Forum *Paris, France*
27–29 April 2005	Fourth Meeting of the Helsinki Group *New York, USA*
28 April 2005	Dialogue with Human Security Network *New York, USA*
28 April 2005	High-level leaders Forum (together with Ethical Globalisation Initiative, the Carnegie Council on Ethics and International Affairs, and the Global Fairness Initiative) *New York, USA*
7–9 February 2005	Third Meeting of the Helsinki Group *New Delhi, India*
7 February 2005	Media Seminar on "Globalisation, Democracy and Media" *New Delhi, India*
6-7 February 2005	"Unheard Voices of the Majority" – Workshop with civil society (together with Citizens' Global Platform) *New Delhi, India*
27 January 2005	Helsinki Process event at World Social Forum *Porto Alegre, Brazil*
27 January 2005	Helsinki Process event at World Economic Forum *Davos, Switzerland*
18 January 2005	Helsinki Process Seminar in the World Social Forum *Porto Alegre, Brazil*
7 December 2004	Helsinki Process Business Seminar *London, UK*

November 2004	**World Press Council brief on the Helsinki Process** *Bagamoyo, Tanzania*
28–31 October 2004	**Third meeting of the Track on New Approaches to Global Problem-Solving** *São Paulo, Brazil*
27 October 2004	**Media Seminar on "Globalisation and Democracy – the Role of Media"** *São Paulo, Brazil*
27 October 2004	**Civil Society Outreach event with the Citizens' Global Platform** *São Paulo, Brazil*
16 October 2004	**Seminar on "Millennium Development Goals and the Financing Gap"** *Pretoria, South Africa*
15 October 2004	**Helsinki Process Media Seminar on Globalisation and Governance** *Pretoria, South Africa*
15–18 October 2004	**Third Meeting of Track on Global Economic Agenda** *Pretoria, South Africa*
13 October 2004	**Global Democracy Seminar in Helsinki** *Helsinki, Finland*
September 2004	**Foreign Affairs Parliamentary Committee brief on the Helsinki Process** *Dodoma, Tanzania*
30 September– 2 October 2004	**Third Meeting of Track on Human Security** *Cairo, Egypt*
30 September 2004	**Human Security in the South – seminar** *Cairo, Egypt*
28 September 2004	**Human Security Seminar in Helsinki** *Helsinki, Finland*
23–24 September 2004	**Conference on the Reform of the UN and other Global Institutions** *Barcelona, Spain*
29–31 August 2004	**Second meeting of the Helsinki Group** *Dar Es Salaam, Tanzania*
28–29 August 2004	**Outreach with the Civil Society, with the Citizens' Global Platform** *Dar Es Salaam, Tanzania*
8 August 2004	**Helsinki Process side-event at SADC Summit** *Mauritius*
8 August 2004	**SADC Event on Helsinki Process** *Mauritius*

29 June 2004	**Helsinki Process side-event at ECOSOC high-level segment meeting** *New York, USA*
15 June 2004	**Unctad XI Side Event** *São Paulo, Brazil*
27–28 May 2004	**Helsinki Process discussion at EU-LAC Summit** *Guadalajara, México*
2 April 2004	**Human Security Now! – public discussion** *London, UK*
1–4 April 2004	**Second meeting of the Track on Human Security** *London, UK*
April 2004	**Civil Society Hearing** *Dar es Salaam, Tanzania*
25 March 2004	**Financing the Millennium Development Goals – a discussion meeting** *Geneva, Switzerland*
25–27 March 2004	**Second meeting of the Track on Global Economic Agenda** *Geneva, Switzerland*
11–14 March 2004	**Second meeting of the Track on New Approaches to Global Problem Solving** *London, UK*
2 March 2004	**East African Community Briefing on the Helsinki Process** *Arusha, Tanzania*
28–31 January 2004	**First meeting of the Helsinki Group** *Helsinki, Finland*
18 January 2004	**Helsinki Process debated in the World Social Forum** *Mumbai, India*
24 October 2003	**Future of Multilateralism in International Politics - Public Debate** *Helsinki, Finland*
24–26 October 2003	**First meeting of the Tracks** *Helsinki, Finland*
5–6 June 2003	**Helsinki Process Brainstorming Meeting** *Majvik, Finland*

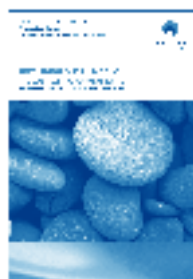# PUBLICATIONS OF THE HELSINKI PROCESS ON GLOBALISATION AND DEMOCRACY JANUARY 2003–JUNE 2005

HELSINKI PROCESS TRACK REPORTS
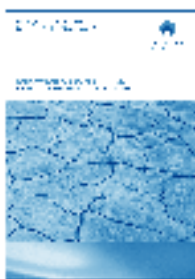
Mobilising Resources for the Millennium Development Goals (Report of the Track on "Global Economic Agenda"), 27.1.2005

Empowering People at Risk: Human Security Priorities for the 21st Century (Report of the Track on "Human Security), 27.1.2005

Governing Globalization – Globalizing Governance: New Approaches to Global Problem Solving (Report of the Track on "New Approaches to Global Problem Solving), 27.1.2005

HELSINKI PROCESS PUBLICATION SERIES (HPPS)

Helsinki Process Papers on Human Security (HPPS 1/2005)

Achieving Healthy Urban Futures in the 21st Century (HPPS 2/2005)

Helsinki Process Papers on Global Economic Agenda (HPPS 3/2005)

Global Commissions Assessed (joint publication with International Development Research Centre IDRC and Crisis Management Initiative CMI) (HPPS 4/2005)

Building Democracy from Manila to Doha: The Evolution of the Movement of New or Restored Democracies (to be out by the end of May 05, joint publication with Network Institute for Global Democratization NIGD) (HPPS 5/2005)

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*Helsinki Conference Report: Helsinki Conference 2002
– Searching for Global Partnerships,* January 2003

Survey on Global Commissions and Processes,
edited by Raimo Väyrynen, 18.2.2003

Unheard Voices of the Majority – report for the Helsinki Process,
compiled by the Citizens' Global Platform (2005)

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*Helsinki Process
Magazine 1/2004*

*Helsinki Process
Magazine 2/2005*

*Helsinki Process
Magazine 3/2005*

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