

The Twelfth Meeting of the OSCE Economic Forum

**“New Challenges for Building Up Institutional and Human Capacity
for Economic Development and Co-operation”
Prague, 31 May - 4 June 2004**

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Opening address



Chairman-in-Office,
Your Excellencies,
Ladies and Gentlemen,

The OSCE's Dimensions

To work for the protection of human rights, for the rule of law and democratic development with a blind eye for the economy or the state of development of particular societies is not of much use. If we want to do more than just “flickering around the edges”, as Prof. Carothers once succinctly put it, we have to be able to develop comprehensive approaches to assisting each other to meet the high standards we have all adopted. The OSCE framework lends itself especially well to such an approach.

The advantage this organization has over many other international organizations lies in the combination of the politico-military, economic and environmental, and human dimensions in one forum. As the organization grows and develops, the challenge remains to avoid overly “compartmentalizing” the work in these dimensions. This is why I am particularly glad to be able to address you here today.

We have made an effort to include our colleagues and partners in the other dimensions in the work and events of the ODIHR and the human dimension at large. Our participation here is a sign that, in our work, we can complement one another in a comprehensive manner.

As the organization's main institution for the human dimension, the ODIHR focuses specifically on the *Leitmotiv* of this year's forum, i.e., building institutional and human capacity. On the basis of participating States' clear commitments, capacity-building is indeed one of our key objectives, shared throughout the whole organization.

Allow me therefore to take a brief look at the evolution of these commitments and then take a few issues as prime examples for illustrating the advantages of a comprehensive approach - indeed the need for it.

The Commitments

Thirty years after the OSCE founding document, the Helsinki Final Act; with a WTO in place; with the great ideological debates on central planning vs. market economy behind us; with a Kyoto Protocol in place; the principles of co-operation agreed at Helsinki may seem somewhat outdated.

However, a seed was sown there that is bearing fruit today. We should embrace these new stages of co-operation within the OSCE, which have reached an intensity that our predecessors in Helsinki could only have dreamt of.

According to the OSCE Strategy Document for the Economic and Environmental Dimension, the Economic Forum remains the major annual event of the OSCE economic and environmental dimension. The document points out that the forum

should be made more effective by ensuring a better *targeting of its themes on issues of major concern, an improved preparatory process and an effective procedure for ensuring follow-up* of its deliberations.

In the introductory note distributed before this forum, it is stated that *the value and the impact of the Economic Forum within the OSCE is generally measured by the capacity to generate recommendations that can further be transformed into follow-up activities*. In the human dimension, and arguably across our organization, we are faced with the same challenge.

I believe we should approach this jointly.

The renewed focus of the organization, manifest in the new Strategy Document for the Economic and Environmental Dimension, has also led us, and my colleagues from other institutions and bodies, to take a renewed interest in the economic dimension.

With my presence here today, and our side meeting on one of our special tasks – the situation of Roma and Sinti – the ODIHR wants to signal that we appreciate the extremely valuable work done by our colleagues in the economic dimension. We want to make use of and develop opportunities for thinking and working cross-dimensionally, as it were. We want to build on the close relationship and interaction with the economic dimension, which was reflected in the basic commitments of Helsinki, Vienna, and Bonn, as well as in earlier events that focused on “democratic market economies”, “the market economy and the rule of law”, “good governance in the public and private sectors”, the role of institutions and civil society, and transparency and public participation.

Human Rights, Development, and Economic Co-operation

Economic co-operation is based on the basic principles agreed on in Helsinki thirty years ago, which includes full respect for human rights and fundamental freedoms.

The Bonn Document of 1990 unambiguously recognized that democratic institutions and economic freedom foster economic and social progress.

Recognizing the relationship between political pluralism and market economies, the participating States committed themselves to the same principles that guide the organization’s activities in the human dimension.

Those are:

- **Multiparty democracy based on free, periodic, and genuine elections;**
- **The rule of law and equal protection under the law for all, based on respect for human rights and effective, accessible, and just legal systems;**
- **Economic activity that accordingly upholds human dignity and is free from forced labour; discrimination against workers on grounds of race, sex, language, political opinion, or religion; or denial of the rights of workers freely to establish or join independent trade unions.**

Let me give you an example of how economic and human issues are inseparable: There has been a debate about the WTO and human rights. The WTO itself is indeed not sensitive towards human rights in the same way as the EBRD is, for instance. But this should not lead to the misconception that the mere absence of explicit human-rights clauses in the WTO framework relieves states from their obligations. States' international commitments do apply in all international frameworks.

Good Governance and Democratic Governance

The focus in the new documents adopted in the framework of economic co-operation is on "governance". Now, this is a clear sign that what we call the human and the economic dimensions clearly belong together.

Other organizations, such as the UNDP, the World Bank, and the EBRD, have long understood the inseparability of economic development and increased trade relations, on the one hand, with the advancement of the rule of law, the protection of human rights such as property, fair trials, and freedom of movement, on the other. This also includes a whole range of social and economic rights that are part of our common *acquis* of commitments. During our recent Human Dimension Seminar in Warsaw on Democratic Institutions and Democratic Governance, this interconnection was amply verified and explored.

Economic and Social Rights

The OSCE participating States share this understanding. Fourteen years ago, as the Iron Curtain was coming down, the OSCE states recognized that economic and social rights and freedoms are all of paramount importance and must be fully realized by all appropriate means. The states committed themselves to develop appropriate laws, regulations, and policies and to put them into practice in order to guarantee the effective exercise of economic and social rights. Special attention should be given to employment, housing, social security, and health

They also committed themselves to consider acceding to the International Covenant on Economic, Social and Cultural Rights and other relevant international instruments, if they had not yet done so.

Good intentions are one thing; keeping a promise is another. There is still some way to go before reaching full ratification and implementation of this fundamental international treaty.

Trafficking in Human Beings

The main topic at last year's Economic Forum was the crucial priority of our fight against trafficking in human beings. Like this year's theme, this constitutes a main example of an issue that requires a multi-dimensional approach. And that is why it makes sense to have one Special Representative for the various efforts undertaken across the organization.

That does not mean that, for instance, the ODIHR will stop working on trafficking. But eventually, what we will be held accountable for is not whether we were able to

defend our turf, but how effectively we have contributed, as an organization, to help governments and societies in our region to understand this challenge - and to rid the region of this crime.

Roma and Sinti

We all agree that economic development should benefit all. This includes Roma and Sinti, a large but severely underprivileged European minority, whose economic, social, and political participation needs serious attention.

Last year, the OSCE adopted an Action Plan; this plan includes many concrete references to the economic situation and development of Roma communities.

Needless to say, this is not an area that offers itself to quick fixes. It will take decades to heal social rifts that have existed in Europe for centuries – but it will be an effective and credible start of this new phase. I see it as a yardstick for measuring success in what the participating States assembled in this forum can deliver – jointly and by themselves. An Action Plan, after all, can only be as good as the action undertaken when implementing it.

In the same way that the security paradigm has shifted from the security of states to the security of the individual, the focus in economics has opened up to include the social and economic situation of the individual, and of marginalized groups. Our co-operation with a specific focus on Roma should be guided by this concept.

Economic and Social Aspects of Migrant Labour

In Helsinki, states agreed to ensure that the personal and social welfare of migrant workers is protected. They also agreed:

- To ensure **equality of rights** between migrant workers and nationals of the host countries **with regard to conditions of employment and work and to social security**, and to endeavour to ensure that migrant workers may enjoy **satisfactory living conditions**, especially housing conditions;
- To endeavour to ensure, as far as possible, that migrant workers may enjoy the same opportunities as nationals of the host countries of finding other suitable employment in the event of **unemployment**;
- To regard with favour the provision of **vocational training** to migrant workers and, as far as possible, **free instruction in the language of the host country**, in the framework of their employment;
- To confirm the right of migrant workers to receive, as far as possible, regular **information in their own language**, covering both their country of origin and the host country;
- To ensure that the children of migrant workers established in the host country have **access to the education** usually given there, under the same conditions as the children of that country and, furthermore, to permit them to receive **supplementary education in their own language**, national culture, history and geography;

- To facilitate, as far as possible, the **reuniting of migrant workers with their families**.

These quotations from the economic part of the Helsinki founding act say a lot about the close connection between the economic and human dimensions. They touch upon many of the basic rights and freedoms that my Office promotes.

Maintaining the Interrelationship between the Economic and Human Dimensions

The links between the economic and human dimensions of the OSCE can be seen everywhere. It is our role to identify those and to strengthen synergies by co-operating, not by dividing up issues between us.

Let me give you another example regarding the crucial role of civil society in the field of **environment**. Environmental NGOs have played a key role in the improvement of environmental standards in the past thirty years. This is another clear indication of the inseparability of the human dimension, with its focus on freedom of association and freedom of speech and expression, and the goals of the organization in the field of protecting the environment.

Also, the **promotion of tourism** was considered so important to our predecessors at Helsinki that they included this commitment in both the economic and human dimensions. Indeed, bringing people together across borders, helping them understand and appreciate their neighbours' history and cultural heritage continues to be one of the backbones of peace and security in Europe.

Ladies and Gentlemen,

In this spirit of co-operation, I would like to invite the Economic and Environmental Co-ordinator to fully participate in human dimension events. Not only would we benefit from it, but it would hopefully help him to fulfil his important role to strengthen the ability of the OSCE as a whole to address economic, social, and environmental aspects of security.

The same goes for other participants at this forum, in particular the **private sector**. In order to achieve stable and sustainable development of societies and a fruitful business environment, state responsibilities and corporate responsibilities go as much hand in hand as do the three dimensions of our organization's concept for security and co-operation.

I wish you a successful forum and look forward to your contributions to, and participation in, human dimension events.

I thank you for your attention.