

## A rights-based economy: In critical times, a roadmap for action

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We will not recover from this crisis by reviving “build back better”, but by transforming our broken system for good. A rights-based economy offers a blueprint for change.

Choosing between protecting people or the economy has become a persistent theme in political debates as the world grapples with the COVID-19 pandemic. Countless leaders justified relaxing public health measures by claiming that putting people’s lives at risk was necessary to “save the economy”. Politicians in the UK rejected a free school meals plan because it would “destroy” the economy and increase “dependency”. The South African President cited “fiscal challenges” as “dictating” the government’s inability to extend its COVID-19 income support grant. The Colombian Vice-President rejected the idea that any State could afford to cover people’s basic needs. Many governments still refuse to waive intellectual property rights on vaccines, despite the countless lives this would save, because they say it would undermine corporate trust in the ‘system’ and supposedly stop pharma companies from investing in developing new medicines and treatments (see Box 1.2).<sup>1</sup>

These false ‘people vs the economy’ dichotomies overlook a fundamental truth: people *are* the economy. There is no healthy economy without a healthy population where everyone can enjoy their socio-economic rights – such as to housing, food, education and decent work. They also shine a spotlight on the fundamental injustice at the core of our current economic model – a model that results in scarcity and

precarity for the many, and unimaginable wealth and privilege for the few.

Across countries, movements and worldviews, people are clamouring to rethink how our economies should function and who they should serve. Our version of this is to ask a seemingly radical question: What would it look like if we had an economy based on human rights?

Human rights and the economy have not traditionally been spoken about in the same sentence. Slowly, this is changing. More and more voices – including social movements and progressive politicians<sup>2</sup> – are making these links. Increasingly, those in the human rights movement – from UN experts to grassroots organizations – are starting to interrogate economic systems and policies. Undoubtedly, the neoliberal economic system that has calcified over the last 40 years has wrought incalculable damage on the rights of millions. Even before the COVID-19 pandemic, hunger was on the rise, the gap between the rich and the poor had escalated to unprecedented extremes, and millions were living in abject poverty. It’s increasingly clear that the enjoyment of human rights cannot be insulated from the economy.

1 <https://twn.my/title2/wto.info/2021/ti210806.htm>

2 See for instance <https://weall.org/wego>

But even now, human rights organizations tend to focus on the downstream effects of bad policies decided in restricted decision-making spaces where economic orthodoxies dominate. Very rarely are rights used to build a positive, concrete vision for how to shape those policies upstream.

The rights-based economy concept decisively breaks that mold. We define a rights-based economy as one that would **guarantee the material, social and environmental conditions necessary for all people to live with dignity on a flourishing planet.**<sup>3</sup> This idea challenges the notion that human rights are irrevocably individualistic, that they are neutral on how resources should be redistributed, that they do not have radical potential. In doing so, it builds a vision for how a progressive understanding of human rights can illuminate economic policy choices.

Human rights, we believe, enrich our vision of economic justice. They provide a widely agreed framework of **ethical values** that should underpin our economies; values such as dignity, solidarity and equity. Human rights also **create legal obligations** that governments and other powerful actors must comply with. Recognizing that public goods such as health, water and education are rights means recognizing that they are so essential for human dignity and well-being that access to them must be guaranteed to all; it cannot be left to the whims of the market or to the total discretion of decision-makers. Ensuring that all people can enjoy their human rights on an equal footing demands action to redistribute resources, remedy inequalities and rebalance power. This directly challenges the logic of neoliberalism, giving primacy to people's human rights, as internationally recognized, over the spurious 'rights' of investors and corporations.

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3 CESR and Christian Aid, A Rights-Based Economy: putting people and planet first, 2020, <https://cesr.org/rights-based-economy-putting-people-and-planet-first> (available in English, French, Spanish and Arabic)

Human rights also give us a **holistic picture of well-being**. The human rights framework,<sup>4</sup> and the Universal Declaration of Human Rights which is its cornerstone, contains a broad spectrum of rights: civil, cultural, economic, environmental, political and social. Many actors interpret human rights narrowly, as being mainly about civil liberties. But as the Declaration makes unequivocally clear, they are far more holistic than that. Rethinking our economies on the basis of the full range of rights – from the right to a fair trial to the right to be free from hunger and the right to enjoy the benefits of scientific progress – helps to overcome stale ideological debates over whether 'civil liberties' or 'development' (both narrowly defined) should be prioritized by governments. All rights are explicitly understood as interrelated and indivisible – the right to health is just as non-negotiable as the right to freedom of expression – and indeed, they depend on each other. This reflects a much more compelling and accurate vision of our intertwined lives, societies and economies.

That said, the rights-based economy (RBE) is not intended to replace or override other compelling visions of alternative economies. In constructing this vision, we draw on other mutually enriching conceptions, including *buen vivir*, solidarity economies and feminist economies. The RBE is intended to include and make space for these visions to flourish; to crowd them in, not crowd them out.

Of course, **concrete policies** – designed and implemented with human rights considerations at the forefront – will provide decisive steps on this journey towards a rights-based economy. These include the robust taxation of wealth; universal and comprehensive social protection systems; upholding labour rights; reclaiming public services; and reforming and regulating corporations. But it is equally vital to pursue more **seismic shifts** in how power is vested and what we produce, distribute, consume and

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4 Meaning the rights and obligations outlined in international human rights law and elucidated through jurisprudence and interpretation of human rights monitoring bodies. For the core international human rights treaties that detail and give binding force to the provisions of the UDHR, see Office of the High Commissioner for Human Rights, Core International Human Rights Instruments.

value. For example: care must be recognized as the fulcrum of our societies and economies and valued and supported as such. Corporations would be required to prioritize the interests of their workers and the health of the planet above lining the pockets of their shareholders. Respect for planetary boundaries should guide all economic decision-making and decisive action taken to prevent further climate catastrophe.

A shift to an RBE also requires democratizing and decolonizing economic decision-making at all levels, especially given that COVID-19 has highlighted the need to renew multilateralism from the ground up. A massive transformation in **global economic governance** is a fundamental piece of this puzzle. In the RBE, the purpose of global economic governance is to realize the Universal Declaration of Human Rights' vision of a social and international order in which everyone can fully realize their rights. Such an order must be premised on a permanent reduction of economic inequality and greater convergence in rights enjoyment between and within countries. It requires international institutions of economic governance that acknowledge and abide by their human rights responsibilities, rather than acting as clubs for the rich.

Additionally, human rights treaties commit States to guaranteeing the rights of people in their own country as well as people abroad affected by their conduct. Government obligations that cross borders are known as extraterritorial obligations (ETOs).<sup>5</sup> These ETOs require the removal of economic barriers to socio-economic rights realization in low- and middle-income countries, along with cooperation instead of competition to ensure that collective problems (e.g., climate change, illicit financial flows or pandemics) are dealt with in an effective, coordinated and equitable manner. They also require the construction of a truly democratic global governance system which ensures that all countries can participate on an equal footing in the most important

economic decisions at global level, while tackling the legacy of colonialism and neo-colonialism. So, wealthier countries would refrain from impeding socio-economic rights realization in low- and middle-income countries, including by cancelling debt and by cooperating, not competing, in response to collective problems such as climate change, pandemics and illicit financial flows.

A crucial part of the pathway towards an RBE is **narrative change**. Over the last three decades, proponents of the neoliberal system may not have won the evidence war (it's been demonstrated time and again that higher tax rates don't lead to capital flight, that wealth does not 'trickle down', that 'working hard' isn't enough to lift marginalized people out of poverty), but they have won the narrative battle. Many people have been convinced that taxing the rich is dangerously radical, or that deficit spending is inherently risky or irresponsible. For a long time, the story we've heard is that the best way to guarantee everyone's right to live with dignity is to prioritize economic growth. Market efficiency will ensure that resources 'trickle down' to those in need, we're told. **This has given governments, corporations, and international financial institutions a free pass to essentially make economic policy decisions a 'rights-free zone'.**

There's overwhelming evidence that this story is fiction. **Despite near-constant growth in recent decades, roughly half of humanity are still living in poverty** (scraping by on less than US\$ 5.50 a day). At the same time, the 10 wealthiest people in the United States collectively own US\$ 853 billion— enough to end extreme poverty several times over. Global hunger has been rising rather than falling in recent years: 9 percent of the world's population were classified as undernourished in 2019, while the number of people suffering from acute hunger is estimated to have doubled since then. Racism, sexism and other forms of discrimination still run rampant and are starkly reflected in the disparate impacts of the COVID-19 pandemic, as well as in disparities of income and wealth. Meanwhile, we are careening towards climate catastrophe.

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<sup>5</sup> See CESR, Governments' Obligation to Cooperate Internationally to Realize Human Rights. Recovering Rights Series, No 3, 2020, [www.cesr.org/sites/default/files/Issue%20Brief%202\\_\\_\\_.pdf](http://www.cesr.org/sites/default/files/Issue%20Brief%202___.pdf)

**But there's another story we can tell. The resources we need do exist; they are just concentrated in the hands of the privileged few.** Inequality is a choice, not an inevitability. Healthcare, education, clean water, a roof over your head - these things are rights to be guaranteed to all, not a privilege or a commodity. So, those with power over economic policy have to consider – and be held accountable for – how their decisions could help or hinder people from lower income groups and countries enjoying their rights, equally. Transforming our economic system to put rights at the centre means changing the daily lives of millions of people. People who now lose everything when faced with a medical emergency wouldn't have to, because healthcare access would be guaranteed. No person would fear destitution because they take time out of the labour force to care for a loved one, because they would be supported by a robust social protection system. No young person would be forced to skip school during their menstrual period, because their school lacks running water and they can't afford sanitary products.

Placing human dignity and human rights at the centre of our economies may seem far-fetched to some. But COVID-19 has made manifest a simple fact obscured over decades of the neoliberal system: people are the economy. The economy is fundamentally relational – it is made up of our different interactions with other people every day.<sup>6</sup> The economy and the market are not outside of wider society and its norms and values, but part of the same fabric. But reclaiming the economy requires a dismantling of the systems, structures and narratives which have been built up over decades to divert and distort economic value and financial power to private ends. It requires us to fight private power and build public power as a counter-balance. Understood comprehensively, human rights standards, principles and values can help us to achieve this. We can transform our economies to put human dignity and flourishing at their centre. Moreover, human rights can not only inform this new vision of economic justice, but also guide us on our path to achieving it.

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<sup>6</sup> See Groundwork Collaborative, <https://groundworkcollaborative.org/resource/we-are-the-economy/>