**An Annotated Guide to**

**“We the People: a renewed social contract anchored in human rights”**

The explanatory notes are provided in square parentheses. Numbers in parentheses represent a combination of page and paragraph numbers in Chapter II of the *Common Agenda*

**Preamble**

[The preamble in paragraphs 16,17 and 18 on page 22 has several economic dialectic terms that require definition in plainer language. Further, the title requires a comprehensive definition of “social contract” and its relation to “human rights”.

A social contract is about the reciprocal obligations between peoples, households, communities and their leaders. It’s one in which there are “reciprocal obligations” between citizens on the one hand and government leaders on the other. The social contract is a central element of democracy – a tacit agreement in which all, or a very large percentage of citizens, give up some freedoms and property in order to benefit from collectively-determined benefits of the citizenry as a group. Below are some more detailed definitions of “social contracts” and the related concept of “social capital” of the citizenry in political economy theory.

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| **Chart 1 Mark Carney’s 1 definition of social contracts and social capital and markets**  |
| 1. Mark Carney, *Value(s): Building a Better World for All.*  Toronto: Penguin Random House Canada, 2021, pages: 216-17, 130, 11-12  |
| Enlightenment Philosophers Hobbes, Locke and Rousseau all advanced versions of the social contract theory, the idea that we, as citizens, enter into agreements with each other and with the state that delineate the obligations and rights of all parties- that is citizens and state governments. [The dictionary definition of reciprocity means “a mutual exchange where one party gives to another in return for the other party giving back in kind or degree”] Carney states that this contractarian model has its limitation in describing reality because people cannot choose to cancel their contracts nor do they ever provide express consent to be a party to it. But the concept allows us to reflect on our relationship to the state and to consider what we can expect from the state and ultimately what we can expect from each other. The social contract, even as an abstraction for the public and political leaders, is not the limit of the relationship [because] “Social capital” is needed. (216, 217). Social capital refers to the links, shared values and beliefs of a society which encourages individuals not only to take responsibility for themselves and their families but also to trust each other and work collaboratively to support each other. Social capital is the product of both institutions and culture and it includes incentives embodied in the belief system. (130) An overarching theme in Mark Carney’s book is that, to make markets effective, there must be values that govern them. Markets, if left unattended [i.e unregulated] will “corrode” those values. We must concentrate on building social capital to make markets work. To do so, individuals … must rediscover their sense of solidarity and responsibility for the [political and economic] system (11,12). Otherwise, we are living in 19th century Oscar Wild’s aphorism [of knowing the price of everything and the value of nothing] – a situation that will lead to incalculable costs to our society and future generations. (12)  |

We urgently need a renewed social contract, anchored in a comprehensive approach to human rights (22:18) [As stated in (32.33), these rights are Economic, Social, Cultural, Civil and Political. And 92% of all the UN Sustainable Development Goals are linked to these human rights and labour standards. The 11 sustainable development goals are listed in the Chart 1 below. These are the goals that the state is obligated to reach on behalf of its citizens. Insofar as these are regarded as universal goals, they apply to all nation state members of the United Nations including, of course Canada. Indeed, the text of We the People includes the statement that social contract originates at the subnational, and national levels and its exact architecture is unquestionably up to each society to determine. (22:19) Therefore WFMC could lobby for its application to the Canadian federal and all provincial governments for example. At the same time WFMC could lobby the Federal Government to adopt the “global dimensions of the social contract” as contemplated in (22:19).] Sustainable Development Goals are elements of the common good of the democratic state and the common good of the World which is implicitly assumed to be a democracy for all the peoples of the world or all the member states of the United Nations.

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| **Chart 2 Sustainable Development Goals in the Renewed Social Contract** |
| 1 | No Poverty |
| 2 | Zero Hunger |
| 3 | Good Health and Well Being |
| 4 | Quality Education |
| 5 | Gender Equality  |
| 8 | Decent Work and Economic Growth  |
| 10 | Reduced Inequalities  |
| 11.1 | Affordable housing in Sustainable cities and Communities |
| 12 | Responsible Consumption and Production |
| 13 | Climate Action |
| 16 | Peace, Justice and Strong Institutions  |

Covid-19 has brought new urgency to the choice before us. Even before the pandemic, **solidarity** had dwindled in many societies. Governance has become more difficult against the backdrop of a heighted sense of **unfairness** and a rise of populism and inward-looking nationalist agendas that peddle simplistic fixes, pseudo-solutions and conspiracy theories. (22:16)

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| **Chart 3 Mark Carney’s definition of solidarity**  |
| The state embodies collective ideals such as equality of opportunity, liberty, fairness, solidarity and sustainability (11). Solidarity is one of five core values: solidarity, fairness, responsibility, resilience, and sustainability (475-496). Solidarity is about citizens working together. It’s about regeneration – that is teaching someone to fish rather than given them fish. (480) [The teaching metaphor implies a state government requirement to provide public education of all citizens in how to engage in the process of direct participatory democracy for legislations and holding the government to account for its regulation of the economic system for the elements of the common good so that none are left behind.] Solidarity [is a situation in which] citizens … recognize their obligations to each other and share a sense of community and society. Solidarity is not fixed but needs to be nurtured. (9) It is one of the values that form the social foundation of the common good [of a democracy]. Individuals with a sense of solidarity, meaning engaged citizens who recognize their obligation to each other. (139) International cooperation is solidarity at its best when it pursues pragmatic solutions to concrete challenges.  |
|  **Chart 4** **Mark Carney’s definition of the common good**  |
| The common good is a series of purposes – that is national goals such as a net-zero economy. It is also about a number of common values among most citizens. (474,475) These common values include collective ideals such as equality of opportunity, liberty, fairness, limited inequality, solidarity and sustainability of environmental and ecological resources for future generations. [Note the distinction between common values of the majority of citizens such as limited inequality and shared prosperity and national goals that are the ends of society such as resilience in the economic system that will enable the state to deal with future uncertainties such as pandemics, wars, and natural disasters.]  |

[So, a social contract anchored in human rights means that all of them are obligations of a democratic state to its citizens. Implicit in this contract is the requirement for all citizens to be virtuous in terms of their duty to the state and their duty to deliberate with their fellow citizens and political leaders with regard to issues and choices of legislation and governance that affect all of them or, at least, a very large majority.]

Covid-19 has brought new urgency to the choices before us. Even before the pandemic, solidarity had dwindled in many societies. (22:16) We urgently need a renewed social contract anchored in a comprehensive approach to human rights. (22: 17,18) [The metaphor of the anchor implies great danger for failure to take a comprehensive approach and consequent drift into failures to deliver on an ideal social contract that we once had. In the next section, he outlines three factors that a comprehensive approach would entail at the level of the member states.]

**A. Foundations of a renewed social contract**

The social contract originates at the subnational and national levels and its exact architecture is unquestionably up to each society to determine. However, any social contract also has a global dimension. All societies face, and are affected by, global pressures while solidarity within countries provides for our cooperation internationally. I will therefore mobilize the whole United Nations system to assist countries in support of a renewed social contract, anchored in human rights. (22:19)

Drawing on the consultations of *Our Common Agenda*, I see three foundations for a renewed social contract for the twenty-first century. **(a) trust: (b) inclusion; and (c) measuring and valuing what matters to people and the planet**. These ideas are articulated in different ways across societies, regions and cultures, but the international community has generated consensus on them through the United Nations by enshrining core principles, such as solidarity, [See Mark Carney definition of solidarity] respect for human rights, accountability, and equality. (22,23:19)

[The Chart on page 23 depicts the Foundations of the Renewed Social Contract:]

B Trust in state institutions for taxation, and justice and more broadly the International Tax System, the Internet and the regulation and management of our digital commons as a global public good that listen to what matters to people. [These are elaborated on pages 24 to 27 in seven paragraphs 20 to 26]

C List of social protections systems for health, education and lifelong learning, decent work, women and girls at the centre, peace at home, adequate housing, digital inclusivity. See the Chart on page 29 for the social protection systems for the eleven Sustainable Develop Goals. [These are discussed in some detail in section C on pages 27-33 in ten paragraphs 27-36.]

D Complement measures GDP for measuring and valuing what matters to people and the planet. [These are discussed in some detail in section D on pages 33-34 in three paragraphs 37-39]

**B Trust in institutions** (pages 24-27)

There has been an overall breakdown in trust in major institutions world-wide due to both their real and perceived failures to deliver, to be fair, to be transparent and inclusive, to provide reliable information and to make a difference in people’s lives (24: 20)

[In this context, institutions include state institutions for taxation, access to justice and the rule of law and more broadly the International Tax System, the Internet and the regulation and management of our digital commons as a global public good.]

Institutions could establish better ways of listening to people whom they are meant to serve and taking their views into account, especially groups that are frequently overlooked, such as women, young people, minority groups or persons with disabilities (24:21)

Failing to **deliver what people need most** including basic services, drives mistrust, regardless of how open institutions are to public participation. Societies vary in terms of which **public goods** are delivered privately, including health, education, the internet, security and child-care. However, regulatory frameworks that ensure effectiveness and accountability can be provided and kept up to date by States. A key lesson from Covid-19 is the importance of the State as a provider of trustworthy information and goods and services, especially in times of crises. At a time of rapid change, I encourage societies to discuss what are the most essential and valued public goods and the best means of ensuring their delivery. I would also urge investment in public systems and ensuring quality public servants as the main point of contact between the State and people. **The international system needs to better support countries that lack the capacity and funding to make such investments in public goods.** (24:22)

**Justice is an essential dimension of the social contract**. In all parts of the world, distrust is fuelled by people’s experience of inequality, and corruption and by their perception that the State and its institutions treat them unfairly. The *2030 Agenda* promises to promote the rule of law and provide access to justice for all - as many justice systems deliver only for the few. (24,25 :23)

**Taxation** is one of the most powerful tools of government, critical to investing in public goods and incentivizing sustainability. Governments should consider using taxation to reduce extreme inequalities in wealth. Countries across different income categories also face challenges in terms of domestic resource mobilization. Addressing this is an integral part of financing for development and crucial in supporting the efforts towards achieving the Sustainable Development Goals. (25,26:24)

More broadly, a reformed **international tax system** is needed to respond to the realities of growing cross-border trade and investment and an increasingly digitalized economy while also addressing existing shortcomings in fair and effective taxation of business and reducing harmful tax competition. I also propose stronger international cooperation to tackle tax evasion and aggressive tax avoidance, money laundering, and illicit financial flows including through **a new joint structure on financial integrity and tackling illicit financial flows** with membership centred around the United Nations, international financial institution, OECD, major financial centers and expert civil society organizations. Its role could include promotion of transparency and accountability through the provision of data and other information, as well as fostering agreements to address illicit financial flows. (26, 27:25)

The **Internet** has altered our societies as profoundly as the printing press did, requiring a deep reimagining of the ethics and mindsets with which we approach knowledge, communication and cohesion. While vigorously defending the right to freedom of expression everywhere, we must equally encourage societies to develop a common, empirically-backed **consensus on the public good of facts, science and knowledge** to check lying, and disinformation of social media on the internet. A global code of conduct that promotes integrity in public information should be explored together with States media outlets and regulatory bodies. It is also time to understand, better regulate and manage our **digital commons as a global public good.** (27:26)

**C Inclusion, protection and participation** (pages 27-33)

**A vibrant social contract** guarantees the conditions for people to live a decent life, **leaving no one behind and enabling all to participate in society, as promised in the *2030 Agenda*.** This means measures to address discrimination and to ensure that human rights are protected and people can meet their basic needs: food, health care, water and sanitation, education and decent work . These are basic human rights. We must ensure a broad sharing of opportunity and human security across society as we work towards a greener, more sustainable future. (27,28 :27)

**Social protection systems** have demonstrated their value during the Covid-19 pandemic, saving lives and backstopping economies at large. We must not lose the momentum. A new era for social protection systems would be a foundation for peaceful societies. I urge States to accelerate steps to achieve **universal social protection coverage**, including for the remaining 4 billion people currently unprotected, in line with target 1.3 of the Sustainable Development Goals [(1) No poverty, (2) Zero (2) Hunger, (4) Quality Education, (8) Decent Work. (11.) Affordable Housing]. To support this new era for social protection, I will ask the United Nations system to work with Member States to identify resources to invest in their systems where needed, including by **ring-fencing and setting spending targets** as a percentage of GDP, reallocated public expenditure, using proven techniques to combat corruption and illicit financial flows, deploying progressive fiscal policies and increasing budget transparency, participation and accountability. … The establishment of a Global Fund for Social Protection being explored by the International Labour Organization (ILO) could support countries in increasing levels of funding devoted to social protection over time. Efforts by international financial institutions and States to achieve a fairer and more sustainable global economy and to provide liquidity to high-debt vulnerable countries would also increase fiscal space and ensure that the money can be spent on vital **social programmes discussed in Chapter 1V. [Nations large and small: a new global deal to deliver global public goods]**. Similarly, if all donors met the official development assistance target of 0.7 per cent of gross national income the ability of many countries to finance their human development, including social protection would be radically transformed. Similarly if all [state] donors met the **official development assistance target of 0.7 per cent of gross national income**, many countries would be able to finance their human development, including social protection. (28:28)

I encourage States to **forge a post-pandemic consensus on other measure that speak directly to the social contract,** **Education (Chapter III)** and skills development must better support people’s capacity to navigate technological, demographic, climate and other transitions throughout their lives. I would urge formal recognition of a **universal entitlement to lifelong learning** and reskilling translated into practice through legislation, policy and effective lifelong learning systems, Decent work opportunities for all are also needed for shared prosperity. - as laid out in the ILO Centenary Declaration of the Future of Work. The advancement of the human right to **adequate housing** in line with target 11.1 of the Sustainable Development Goals, proved its value in the public health measures taken in response to the pandemic. Impressive actions taken to house people have demonstrated what is possible with sufficient political will. (28,29:29). [**Life-long learning should be extended to ecology, civics, political economy and direct democratic participation activities that increase social capital, strengthen values of solidarity, responsibility, and appreciation of sustainability in the interests of future generations. These are intended to strengthen the institutions of democracy and are an antidote to large scale disinformation.]** (28,29:29)

[In this context institutions include state institutions for taxation, and provision of various “social protections systems” to achieve the eleven sustainable development goals (e.g., eliminating poverty and hunger, affordable housing, providing good health and well being, quality education, decent work, and reduced inequalities. To these are added Gender Equality, Climate Action (29: Chart)

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| **Chart 5 Social Protections Systems for Sustainable Development Goals** |
| 1 | No Poverty |
| 2 | Zero Hunger |
| 3 | Good Health and Well Being |
| 4 | Quality Education |
| 5 | Gender Equality  |
| 8 | Decent Work and Economic Growth  |
| 10 | Reduced Inequalities  |
| 11.1 | Affordable housing in Sustainable Cities and Communities |
| 12 | Responsible Consumption and Production |
| 13 | Climate Action |
| 16 | Peace, Justice and Strong Institutions  |
| Source: Diagram on page 29 |

To take stock of the foregoing commitments and progress made as the world seeks to recover from COVID-19, consideration should be given to holding a **World Social Summit in 2025**. The Summit outcome could be an update of the 1995 Copenhagen Declaration on Social Development, covering issues such as universal social protection floors, including universal health coverage, adequate housing, education for all and decent work and give momentum towards achieving the Sustainable Development Goals. (29: 30,31)

No meaningful social contract is possible without the active and **equal participation of women and girls**. I urge Member States and other stakeholders to consider five related and transformative measures (30:31)

I encourage Member States to strengthen efforts towards **gender equality in all United Nations intergovernmental processes.** The review of the working method of the commission on the Status of Women in 2021 could include a reassessment of the role of the Commission in relation to other intergovernmental mandates. (32: 32)

Underpinning the social contract is an unequivocal commitment to human rights. Human rights serve the whole of society – not only the individual. Human rights are vital problem-solving tools that safeguard lives and livelihoods and can prevent grievances from arising. These rights are Economic, Social, Cultural, Civil and Political. 92% of all the Sustainable Development Goals are linked to human rights and labour standards. **Promoting and protecting civic space makes societies stronger and more resilient, building on the right to participate and freedom of expression, association and assembly. It is also time to treat these rights as problem- solving measures and ways to address grievances not just for individuals but for communities at large.** (32: 33)

**Racism, intolerance and discrimination**. New approaches will be taken to laws for proactively supporting the participation in public affairs of those who have traditionally been marginalized including minority and indigenous groups. I support the update of the modalities of the universal periodic review by the Human Rights Council. (33:34)

**The time has come to take stock and rejuvenate our shared values and update our thinking on human rights** in 2023, the seventy fifth anniversary of the Universal Declaration of Human Rights and 30 years since the adoption of the Vienna Declaration and Programme of Action on human rights. The right to a healthy environment also warrants deeper discussion. It may be time to reinforce universal access to the internet as a human right with accelerated steps to connect the remaining 3.8 billion people off line to the internet by 2030, notably those most often left behind, including women along with indigenous and older people. The United Nations stands ready to work with Governments, businesses and civil society to find alternatives to disruptive blanket Internet shutdowns and generic blocking and filtering of services to address the spread of disinformation and harmful life-threatening content in line with international human rights law. (33:35)

Finally, to ensure that everyone is seen and recognized, measures to prove legal identity (target 16.9 of the Sustainable Development Goals) and **end statelessness**, including by closing legal loopholes, and disaggregating data by age, gender and diversity are urged. .. . I urge Governments and other stakeholders to make progress in putting the Global Compact on Refugees and the Global Compact for Safe, Orderly and Regular Migration into practice including through respect for the fundamental principle of non-refoulement and measures to provide access to asylum for refugees by protecting and upholding the rights of all persons on the move, regardless of status, by supporting host countries and through the inclusion of **refugees and migrants** in essential public services. (33: 36)

**D. Measuring and valuing what matters to people**

Even with out planet undergoing rapid and dangerous change, economic models continue to assume endless expansion and growth and overlook the broader systems that sustain life and well-being. We need a pathway that protects people and the planet, allowing for sustainable development. This means broad shifts in what prosperity and progress mean, how to incentivize and measure theme and how to evaluate policies. (33:37)

We must urgently find measures of progress that complement GDP, as we were tasked to do by 2030 in target 17.19 of the Sustainable Development Goals. We know that GDP fails to account for human well-being, planetary sustainability and non-market services and care, or to consider the distributional dimensions of economic activity. We are destroying nature but we count it as an increase in wealth. Such discussions have been ongoing for decades. It is time to collectively commit to complementary measurement. Without that fundament shift, the targets that we have fixed in relation to biodiversity, pollution and climate change will not be achievable. (33,34:38)

I will consult the Presidents of the General Assembly and the Economic and Social Council to determine how to advance this issue. In the interim, I urge Member States and other to already begin implementation of the recent System of Environmental-Economic Accounting (SEEA) Ecosystem Accounting and the system for population and social conditions and consider existing complements or alternatives to GDP such as the human development index, the inclusive wealth index, the Genuine Progress Indicator, the multidimensional poverty index and the inequality-adjusted human development index.

In rethinking GDP we must also find ways to validate the care and informal economy. Specifically, most of the work around thew world is unpaid and done by women and girls, perpetuating economic inequality between genders. Rethinking the care economy means valuing unpaid care work in economic models but also investing in quality paid care as part of essential public services and social protection arrangements, including by improved pay and working conditions (target 5.4 of the Sustainable Development Goals. More broadly we also need to find new ways to account for the value of the vast informal economy. (34: 39)

**Appendix on Measures of Progress that Complement GDP**

[For illustration purposes I list the following dimensions on page 15 of the book, *Mismeasuring Our Lives: Why GDP Doesn’t Add Up* by Joseph E. Stiglitz, Amartya Sen and Jean-Paul Fitoussi, The New Press, New York, 2010 p. 15. “The Report of the Commission on the Measurement of Economic Performance and Social Progress.

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| **Chart 6 Broad Multidimensional Elements of Well-Being** |
| 1 | Material living standards (income, consumption and wealth) |
| 2 | Health |
| 3 | Education |
| 4 | Personal activities including work |
| 5 | Political voice and governance |
| 6 | Social connections and relationships |
| 7 | Environment (present and future conditions) |
| 8 | Insecurity, of an economic as well as a physical nature  |

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| **Chart 7 Changes in Indexes of Well-Being in Canada: 1994 to 2010 \*** |
| **Element**  | **Description**  | **Note**  | **% Change**  |
| GDP | Gross Domestic Product at Market Prices  | 1 | 28.9% |
| Family Income | After tax median income of families in inflation adjusted dollars  | 2 | 28.6% |
| Inequality of Income  | Ratio of average tax family income of the top quintile of family income earners / average tax family income of the bottom quintile of family income earners  | 3 | + 11.4% |
| EmploymentQuality  | CIBC index of employment quality  | 4 | -2.8% |
| Economic security  | Index of economic security produced by the Centre for the Study of Living Standards | 5 |  |
| Living Standards |  | 6 | **14.3%** |
| Community Vitality |  | 7 | 10.3% |
| DemocraticEngagement  |  | 7 | 7.0% |
| Health ofPopulations |  | 7 | 4.9% |
| Leisure &Culture  |  | 8 | -7.8% |
| Environment  |  | 9 | -10.8% |
| Totals  | Overall Increase in the Composite Index of Well-Being  |  | **5.7%** |
| Source: University of Waterloo Canadian Index of Well Being [https://uwaterloo.ca/canadian-index-wellbeing/resources/information Accessed April 21](https://uwaterloo.ca/canadian-index-wellbeing/resources/information%20Accessed%20April%2021), 20141. The increase is in current dollars which reflect inflation 2. Increases in inflation adjusted dollars means that the numbers represent dollars at 2010 prices.3. This ratio of quintiles (20%) represent the “affluent” and “poor” classes so that the “middle” class is left out. Note that the middle average for the middle class are implicitly assumed to be close to the median. 4. I did not analyze the CIBC index of employment quality but assumed it would pertain to the “precariat class as opposed to chronic unemployment over the standard 4.7% over this seven-year period. 5 There was a slight decline but no data were available.6. The percent is equal to the Family Income of 28.6%, reduced by the negative factor of Inequality of Income (11.4%) and the 2.8% decline in Employment Quality 7. For lack of time I did not research the descriptions 8 Leisure and culture indexes decline as annual visitations to national parks and historic sites declined by 28.7% and annual hours spend volunteering for culture and recreation organizations decline by 21.3%. Also time spent in social leisure activities decline by 19.7$. Finally average attendance per performance fell 10.7% These changes were more than offset by positive increases: a 24% increase in the frequency of participation I physical activity over 15 minutes; a 19.7% reduction in the average percent of time spent on the previous day in social leisure activities and a 7.2% increase in the average number of nights away per trip in the past year on vacations over 80 kms form home.  9 The environment quality decreased substantially as a result of an increase in the Ecological footprint (17.2%) and a reduction in the Canadian Living Planet Index of 23.8% and a 9.8% increase in annual megatons of Greenhouse Gas Emissions. The Viable Metal Reserves Index declined by 40.3%. These negative changes outweighed the positive changes: 11.7% increase in Primary Energy Production, a 3.9% increase in Water Yield in Southern Canada. |

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