

FEMINIST ECONOMIC JUSTICE FOR PEOPLE & PLANET

FEMINIST PRINCIPLES: THE PRIVATE SECTOR AND MULTILATERALISM

Issue Brief

Action Nexus for Generation Equality

Partnership for a robust, structural and intersectional agenda for feminist economic justice centered on care for people and planet.

ABOUT

The **Feminist Economic Justice for People & Planet Action Nexus** is led by four key partners - who also serve as co-leads for two of the Action Coalitions on economic justice and on climate justice: the Women's Environment and Development Organization (WEDO), the Women's Working Group on Financing for Development (WWG-FFD), FEMNET - The African Women's Development and Communication Network and the Pan-African Climate Justice Alliance (PACJA). In the context of the Beijing+25 Generation Equality Forum, WWG-FFD & FEMNET are co-leads in the Action Coalition on economic justice while WEDO and PACJA are co-leads on the Action Coalition for climate justice.

This brief was drafted by **Sanam Amin**, as the result of consultations with allies and partners on the topic, held in early 2021.

BACKGROUND

The Generation Equality Forum (GEF), initiated by UN Women and the Governments of France and Mexico, represents a growing 'hybrid' modality of engagement in multilateralism, focused on bringing together governments, civil society, youth organizations, private sector and philanthropists to collaborate through multi-stakeholder approaches. Of concern, this engagement is often undertaken without addressing power differentials, or full recognition of a human rights-based framework.

Given the analysis and deep concerns of feminist and People's movements around the corporate capture of intergovernmental spaces, these modalities present challenging dynamics. Social justice movements have, for some decades, identified the neoliberal economic order as one of the central structural barriers to building a just and safe society for all, as envisioned in the Universal Declaration of Human Rights and other key global policy commitments, including the Beijing Platform for Action (BPfA) and the 2030 Agenda for Sustainable Development.

The manifestation of corporate power in the 21st century goes hand in hand with increased inequality, the highest concentrations of wealth in human history, and a climate crisis fueled by an extractive economic system that upholds growth and profits over people at all costs. Neoliberal economics in its current form, is unsustainable and dangerous to people and the planet alike. The private sector, like our economic system, needs to change for our very survival.

In the initial preparations for the GEF, feminist advocates articulated some non-negotiables when it came to engaging the private sector in this new process, as it was crucial to ensure private and donor funding for the GEF and its Action Coalitions would lead to meaningful engagement and long-term changes, as opposed to an exercise of good will and enhanced public image. These included that the private sector would:

- 1. Recognize the primacy of human rights over trade and investment;**
- 2. Recognize their responsibility to stop corporate abuse and abide by international human rights law;**
- 3. Fulfill their responsibilities in paying tax and ending illicit financial flows, and not oppose country by country reporting of taxes for transnational corporations.**

In addition, as a matter of principle, and in recognition of the seriousness of the climate crisis, feminist advocates asked that **the GEF not allow any participation by fossil fuel and mining companies, their subsidiaries or their parent companies.**

The subsequent 'Mexico City Strategy Meet' that took place in August 2019, produced a framework for the GEF (Women Radically Transforming a World in Crisis) stating that *"appropriation of policymaking spaces and instruments by powerful private actors and interest groups occurred in the wake of the erosion of public resources and infrastructure, a process often facilitated by right-wing, pro-corporate forces, both subtly in democratic regimes and more overtly under authoritarianism"*.

In this context, this brief addresses the key challenges and opportunities around human rights and the private sector, as part of the development of a renewed broad feminist global economic justice agenda, and will cover specific advocacy points and recommendations for both civil society and for private sector actors who wish to be leading examples.

KEY CHALLENGES

- The neoliberal economic order and the current form of capitalism **exacerbate inequality** in all forms - between genders, races, Global North and Global South nations - and concentrates wealth and power in the hands of a few;
- This system operates on the basis of an extractivist, growth and profit model that **drives the climate crisis** and often actively subverts this crisis via misinformation and regulatory interference, to continue to maximize profits at the cost of people and planet.
- Capitalism's strengthening of private ownership combined with systems of oppression that are able to take advantage of land, water and natural resources as well as labor has enabled the **formation of private sector entities that are monoliths**; the largest of which are valued higher than several countries' annual budgets. These multinational or transnational entities have not only money and resources but also have international law and trade law on their side, and are able to use borders to bypass paying taxes, increase profit margins at the cost of labor rights or environmental protections, and in short, are able to commit human rights violations with total impunity.

The expansion of corporate power in intergovernmental spaces such as the United Nations is widely evidenced - from an observer seat for the International Chamber of Commerce and the presence of the International Organization of Employers in the binding treaty negotiations, to the recognition of 'business and private sector' both as an equal stakeholder in the nine Major Groups and other Stakeholders (MGoS) for sustainable development as well as in every conference, roundtable, advisory group defined as a 'multistakeholder' space.

KEY PRINCIPLES

What then should guide private sector actors who see to engage in multilateral and intergovernmental spaces while respecting human rights? Key principles include:

- **The human rights agenda, including gender equality and labor rights, are non-negotiable and indivisible.** Corporations should not pick and choose elements of human rights obligations that they think they are doing well on while ignoring violations they are responsible for in other areas: celebrating women in the boardroom while underpaying and undercutting unions is one such form of dissonance.
- **Accountability and reparations for human rights and environmental obligations are essential.** There remain hundreds of instances of violations of human rights, serious ecological damage, or destruction of heritage sites, that either have not seen any recognition of responsibility, or resulted in a fine or payment that does not match the scale of the violation. Fast fashion companies have not ensured survivors of the Rana Plaza disaster and their families are able to live without deprivation, especially for survivors who are disabled and Rio Tinto's show of 'accountability' for destroying a 46,000 year old Aboriginal site via bonus cuts and employee shake-ups do not represent true accountability.
- **The climate crisis is real and there is no time to wait for interim solutions.** A just and equitable transition to a safe, renewable and community-centered economy requires investment in just solutions. We cannot waste time on solutions that aim to maintain "business as usual" via experimental geoengineering, nuclear energy or fracking of natural gas. Our solutions should aim to shift towards truly sustainable production and consumption patterns. Additionally, this transition must be done with the full recognition of human rights, ensuring the needs of communities shape energy solutions, whether that means off-grid, micro and nano structures, or choosing to reject options that may impact land use for food production and other livelihoods.

- **The feminist movement is intersectional, and showing support for gender equality means support for other movements too.** Feminist and broader human rights movements operate with the understanding that our struggles are interlinked. The structures of oppression, ranging from patriarchy, militarization, colonization, racism, casteism, white supremacy, etc, are in collaboration with one another and reinforce each other. Our movements stand in solidarity with one another and understand that gender justice is climate justice, is racial justice, is economic justice. While we may coalesce around some key issues such as equal pay for work of equal value, we do see that as part of our broader agenda to ensure accessibility, to redistribute wealth, power and resources, to center the voices of the marginalized, and, in short, to give all the power to all the people.
- **The private sector, particularly large transnational corporations, are not the gold standard for transformation.** We are often told that the private sector plays a crucial role in leading innovation and efficiency, and will play transformative and catalytic roles in addressing human rights, poverty and sustainable development issues. This is often without analysis of their role in fueling and exacerbating these crises. With recognition to the diversity of entities that make up the private sector and that there are some examples of good practice, as a whole, models based on growth and profit will continue to fail without reframing models centering care and well-being, committed to challenging oppressive systems, and advancing equality and justice.

KEY DEMANDS

There are some central demands around regulating the private sector and dismantling wealth and power concentrations that civil society globally have advocated for. This is not an exhaustive list and should be seen as the bare bones starting point for progressive private sector entities who wish to demonstrate they abide by human rights and support gender equality and social justice.

- **Private sector entities must respect the core human rights conventions,** and fulfill the pillars of the **Decent Work Agenda** internally and across their networks and supply chains. This includes promoting, not blocking, efforts to establish **living wages** and for workers to **organize, bargain, and strike**.
- **Ensure healthcare and social protection systems are accessible to all workers:** this means not opposing efforts to create public healthcare systems or pension structures, as well as providing benefits that enable all employees to live without precarity.

- **Private sector entities should not support the privatization of utilities.** Where involved in public private partnerships or blended finance schemes for development of public infrastructure or delivery of essential public services such as water, sanitation, or energy, private sector entities must follow public service obligations as detailed in General Comment 24 by the Committee on Economic, Social and Cultural Rights. Corporations can go further and support efforts around energy democracy for remote communities to have access to electrification via micro and nano projects, and in general support initiatives that don't have a profit incentive but can improve lives.
- In relation to energy, **support all efforts to divest from the fossil fuel industry, and the efforts to enable a just and equitable transition to a safe renewable energy economy** that is sustainable, community-centered and community-driven.
- Given the role the tobacco and fossil fuel industries have played in creating misinformation and doubt about the serious impacts of their industries, **take action to address disinformation and misinformation**, and work to provide accurate, substantiated and scientific knowledge on any issues that impact public health and the environment, including publishing and disclosing internal research that should be known to policymakers.
- **In the area of corporate accountability, support efforts to ensure extraterritorial obligations (ETOs) are met**, including the process to develop an international treaty to regulate transnational corporations and other business enterprises in relation to human rights, currently in draft form and led by an open-ended working group under the auspices of the Human Rights Council.
- Corporations and the individuals who are in their executive leadership, management, or are their shareholders, must not evade or avoid taxation, nor block efforts to tax the wealthy. To support transparency and efforts to address illicit financial flows, all must:
 - For individuals: **publicly declare** all earnings and taxes paid annually;
 - For transnational corporations: follow **country by country reporting** (CBCR)
 - Support the efforts to establish a **UN tax convention and a global body to regulate tax**;
 - Avoid use of, and where possible, expose the creation and existence of tax havens and shelters, or other practices to concentrate and hide wealth.

- In acquiring land, water or natural resources, or participating in development or infrastructure projects that may affect ownership, use, access and control to those, follow due diligence to ensure no environmental harm or human rights violations occur, including through:
 - Carrying out **human rights, environment and gender impact assessments** with meaningful community participation;
 - Ensuring **free, prior and informed consent** is continuously maintained from communities and that their participation in decision-making is active, free, effective, meaningful and informed, in line with the UN Declaration on the Rights of Indigenous Peoples (**UNDRIP**) and the UN Declaration on the Rights of Peasants and Other People Working in Rural Areas (**UNDROP**).
- In the area of intellectual property, support all efforts to ensure that patents are not misused to either appropriate, take advantage, or interfere with traditional knowledge and cultural practices, nor to prevent or limit access to essentials such as food or medicine. In this regard, support efforts to produce generic medicines circumventing the application of the TRIPS agreement in different contexts, such as the recent push to suspend TRIPS in the context of the COVID-19 pandemic to enable manufacture and disbursement of COVID-19 medicines, diagnostics, medical equipment, and vaccines.
- In the area of trade and investment agreements, **do not use investor protection clauses to threaten governments or circumvent legislation for environmental, labour or human rights protections, and support the publicization of all trade agreement negotiations, including all drafts.** Also support the **removal of investor state dispute settlement mechanisms** in such agreements that would allow corporations to threaten to sue governments and use private arbitration methods.
- **Subsidies and stimulus packages must target small businesses, and not benefit large corporations** that have many resources and options when it comes to financing. Small and micro businesses, and cooperatives in particular, are crucial to advancing gender equality and keeping communities going. (World Bank data shows that small and medium enterprises represent 90% of businesses and over 50% of employment). These are harmonious with other sustainable practices such as smallholder farming. The pandemic and other crises show that it is economically sound to have local enterprises producing necessities, from food to medicine and personal protective equipment. We should foster local economic biodiversity, where large corporations have important global functions, but cannot replace that of local cooperatives, producers of generic medicine, traditional seed sharing practices and so on.