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Promotion and protection of all human rights, civil, political, economic, social and cultural rights,

## Inequality, social protection and the right to development

## Study by the Expert Mechanism on the Right to Development

### *Summary*

In the present study, the Expert Mechanism on the Right to Development examines inequality within and among States through the framework of the right to development. It considers the political economy of development and explores capacities to enhance universal and comprehensive social protection systems.

In assessing inequality-reduction policies and social protection systems, the Expert Mechanism identifies global good practices and practices that are exclusionary or restrictive. It places social protection systems within the context of State obligations, international cooperation and global partnerships, as outlined in the Declaration on the Right to Development, and the new social contract, as outlined in the Secretary-General's report entitled "Our Common Agenda".

To conclude, the Expert Mechanism offers recommendations to States and other stakeholders to address deepening inequalities within and among States by establishing universal social protection systems as a fundamental human right understood through the principle of equality of opportunity for development.



## I. Introduction

- As the world continues to face the seemingly interminable consequences of the global coronavirus disease (COVID-19) pandemic, one striking effect has been the rise – in both scale and pace - of inequality. Several studies and United Nations reports have signalled a historic shift in wealth distribution, a rise in the frequency and severity of climate changeinduced natural disasters and increasing political polarization and conflict. A key result of these trends is the compounding of unequal access to resources, including health care, food, safe drinking water, housing, income, overall safety and general well-being. These conditions also foster environments of hostility, particularly towards the poor, the vulnerable and minority groups. Deepening inequality remains a key obstacle to achieving the globally agreed ambitions of the 2030 Agenda for Sustainable Development and the promise to leave no one behind. Increasing inequality in income, wealth and opportunity also presents new threats to human rights globally; indeed the consequences of inequality threaten the enjoyment of the right to development as it undermines economic development and threatens democratic life, social cohesion and resource redistribution. The first step to combating inequality is recognizing that societies cannot reach their full potential if whole segments of society are excluded from participating in, contributing to and benefiting from economic, social, cultural and political development.2
- 2. Discrimination and inequality are interlinked. The drivers and manifestations of inequality are rooted deep in historical inequities, lopsided income and wealth distribution, political marginalization and social exclusion. Social inequalities between groups along lines such as gender, race, ethnicity or caste, disability, age, citizenship and other embodied or ascribed attributes are based on and reproduce hierarchies founded on discriminatory practices. While societal inequalities may arise from explicit legal disparities in status and entitlements, such as those affecting migrants, they can also arise from policies that disregard the needs of particular people or from social values that shape relationships within communities in a manner that discriminates against specific groups.<sup>3</sup>
- 3. Discrimination creates horizontal inequalities between social groups, such as those along the lines of gender, race and ethnicity. These are connected to inequalities of opportunity reflecting disparities arising from ascribed social status over which individuals have no control. Discrimination also reinforces vertical inequalities such as income inequalities. Economic disparities in income, wealth and opportunity often intersect with inequalities in access to political rights and participation, which are under threat in many parts of the world. Economic and social inequalities both drive and are driven by political inequalities, as elites accumulate influence and power to preserve and perpetuate a system that benefits the few at the expense of the many.<sup>4</sup> Data show that the most vulnerable and marginalized groups, such as women, particular racial or ethnic groups, elderly or young persons, persons with disabilities, LGBTIQ+ persons, workers in the informal sector, rural populations and migrants, face intersecting economic and social inequalities and political marginalization. These groups are disadvantaged by limited access to education and employment, lower incomes and vulnerability to violence.<sup>5</sup> The absence of social protection worsens these disadvantages.
- 4. Inequality also has a territorial expression, such as in the rural-urban divide in many countries with rural communities often experiencing the highest levels of poverty owing to the lack or precariousness of public services. <sup>6</sup> Related to territorial inequalities are

World Bank Group, World Development Report 2017: Governance and the Law (Washington, D.C., 2017).

<sup>&</sup>lt;sup>2</sup> A/69/700, para. 68.

<sup>&</sup>lt;sup>3</sup> Siddiq R. Osmani, "The human rights-based approach to development in the era of globalization", chap. 8, Office of the United Nations High Commissioner for Human Rights (OHCHR), Realizing the Right to Development: Essays in Commemoration of 25 Years of the United Nations Declaration on the Right to Development (United Nations publication, 2013).

<sup>&</sup>lt;sup>4</sup> United Nations Research Institute for Social Development (UNRISD), Crises of Inequality: Shifting Power for a New Eco-Social Contract (Geneva, 2022), p. 14.

<sup>&</sup>lt;sup>5</sup> Ibid., p. 189.

<sup>&</sup>lt;sup>6</sup> Submission by Ecuador.

intergenerational inequalities arising from lesser income, job opportunities and special protection for the younger generations: with rising unemployment and extreme poverty, young people with fragile and unstable employment are disproportionately affected. These inequalities also have an impact on the elderly, who require care, and migrants, who are susceptible to political exclusion and precarious work in informal sectors.

- 5. Although inequality had been declining globally in the decades before the 1990s, the past decade witnessed an unprecedented deepening of all dimensions of inequality. The COVID-19 pandemic exacerbated pre-existing inequalities worldwide, as the poorest and most vulnerable were hit hardest by the disease and its profound economic impacts. It is estimated that, globally, the pandemic pushed more than 120 million people into extreme poverty. Across the world, absolute poverty grew above even high pre-pandemic levels. In many developing countries, workers employed in the informal sector who constitute the majority of the workforce and the unemployed were most affected by the economic disruptions caused by the pandemic.
- 6. In the present study, the Expert Mechanism on the Right to Development examines the impact of growing inequalities within and among States in operationalizing the right to development. It also examines the right to development as a framework for addressing widening inequality in the aftermath of the COVID-19 pandemic and in response to calls to build back better and leave no one behind. In that perspective, it reviews policies adopted by States to address growing inequality and assesses their successes and limitations. Examining also the role of social protection systems in addressing inequality, the Expert Mechanism assesses the design, implementation and impacts of social protection systems, identifying good practices as well as practices that perpetuate exclusions and inequality.
- 7. The study places inequality and social protection systems within the context of State obligations, international cooperation and global partnerships, as provided for in the Declaration on the Right to Development, and the new social contract, outlined in the Secretary-General's report entitled "Our Common Agenda". The Expert Mechanism frames universal social protection systems as a fundamental human right understood through the principle of equality of opportunity for development, provided for in the Declaration on the Right to Development, and the transformative promise to leave no one behind, outlined in the 2030 Agenda for Sustainable Development. To conclude, the Expert Mechanism formulates recommendations to States, international organizations, civil society organizations and other stakeholders on strategies to address the widening inequalities within and among States through national and international policies and actions.

# II. Addressing global inequality: a right-to-development approach

8. A result of the COVID-19 pandemic is that more people worldwide lack access to basic sustenance, including food, housing and health care. Interventions by Governments and international organizations to mitigate the economic shocks of COVID-19 on vulnerable populations have proved inadequate and limited in impact. Many countries experienced a significant rise in poverty during the pandemic. In it is estimated that inequality between countries rose by 1.2 per cent between 2017 and 2021, the first such increase in a generation.

<sup>&</sup>lt;sup>7</sup> The Sustainable Development Goals Report 2021 (United Nations publication, 2021), p. 2; also Lucas Chancel and others, World Inequality Report 2022 (World Inequality Lab, 2022), p. 47; and World Bank, "COVID-19 to add as many as 150 million extreme poor by 2021", 7 October 2020.

<sup>&</sup>lt;sup>8</sup> A/75/982.

<sup>&</sup>lt;sup>9</sup> For example, in 2020, nearly one out of every three people did not have access to adequate food (A/75/982, p. 7).

In Ecuador, the number of people in conditions of socioeconomic vulnerability increased from 4.3 million to 5.7 million; 1 million people fell into the category of "extreme poverty" by income. In addition, approximately 431,000 new "multidimensional poor" and 196,000 new "extreme multidimensional poor" emerged in the country (submission by Ecuador).

Before the pandemic, between-country inequality had been projected to fall by 2.6 per cent over the same period.<sup>11</sup>

- 9. The devastating economic and social impacts of COVID-19 on the world's most vulnerable populations call for renewed attention to addressing inequality and its effects on human and societal well-being. The present study follows in the wake of several studies and reports that have signalled increasing inequalities at the global and national levels, including a widening wealth distribution gap, a growing lack of access to health care, intensification of political polarization, rising under- and unemployment, food and housing insecurities and a worsening climate crisis.<sup>12</sup> It was noted in one study that the world was extremely unequal before the pandemic, but that it was even more unequal now, and that, unless urgent action was taken by governments and the international community, the profound increase in inequality and poverty driven by COVID-19 would rapidly become permanent, and governments would lose a decade in fighting it.<sup>13</sup>
- 10. The COVID-19 pandemic has had contradictory economic and social impacts. Even as pandemic-related economic shocks and social disruptions devasted vulnerable communities around the world, it brought significant wealth gains for a tiny group of people, as wealth concentration among the wealthy intensified. The result was an intensification of inequality, which was already widening. Data show that, in the past three decades, the top 1 per cent of humanity captured nearly 20 times the amount of wealth as the bottom 50 per cent. This can be attributed to several trends in the global political economy: neoliberal hyper-globalization and the shift towards market fundamentalism, technological advances, immigration and rapid urbanization that have produced social disruptions and economic volatility.
- 11. Deep inequality has far-reaching implications at the individual and societal levels. In addition to its impact on the well-being and quality of life of the poorest and most vulnerable members of society, extreme inequality hinders economic growth, undermines democracy and leads to a societal breakdown in trust, solidarity and social cohesion. If It reduces people's willingness to act for the common good. With wide disparities in income and access to education and health care, people are more likely to remain trapped in poverty across several generations, which will lead to slower economic growth overall.
- 12. Equality and non-discrimination are central to the human rights-based approach to development. Inequality matters because it is a fundamental issue for human development. Extreme inequalities in opportunity directly affect human capabilities, that is, what people can be and what they can do. Beyond its impact on individuals and immediate societal well-being, there is an emerging consensus that inequality also induces global financial, social and political instability. <sup>17</sup> Studies have shown that more global inequality worsens climate outcomes, while less global inequality can improve climate outcomes. <sup>18</sup>
- 13. The 2030 Agenda and the Sustainable Development Goals provide a comprehensive framework for inequality reduction. Goal 10 is aimed at reducing inequalities within and among countries in order to empower and promote the inclusion of all, irrespective of social, economic or other status, so as to ensure equal opportunities and reduce inequalities of

<sup>&</sup>lt;sup>11</sup> See www.un.org/sustainabledevelopment/inequality.

For example, Chancel and others, World Inequality Report 2022; UNRISD, Crises of Inequality; and A/75/982.

Jo Walker and others, *The Commitment to Reducing Inequality Index 2022* (Development Finance International and Oxfam International, 2022), p. 5.

<sup>&</sup>lt;sup>14</sup> UNRISD, Crises of Inequality, p. 4.

United Nations Development Programme (UNDP), Human Development Report 2005: International Cooperation at a Crossroads – Aid, Trade and Security in an Unequal World (New York, 2005), p. 51.

<sup>&</sup>lt;sup>16</sup> Submission by Bella Anis, Juta Mewangi (Malaysia).

Mark J. Roe and Jordan I. Siegel, "Political instability: effects on financial development, roots in the severity of economic inequality", *Journal of Comparative Economics*, vol. 39, No. 3 (2011), pp. 279–309; and Pablo Duarte and Gunther Schnabl, "Monetary policy, inequality and political instability", *The World Economy*, vol. 42, No. 2 (2019), pp. 614–634.

Narasimha D. Rao and Jihoon Min, "Less global inequality can improve climate outcomes", Wiley Interdisciplinary Reviews: Climate Change, vol. 9, No. 2 (2018).

outcome, including eliminating discriminatory laws, policies and practices, and promoting appropriate policies and action. Achieving these goals requires States to adopt relevant policies, including fiscal, wage and social protection policies, and progressively achieve greater equality. However, some scholars have pointed out the limitations of this framework. For example, the dominant discourse with respect to Goal 10 and related goals largely focuses on those who are marginalized and living below the poverty line. In contrast, little attention is given to the very wealthy – the rich and powerful – at the top of the wealth distribution pyramid. Addressing the problem of extreme poverty requires consideration of wealth distribution within and among States as well as the historical and present-day conditions that have concentrated wealth among certain groups and regions of the world.

- 14. Wealth redistribution and deconcentration must therefore be integral to conversations about poverty and inequality reduction. The notion of redistributing wealth to address inequality is no longer as ideologically polarizing as it once was. For many decades, the standard economic argument held that inequality was part of a necessary incentive for hard work and talent. However, new research and literature have emerged about the destructive and destabilizing effects of inequality. <sup>20</sup> Some economists also previously warned that policies to level the economic playing field came with a hefty price tag in terms of growth and efficiency. This "equality-efficiency trade-off" was a persistent argument against Stateled inequality-reduction policy intervention. However, recent data suggest that extreme levels of economic inequality are as detrimental to the economy as they are to social cohesion. Moreover, experiments by behavioural economists confirm that most citizens are committed to fairness and are willing to make sacrifices to help those less fortunate than themselves. <sup>21</sup>
- 15. Human rights norms can help to inform policy decision-making and guide inequality-reduction strategies, including monitoring mechanisms for tracking progress on State commitments and providing space for accountability.<sup>22</sup> The right to development provides a comprehensive human rights framework for addressing the various dimensions of inequality and its impact on individuals and communities. The Declaration on the Right to Development positions the human person as the central subject, participant and beneficiary of development. It provides a holistic approach to human rights by requiring that development be carried out in a manner in which all human rights and fundamental freedoms can be fully realized (art. 1).
- 16. The principles of equality, equity, non-discrimination and fair distribution of the benefits of development are critical provisions of the Declaration on Social Progress and Development, which states that social progress and development shall be founded on respect for the dignity and value of the human person and shall ensure the promotion of human rights and social justice. This requires, inter alia, "the immediate and final elimination of all forms of inequality, exploitation of peoples and individuals..." (art. 2). In the Declaration on the Right to Development, States are enjoined to undertake, at the national level, all necessary measures for realizing the right to development and equality of opportunity for all in their access to basic resources, education, health services, food, housing, employment and fair wealth distribution.<sup>23</sup> States must not only take specific steps to improve economic, social and cultural conditions but must do so in a manner that is democratic in its formulation and equitable in its results.
- 17. A right-to-development approach is a practical way to address the challenges of poverty and inequality that have been identified. The Declaration on the Right to Development frames development in terms of both the obligation of States to operationalize the right and the duty of States to cooperate to remove obstacles to development. International

<sup>&</sup>lt;sup>19</sup> Sakiko Fukuda-Parr, "What the Sustainable Development Goals get wrong about inequality", Crises of Inequality, UNRISD, p. 77.

Nancy Birdsall, "Why inequality matters: some economic issues", *Ethics & International Affairs*, vol. 15, No. 2 (2001), pp. 3–28.

<sup>&</sup>lt;sup>21</sup> Samuel Bowles, *The New Economics of Inequality and Redistribution* (Cambridge, United Kingdom of Great Britain and Northern Ireland, Cambridge University Press, 2012).

<sup>&</sup>lt;sup>22</sup> Ignacio Saiz and Kate Donald, "Tackling inequality through the Sustainable Development Goals: human rights in practice", *The International Journal of Human Rights*, vol. 21, No. 8 (2017), pp. 1029–1049.

<sup>&</sup>lt;sup>23</sup> Declaration on the Right to Development, art. 8.

solidarity is therefore central to operationalizing the right to development and relevant to strategies to address poverty and inequality. For example, States have been repeatedly called upon to create universal social protection floors to address growing poverty and inequality. However, in the aftermath of the economic shocks resulting from the COVID-19 pandemic, this responsibility can no longer be left solely to individual States. The world needs to prepare for the next crisis by setting up a global fund for social protection.<sup>24</sup>

18. Social protection floors, as a means of tackling poverty and rising inequality, are a joint responsibility that includes the creation of new international financing mechanisms to help protect populations from the next economic or public health crisis. Individual countries, particularly low-income ones, need help to prepare. Many developing and least developed countries need help to afford the social protection floors recommended to tackle poverty and inequality. A new mechanism at the international level would provide both the right incentives and the financial sustainability necessary to establish robust social protection systems. <sup>25</sup> Building back better from the pandemic requires international solidarity and cooperation to create better social protection for all that covers the poorest and most marginalized as well as those who currently have the resources to pay for it. <sup>26</sup> The duty of States to cooperate to remove obstacles to development, which is a key principle of the right to development, offers a valuable framework for addressing these international dimensions of poverty and inequality that transcend State capacity.

## III. Our Common Agenda: towards a new social contract

- 19. With the Secretary-General calling for a new social contract in his report, Our Common Agenda, now is the time to vigorously push for global collaboration to alter the present shortcomings and predicted calamitous trajectories. Our Common Agenda is premised on the fact that the world has common challenges that can only be addressed by an equally interconnected response through reinvigorated multilateralism and international collaborations. These common global challenges, which include protecting our planet, promoting global peace and security, preventing conflicts, promoting international law and justice, improving digital cooperation, ensuring sustainable financing for development and youth engagement, reducing poverty and promoting equality, can only be addressed through communities working in partnerships that include both State and non-State actors, private enterprises and civil society organizations.
- 20. Our Common Agenda envisions holistic responses to these global challenges. At the core of these responses is a road map to a sustainable future for people, the planet, prosperity and peace, united by partnership, international cooperation and solidarity. At a time when multilateralism is under assault, and parochial and exclusionary nationalism pervades the international order, the Agenda represents a vision of the future of global cooperation and reinvigorating inclusive, networked and effective multilateralism. More than a vision, Our Common Agenda is an agenda of action to accelerate the implementation of existing agreements, including the Sustainable Development Goals. Because unaddressed inequalities foster resentments that precipitate social strife and conflicts, more equitable socioeconomic systems within and among States are essential for actualizing the common agenda and maintaining peace and security in the world.
- 21. Reducing inequality is a critical component of the common agenda for realizing the Sustainable Development Goals. This entails promoting political, social and economic policies that pay attention to the needs of the most disadvantaged and marginalized populations. Actualizing the common agenda requires a new social contract to reaffirm common humanity and promote the global common good. The new social contract calls for trust, inclusion, protection, participation and valuing what matters to people and the planet.

<sup>&</sup>lt;sup>24</sup> A/HRC/47/36.

OHCHR, "World needs to prepare for next crisis by setting up Global Fund for Social Protection now – UN expert", press release, 30 June 2021; see also A/HRC/47/36.

<sup>&</sup>lt;sup>26</sup> Michelle Bachelet, Olivier De Schutter and Guy Ryder, "Universal social protection floors are a joint responsibility", joint op-ed, International Labour Organization (ILO), 26 October 2020.

These sentiments are vital in creating social and economic policies and programmes that reduce inequality, including developing effective universal social protection systems.<sup>27</sup>

# IV. Tacking inequality through social protection systems

- 22. Inequality is a persistent cause for concern, as reflected in Sustainable Development Goal 10, which focuses on reducing inequality within and among countries. As instability and insecurity grow between and within States as well as individuals, Governments and stakeholders must take resolute steps to counter and prevent ongoing and potential sources of inequality. States and other stakeholders have a responsibility to take active steps to reduce social inequities as well as inequalities in resource distribution and access to economic opportunities. Social protection systems offer one way of doing this. Social protection systems are aimed at addressing inequality and poverty through a multifaceted approach and are therefore integral to the ongoing pursuit of global equality for all, as championed in international human rights instruments such as the Universal Declaration of Human Rights, the International Covenant on Economic Social and Cultural Rights, the Declaration on the Right to Development and the 2030 Agenda.
- 23. Universal social protection coverage typically includes the provision of social assistance through cash transfers to those in need, support for vulnerable people of working age and the unemployed, and pension coverage for the elderly. Assistance may also be provided through social insurance, social benefits, social assistance services, public works programmes and other schemes guaranteeing basic income security. <sup>28</sup> Social protection systems, such as pensions, health care and access to secure jobs, are an integral facet of economic development and the sustainability of every individual's well-being. Inequalities and inequities within these systems often fail to aid the most in-need populations while adding strain to those most vulnerable. Addressing these disparities with social protection systems has been debated over the past decades, but the devastating effects of the COVID-19 pandemic have brought these inadequacies into sharp relief.
- 24. Social protection provides a foundation for inclusive, equitable and sustainable development. With millions of people falling into extreme poverty owing to the COVID-19 pandemic, social protection should be seen not as a cost but rather as an investment with a potentially high return for human capital development.<sup>29</sup> Social protection systems promote inclusive growth and build societal resilience in times of crisis. Tax-funded social protection systems can be effective as a wealth distribution mechanism for tackling poverty and inequality. Well-designed and implemented social protection systems can also have significant multiplier effects, including increased school enrolment and success, improved health outcomes and higher labour market participation rates, which benefit local economies at large. In addition, social protection can address the economic, social and environmental dimensions of sustainability and the preservation of livelihoods. Furthermore, studies have shown that less global inequality can improve climate outcomes.<sup>30</sup> Social protection floors can have a transformative role in contributing to long-term inclusive and sustainable growth while also enhancing resilience against natural and human-caused disasters, as well as economic and social crises. 31 Despite these well-established benefits, universal social protection remains unavailable to many of the world's vulnerable populations. As of 2019, 4 billion people, or 55 per cent of the global population, were excluded from social protection.<sup>32</sup>

<sup>&</sup>lt;sup>27</sup> A/75/982.

World Bank, "The World Bank in social protection". Available at www.worldbank.org/en/topic/socialprotection/overview.

Olivier De Schutter, "Can a global social protection fund prevent the next economic crisis?", Thomson Reuters Foundation, 24 June 2021.

<sup>30</sup> Narasimha Rao and Min, "Less global inequality can improve climate outcomes".

<sup>31</sup> Global Coalition for Social Protection Floors. Available at www.socialprotectionfloorscoalition.org/about/.

Global Partnership for Universal Social Protection to Achieve the Sustainable Development Goals, "A call to action", adopted at the conference Together to Achieve Universal Social Protection by 2030, held in Geneva on 5 February 2019. Available at https://usp2030.org/wp-

25. The implementation of universal social protection systems aimed at reducing inequality is essential to the full realization of the individual rights of all, as stated in the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights and the Declaration on the Right to Development. It is also crucial to achieving the Sustainable Development Goals as, at least 92 per cent of them - 11 goals and 27 targets – have a direct relation to social protection, including eradication of poverty (Goal 1), healthy lives and well-being for all (Goal 3), gender equality (Goal 5), decent work (Goal 8) and reduced inequalities (Goal 10). As championed by the Global Partnership for Universal Social Protection to Achieve the Sustainable Development Goals, universal social protection is key to sustained, inclusive economic and social development for individuals, communities and nations. It is also a human right.<sup>33</sup> By considering social protection systems as such, the realization of a more equitable distribution of global and national wealth, including natural resources (wealth production), is possible. In turn, this forces the restructuring of policies that perpetuate existing systemic and social inequalities. Recognizing that development is a comprehensive economic, social, cultural and political process aimed at the constant improvement of well-being for all, based on their free and meaningful participation in development and the fair distribution of benefits resulting therefrom,<sup>34</sup> social protection systems must therefore be understood as a critical concept in the operationalization of the right to development.

# V. Manifestations of economic and social inequalities in existing social protection systems

26. Even though many countries have embraced social protection systems, the effectiveness of these systems in reducing poverty and inequalities have been mixed. Critical gaps remain in the design and implementation of social protection systems. For example, Brazil has established several programmes aimed at reducing inequality, with uneven results. In 2016, the country was recognized for having lifted over 36 million people out of extreme poverty, using a human rights-based approach.<sup>35</sup> Among the social protection programmes developed in Brazil is Bolsa Família, a conditional cash transfer programme with national coverage that is intended to support families living in poverty or extreme poverty, as well as expand access to education and health services. As of 2015, over 13 million families, that is, roughly 25 per cent of the population, had benefited from the programme. Other social protection programmes in Brazil support vulnerable groups and isolated rural communities, and allow data to be collected to serve the poorest sectors of society.<sup>36</sup> However, these gains have been reversed in the past few years; inequality remains rampant in Brazil. In 2019, Brazil had the second-highest income concentration in the world, with about 1 per cent of Brazilians possessing 28.3 per cent of the country's income. By 2021, the income share of the top 10 per cent of the population had increased to 59.8 per cent.<sup>37</sup>

27. The Plurinational State of Bolivia has a number of social protection programmes in place, including the Dignity Income for older adults, the Juana Azurduy Bonus for pregnant women and children, the Juancito Pinto Bonus for school-age children, and a monthly bonus for persons with disabilities.<sup>38</sup> In Ecuador, new social protection measures for the vulnerable population include cash transfer programmes aimed at creating social protection floors that guarantee a minimum income for families in situations of vulnerability or poverty. Ecuador

content/uploads/calltoaction\_en.pdf; and Isabel Ortiz, "The case for universal social protection: everyone faces vulnerabilities during their lifetime", *Finance and Development*, vol. 55, No. 4 (2018), p. 32.

<sup>&</sup>quot;A call to action" (Geneva, 2019).

<sup>&</sup>lt;sup>34</sup> Declaration on the Right to Development, preamble.

<sup>35</sup> Submission by Associação Jadir de Taekwondo (Brazil).

<sup>&</sup>lt;sup>36</sup> Submission by Brazil.

Angelos Delivorias, "Brazil's economy: challenges for the new president", briefing for the European Parliament (European Union, 2022).

<sup>&</sup>lt;sup>38</sup> See https://www.social-protection.org/gimi/gess/RessourcePDF.action?id=53949.

has also established the National Council for Intergenerational Equality, which has developed the National Agenda for Intergenerational Equality.<sup>39</sup>

- 28. Cabo Verde has established the Mobilization for the Acceleration of Social Inclusion programme, aimed at tackling growing poverty and inequality in the country. 40 In 2008, Pakistan established the Benazir Income Support programme, its first social safety net programme, to alleviate the effects of slow economic growth. Similarly, Egypt has introduced an expanded social protection programme, Solidarity and Dignity (*Takaful wa Karama*), a conditional cash transfer programme that targets low-income families with children. 41
- 29. In response to the economic impact of the COVID-19 pandemic, Togo established Novissi, a digital payment mechanism, as well as other social safety net projects to relieve vulnerable populations. However, with limited coverage and inadequate investments, these social protection measures have proved insufficient to address growing poverty and inequality in the country.<sup>42</sup> In 2019, Italy introduced Basic Income (*reddito di cittadinanza*) as the country's primary policy tool for combatting poverty. It was inspired by universal minimum income measures but is tied to a set of conditions. Although implementation of the programme revealed limits and contradictions, it was a valuable means of protecting the most vulnerable citizens during the COVID-19 pandemic.<sup>43</sup>
- 30. While many countries turned to social protection systems to mitigate the devastating economic effects of the COVID-19 pandemic, populations traditionally overlooked in social protection schemes generally remained marginalized. Gaps in these programmes are often caused by poor design and management, difficulty of access and severe underinvestment. The latter issue is particularly apparent in Africa, Asia and the Arab States. <sup>44</sup> Many Governments in Asia and the Pacific consistently spend less than 2 per cent of their gross domestic product on social protection. As a result, less than half of the population is protected by a social protection programme. <sup>45</sup> The following discussion outlines some key problem areas and their implications for operationalizing the right to development and achieving the Sustainable Development Goals.

#### A. Targeting within a framework of universality

31. Everyone faces vulnerabilities during their lifetime. Experts and practitioners have noted the importance of considering vulnerability when creating and executing social protection programmes, instead of treating them as reactionary tools. Furthermore, short-term reforms, such as fiscal consolidation and cuts to social protection spending, undermine long-term development goals. By targeting the poorest of the population for benefit schemes, while excluding large swathes of people, many Governments are putting those most vulnerable – such as the middle classes – at considerable risk of economic strain and a lack of ability to recuperate after economic or environmental shocks.<sup>46</sup> For example, in 2006, the Government of Mongolia changed its social protection programme, which is directed towards reducing incidences of child poverty, from a targeted scheme to a universal one. This change resulted in a 21 per cent reduction in the child poverty gap in just eight years.<sup>47</sup>

<sup>&</sup>lt;sup>39</sup> Submission by Ecuador.

<sup>&</sup>lt;sup>40</sup> Submission by Cabo Verde.

<sup>&</sup>lt;sup>41</sup> Submission by Egypt.

<sup>42</sup> Submission by Togo.

<sup>&</sup>lt;sup>43</sup> Submission by Associazione Comunità Papa Giovanni XXIII.

<sup>&</sup>lt;sup>44</sup> A/HRC/50/38; and Ortiz, "The case for universal social protection", p. 32.

Economic and Social Commission for Asia and the Pacific and ILO, *The Protection We Want: Social Outlook for Asia and the Pacific* (United Nations publication, 2021), pp. 14 and 15.

<sup>&</sup>lt;sup>46</sup> Ibid., p. 33; and Simone Cecchini and others, eds., *Towards Universal Social Protection: Latin American Pathways and Policy Tools* (Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2015), p. 33.

<sup>&</sup>lt;sup>47</sup> ILO and United Nations Children's Fund (UNICEF), "Towards universal social protection for children: achieving SDG 1.3 – ILO-UNICEF joint report on social protection for children" (Geneva and New York, 2019), p. 30.

- 32. Many Latin American countries have successfully extended social protection coverage to tens of thousands of self-employed people through a subsidy combined with a simplified tax and social security contribution mechanism.<sup>48</sup> In 2007, the Plurinational State of Bolivia implemented a universal old-age pension programme, called Renta Dignidad. The programme contributed to reducing the poverty rate by 14 per cent, secured the income and consumption of beneficiaries, reduced child labour by half, and increased school enrolment to almost 100 per cent.<sup>49</sup> Conceiving social protection programmes within a universal framework creates stability, ensures everyone receives coverage and is, therefore, a more effective model for economic and social development than targeted schemes that do not address complex exclusionary factors and the circumstances of those in need.
- 33. Migrants and asylum-seekers have been disproportionately affected by restrictions and delays in migration and asylum procedures, border closures, reduced emergency funds, restrictions to freedom of movement and highly vulnerable living conditions owing to pandemic restrictions and ongoing conflicts. This is compounded by their already vulnerable situations, which result in more restrictive access to health care and essential services, and further marginalization and stigmatization by those in power and the media. Further to target 16.9 of the Sustainable Development Goals, States should provide legal identity for all, including birth registration, by 2030. Officially sanctioned identification documents are typically required for access to social protection schemes; however, some 1.1 billion people worldwide lack legal identity, which effectively bars them from receiving social protection benefits. To reach the most vulnerable populations, the specific needs of migrants and asylum-seekers, including removing administrative barriers, should be targeted within universal social protection systems.
- 34. Promoting a universalist framework for social protection systems does not necessitate homogenous benefits and services. Instead, targeting must be used within a framework of universal rights-based access in order to ensure the fulfilment of rights for all, while providing for different needs.<sup>52</sup> Overly specific and complex targeted schemes often result in higher administrative costs and reduced take-up by those who are eligible owing to concerns about being considered undeserving <sup>53</sup> or lack of official documentation to prove deservedness. Programmes should cover those often excluded from targeted schemes, such as workers in informal and non-traditional forms of employment and migrants. By reducing barriers to eligibility and reframing benefits as a right instead of a privilege, social protection systems would add to the overall well-being of every individual and every State.

### **B.** Privatization of social protection systems

35. Several studies have shown that private or market options for social protection systems, such as climate change mitigation developments and health care, regularly result in fragmented and strained access to State services when not properly managed.<sup>54</sup> Relying on private and market-regulated social protection systems compared with universal State-implemented schemes mean that coverage stagnates, benefits decreases, gender inequalities are compounded and administration costs are very high. Systemic risks are transferred to individuals, and fiscal positions worsen significantly given the high transition costs. <sup>55</sup> Furthermore, schemes that are designed and implemented by the State have distinct advantages because they are grounded in legal authority. They are not regulated by market fluctuations or implemented with the intention of creating profit, but rather to improve the quality of life of the citizens. Therefore, Governments, in consultation with civil society organizations, communities and other stakeholders, should take a leading role in social

<sup>&</sup>lt;sup>48</sup> Ortiz, "The case for universal social protection", p. 34.

<sup>&</sup>lt;sup>49</sup> See https://www.social-protection.org/gimi/gess/RessourcePDF.action?id=53949.

<sup>&</sup>lt;sup>50</sup> A/76/257, paras. 23, 37 and 39.

<sup>&</sup>lt;sup>51</sup> A/HRC/50/38, para. 32.

<sup>&</sup>lt;sup>52</sup> Cecchini and others, *Towards Universal Social Protection*.

<sup>&</sup>lt;sup>53</sup> A/HRC/50/38, para. 25.

<sup>&</sup>lt;sup>54</sup> Jennifer Pribble, Welfare and Party Politics in Latin America (Cambridge, United Kingdom, Cambridge University Press, 2013).

<sup>&</sup>lt;sup>55</sup> Ortiz, "The case for universal social protection", p. 34.

protection so as to recast social protection systems as a right and not an economic or social privilege. <sup>56</sup> This approach is in line with article 8 of the Declaration on the Right to Development, which affirms the role of States in undertaking, at the national level, all necessary measures for the realization of the right to development and ensuring, inter alia, equality of opportunity for all in their access to basic resources, education, health services, food, housing, employment and the fair distribution of income. Effective measures should also be undertaken to ensure that women have an active role in the development process.

- 36. Similarly, relying on market-based mechanisms to address climate change-related issues can undermine the right to access natural resources, such as land and clean drinking water, and thus threaten the right to development. The Declaration on the Right to Development explicitly calls for the full realization of the right of peoples to exercise, subject to the relevant provisions of both International Covenants on Human Rights, full and complete sovereignty over all their natural wealth and resources (preamble and art. 1). Thus, climate change-mitigation practices must be monitored not only for possible effectiveness but also for their suitability, sustainability and adherence to international human rights laws.<sup>57</sup> Job training for those in highly vulnerable communities where land-based projects are often being developed is crucial to reducing the risks of rising unemployment, poverty and inequality.58 In Our Common Agenda, the Secretary-General calls for a revitalized global economy that does not measure success within the current narrow range of profit and growth - concepts championed within the private sector. He calls for new measures beyond gross domestic product for determining States' successes in development interventions. The Secretary-General noted that many current standards focused on short-term gains which often resulted in long-term loss in other areas, such as environmental impacts. Rather than a relentless quest for endless growth, States should focus on making the global economy "sustainable and equitable" (paras. 72 and 73).
- 37. Developing robust social protection systems is essential to building inclusive and equitable economies at both the domestic and the global levels. Chile and Mexico have implemented the System of Universal Access with Explicit Guarantees, and Seguro Popular (2003–2019), respectively, to provide health-care access to those not covered by private or contributory schemes.<sup>59</sup> In 2018, the Seguro Popular programme covered over 51 million individuals previously without formal-sector health insurance.<sup>60</sup> In the light of a global health emergency and an ageing population in many parts of the world, universal access to health care is paramount to realizing human rights, including poverty reduction.

### C. Universal and equitable access to health care

38. When considering proximity, financial feasibility and communication abilities, health-care providers and facilities often fall short of providing equitable access across populations. The United Nations Development Programme (UNDP) has attributed health disparities among various groups to inequalities of gender, age, social status, ethnicity and race. <sup>61</sup> Equal access to good-quality health care is crucial to social protection and the enjoyment of rights. Such access must be crafted concurrently with other effective public policies, including those relating to employment and social well-being. Health-care policies must be universal in coverage and seek to identify and target those in marginalized groups and vulnerable situations in order to ensure equitable care through participatory and

<sup>&</sup>lt;sup>56</sup> Cecchini and others, Towards Universal Social Protection, p. 34.

<sup>&</sup>lt;sup>57</sup> A/76/154, para. 30.

<sup>&</sup>lt;sup>58</sup> Ibid., para. 97.

<sup>&</sup>lt;sup>59</sup> Cecchini and others, *Towards Universal Social Protection*, p. 97.

Susan W. Parker, Joseph Saenz and Rebecca Wong, "Health insurance and the aging: evidence from the 'Seguro Popular' program in Mexico", *Demography*, vol. 55, No. 1 (2018), pp. 361–386.

<sup>&</sup>lt;sup>61</sup> United Nations Development Programme (UNDP), Human Development Report 2019: Beyond Income, Beyond Averages, Beyond Today – Inequalities in Human Development in the 21st Century (New York, 2019), p. 58.

consensual relationships with communities. <sup>62</sup> Comprehensive health care is critical to achieving Goal 3 to ensure healthy lives and promote well-being for all at all ages.

- 39. Our Common Agenda calls for a global vaccination plan, greater autonomy and authority for the World Health Organization (WHO) for the future, and an investment in general pandemic preparedness that takes into consideration international needs and the connections between all life on the planet. To remedy inequalities in health care, initiatives and programmes should also consider health education. For many groups, there is a lack of availability of comprehensive educational initiatives that focus on health at all stages of life. Preventive education, including sexuality education, is an essential tool for every individual's understanding of potential risks and their rights to care and how to access it.
- 40. In the past two decades, many countries have launched or expanded education on sexuality. By setting standards in sexual and reproductive rights policy and education, some States are closing the gap of unequal access to education, work and health care for those in marginalized and racialized communities and rural areas, especially women and girls. As no meaningful social contract is possible without the active and equal participation of women and girls, these initiatives work towards achieving Sustainable Development Goal 5, of promoting gender equality and empowering all women and girls.<sup>63</sup>
- 41. Furthermore, sexuality and reproductive health education decreases incidences of child and adolescent pregnancy, sexually transmitted diseases and intergenerational poverty. Argentina has implemented the National Programme for Sexual Health and Responsible Procreation to promote knowledge of and access to contraceptives, as well as the National Programme for Comprehensive Sex Education, which "seeks to encourage healthy habits and promote awareness about personal care, interpersonal relationships, sexuality and the rights of children and young people, and to ensure the right of all students to receive sexuality education in their schools."
- 42. Identifiable good practices provide a model for these kinds of health-care initiatives. In 2011, Cuba established Sex Education with a Focus on Gender and Sexual Rights, which seeks to incorporate sexuality education at all levels of schooling. Chile and the Dominican Republic also implemented programmes along similar lines to raise awareness of sexual and reproductive health among adolescents and youth.<sup>65</sup> The results of these programmes and educational initiatives have included a delay in the age of first sexual encounter, an increase in the use of contraceptives and protection against sexually transmitted infections, and a decrease in gender violence. Such public health interventions are critical components of effective poverty- and inequality-reduction programmes.

# VI. Right to development as a framework for universal social protection through equality of opportunity for development

43. The global rise in income and wealth inequalities reflects inequalities in development opportunities. The 2022 World Inequality Report indicated that, in just 15 years, the share of the global wealth of billionaires grew from 1 per cent to over 3 per cent, with the steepest increase occurring in 2020. Despite this trend, inequality within States has outpaced global inequality between countries. Social and economic inequality within States has not been uniform: some countries, including India, the Russian Federation and the United States of America, have seen dramatic increases, while others, like China and many European countries, have experienced relatively small rises.<sup>66</sup> These global trends should guide the

<sup>62</sup> ILO, Universal Social Protection for Human Dignity.

WHO, "Universal social protection floors for better health and well-being," session 2, High-level conference – Promoting intersectoral and interagency action for health and well-being in the WHO European Region: working together for better health and well-being, held in Paris on 7 and 8 December 2016.

<sup>&</sup>lt;sup>64</sup> Cecchini and others, Towards Universal Social Protection, p. 138.

<sup>65</sup> Ibid., p. 141.

<sup>&</sup>lt;sup>66</sup> Chancel and others, World Inequality Report 2022, pp. 11 and 15.

quest for strategies to address inequality. What are the States that have been fairly successful in reducing inequality doing right that the rest of the world can learn from?

- 44. The Expert Mechanism on the Right to Development affirms the claim, "inequality is not inevitable, it is a political choice." As a political choice, it is up to Governments and policymakers to implement comprehensive, inclusive and sustainable programmes and political platforms to address these growing disparities. States must also affirm their commitment to international human rights principles, such as equality of opportunity for development, as outlined in the Declaration on the Right to Development, and Sustainable Development Goal 8, to promote sustained, inclusive and sustainable economic growth, and to achieve full and productive employment and decent work for all by 2032.
- 45. A rights-based approach to public policy design and implementation is central to realizing social and economic development and creating just, equitable societies. Expanding the rights of those in marginalized groups and framing policies, including social protection systems within those rights, will decrease systemic inequalities within States. This, combined with global collaboration and the sharing of best practices, will narrow the inequality gap between countries. Such cooperation is in line with article 3 (3) of the Declaration on the Right to Development, which states: "States have the duty to cooperate with each other in ensuring development and eliminating obstacles to development." Universal social protection systems aimed at reducing inequalities also align with the provision in article 3 (3) of the Declaration that calls upon States to realize their rights and fulfil their duties in such a manner as to promote a new international economic order based on sovereign equality, interdependence, mutual interest and cooperation among all States.
- 46. The Declaration recognizes that the human person is the central subject of the development process and that development policy should therefore make the human being the main participant and beneficiary of development (preamble, see also art. 2). Considering the individual and communal aspects of social protection as a human right and not a privilege, policy design and implementation should minimize the social stigmatization of recipients of benefit programmes. Strengthening the social fabric by adopting a rights-based approach would ultimately reduce the phenomenon of "non-take-up", wherein those eligible to receive benefits do not even apply for them owing to administrative obstructions, lack of clear information from the institutions offering the benefits or feelings of personal failure to take care of oneself or family members<sup>68</sup> based on cultural frameworks of acceptability.

# VII. Building the capacities of States to enhance universal social protection

- 47. Effective universal social protection systems must be constructed within a nationally defined system of policies and programming that considers the right of everyone to "life, liberty and security of person," as stated in article 3 of the Universal Declaration of Human Rights. Governments and policymakers should craft programmes and policies that guarantee a basic level of income security, establish social protection floors and expand access to essential health care for all. The Expert Mechanism on the Right to Development affirms the Secretary-General's recommendation that States utilize a multilateral approach in designing and implementing social protection systems that is transparent, participatory and peer driven, and geared towards solving problems by drawing on the capacities of all relevant actors, rather than being driven by mandates or institutions alone.<sup>69</sup> Multilateral engagement will foster more effective, sustainable and inclusive development frameworks to promote prosperity and address challenges relating to human rights, such as poverty, racism, sexism, climate change and resource scarcity.
- 48. The action points that the Global Partnership for Universal Social Protection recommends that States and international partners adopt to create and implement effective social protection systems offer a helpful framework for reducing global inequality. These

<sup>67</sup> Ibid., p. 11.

<sup>68</sup> A/HRC/50/38.

<sup>&</sup>lt;sup>69</sup> A/75/982.

points promote the provision of social protection throughout the life cycle, which requires establishing social protection systems anchored in national strategies and legislation; universal coverage that is rights based and inclusive so that no one is left behind; and social protection policies and procedures based on national priorities, in partnership with all relevant stakeholders. <sup>70</sup> This underscores the importance of State obligations to reduce domestic social inequities and economic inequalities.

- 49. The Global Partnership for Universal Social Protection also recommends that countries and international partners "ensure the sustainability and fairness of social protection systems by prioritizing reliable and equitable forms of domestic financing, complemented by international cooperation". This highlights the significance of international cooperation and global partnerships in reducing global economic inequalities. In line with the provision of the Declaration on the Right to Development, the Global Partnership for Universal Social Protection emphasizes the importance of participation and social dialogue in designing and implementing social protection programmes. It calls for action to strengthen governance of social protection systems through institutional leadership, multi-sector coordination and the participation of social partners to generate broad-based support and promote the effectiveness of services.
- 50. The present study confirms the urgent need for interventions relating to universal social protection systems in national and global governance. In the light of the disruptions caused by the COVID-19 pandemic, growing resource scarcity, increasing instances of natural disasters owing to the climate crisis, and widening social and economic inequalities within and among States, Governments must work together to support and implement a global standard for social protections. These interventions must be targeted at poverty and inequality reduction. Weaving the concept of equality of opportunity for development into the existing calls for a rights-centred approach to social protection policies with globally agreed standards will position the international community closer to achieving the Sustainable Development Goals by 2030, as well as a more sustainable and equitable way of life for all.

# VIII. International solidarity and cooperation

- 51. Although this is a world of plenty, millions of people worldwide still live in appalling conditions of deprivation. In the words of Mahatma Gandhi, the world has enough for everyone's need, but not enough for everyone's greed. This reality calls for global solidarity in tackling poverty and inequality. In an increasingly integrated world where transnational issues are becoming more and more important, national policy reforms will only go so far. Current global challenges necessitate new development models and reformed global governance systems grounded in reimagined multilateralism and strengthened solidarities, recognizing the interdependencies of all people and between humans and nature. 71 Addressing deepening global inequalities and persisting poverty requires reshaping international cooperation policies and global partnership models in a solidarity-based, action-oriented and people-centred perspective. 72 Such global partnerships are essential to inequality reduction because international cooperation at the bilateral and multilateral levels strengthens national capacities to implement public policies aligned with the Sustainable Development Goals and the right to development.
- 52. From a right to development perspective, building institutional and financial capacity to support social safety nets, particularly in addressing the effects of external shocks on the well-being of people, entails an international dimension. The international dimension of the right to development requires justice for the globally vulnerable, especially those in developing and least developed countries.<sup>73</sup> In times of crisis and in the context of chronic

<sup>&</sup>lt;sup>70</sup> Global Partnership for Universal Social Protection, "A call to action".

<sup>&</sup>lt;sup>71</sup> UNRISD, Crises of Inequality, p. 24.

Associazione Comunità Papa Giovanni XXIII, written statement on the right to development and inequalities submitted for the thirty-ninth session of the Human Rights Council (A/HRC/39/NGO/85).

<sup>73</sup> Shyami Puvimanasinghe, "International solidarity in an interdependent world", chap. 14, OHCHR,

poverty, States must ensure, with the help of international cooperation, when necessary, that everyone enjoys economic, social and cultural rights. Failure to do so would be detrimental to attaining the Goals and implementing the right to development. The Declaration on Social Progress and Development mandates States to adopt concrete measures to fulfil the right to development by formulating national and international policies and measures and establishing a just international order based on equality, mutual advantage, and strict observance of and respect for national sovereignty.

- 53. International financial institutions are under an obligation to ensure that borrowers are not required to cut down on existing social protection spending in a manner that deteriorates the enjoyment of human rights, including the right to development. The World Bank recognizes that countries need to build universal social protection systems to address shocks, which are likely to become more prevalent as "longer-term global trends like the evolving nature of work, demographic change, climate change, and conflict and fragility reshape economies and societies." Countries need to build social protection systems that help individuals and families especially the vulnerable cope with crises and shocks. This includes improving productivity by providing employment opportunities for working-age populations, investing in public health and education, and protecting aging populations. International financial institutions have a critical role to play in complementing State efforts to enhance human capital and productivity and build resilience through social protection.
- 54. The lending conditionalities of international financial institutions and the austerity measures they prescribe often hinder the ability of countries to implement social protection programmes. Prescribed austerity measures and structural adjustment programmes aimed at reducing government expenditure often result in the removal of subsidies for social services such as education and health.<sup>76</sup> In addition, trade liberalization and currency devaluation can constrain State resources and limit their capacity to institute and implement effective social protection systems. International financial institutions, therefore, have an obligation to ensure that conditionalities do not exacerbate poverty or deepen inequality.
- 55. A business rationale is also emerging for companies to use their assets and capabilities to level the playing field, create opportunities for all people and narrow social and economic divides. Apart from societal disruptions, inequality poses material risks to business performance, including reduced innovation, inefficient production, diminished human capital and greater financial frictions that can lead to instability.<sup>77</sup> Corporations can complement State efforts to reduce inequality by respecting human rights as the baseline of their operations, enhancing equal access to essential products and services, creating jobs and economic opportunities for all, embracing diversity and inclusion, distributing value and risk equitably within the organization, enabling government action on inequality, promoting sustainability and accelerating action on addressing climate change.<sup>78</sup>
- 56. Most of the States, international organizations, civil society organizations and academics who submitted contributions for the present study agreed that international cooperation and global partnerships were essential to reducing poverty and inequality worldwide. Calls for international cooperation in the efforts to reduce inequality stem from a recognition that individual countries, in particular low-income ones, have limited domestic capacities to implement necessary social protection measures. Therefore, new mechanisms are required at the international level to provide the appropriate incentives and financial

Realizing the Right to Development: Essays in Commemoration of 25 Years of the United Nations Declaration on the Right to Development (United Nations publication, 2013), p. 189.

<sup>&</sup>lt;sup>74</sup> High-level task force on the implementation of the right to development, "The right to development in practice: provisional lessons learned", chap. 32, OHCHR, *Realizing the Right to Development*, p. 471.

World Bank, "The World Bank in social protection". Available at www.worldbank.org/en/topic/socialprotection/overview.

Bonny Ibhawoh, "Structural adjustment, authoritarianism and human rights in Africa", in Comparative Studies of South Asia, Africa and the Middle East, vol. 19, No. 1 (1999).

Todd Cort, Stephen Park and Decio Nascimento, "Disclosure of corporate risk from socio-economic inequality", Social Science Research Network, 18 March 2022.

Business Commission to Tackle Inequality, "Tackling inequality: the need and opportunity for business action" (World Business Council for Sustainable Development, 2022).

sustainability essential to establishing robust social protection systems.<sup>79</sup> The establishment of social protection floors as a means of tackling poverty and rising inequality is ultimately a joint responsibility. Building back better from the COVID-19 pandemic to ensure greater resilience against future crises requires international solidarity to build universal social protection systems that cover the poorest and most marginalized, as well as those who currently have resources to pay.<sup>80</sup> This is in line with the provision outlined in the Declaration on the Right to Development regarding the duty of States to cooperate with each other in ensuring development and eliminating obstacles to development.

- 57. These areas of cooperation include the exchange of experiences and technical assistance for developing countries in formulating poverty and inequality-reduction policies. Collaboration also takes the form of financing programmes that provide resources and capacities to low- and middle-income countries to support post-pandemic recovery initiatives, including debt renegotiation and better conditions for access to financing, among others. A promising initiative in this regard is the historic resolution on international tax cooperation adopted by the General Assembly in 2022. The resolution outlines a road map for an intergovernmental tax process under the auspices of the United Nations. This initiative promises a democratic and transparent approach to reforming the global tax architecture, which is central to tackling global inequalities and enhancing domestic capacity to implement social protection. The goal is to strengthen the inclusiveness and effectiveness of international tax cooperation, including the possibility of developing an international tax cooperation instrument.
- 58. Another initiative that promises to foster international cooperation for inequality reduction is the call for a global social protection fund. This new international financing mechanism would complement and support domestic resource mobilization efforts to achieve universal social protection.<sup>83</sup> There has been support from several States for this proposal as well as support for the fund by the Human Rights Council.<sup>84</sup> A global fund for social protection would allow increased support to low-income countries, help them to establish and maintain social protection schemes for the benefit of their populations and improve the resilience of social protection systems against shocks.<sup>85</sup>
- 59. In making a case for a global fund for social protection, the Special Rapporteur on extreme poverty and human rights noted that the crisis of poverty following the COVID-19 pandemic provides a unique opportunity to strengthen international solidarity in favour of social protection. §6 The global fund for social protection would serve as a means to close the financing gap faced by low-income countries for the establishment of social protection floors, protect the social resilience of those countries from future shocks, and support the increased domestic resource mobilization for social protection.
- 60. International cooperation for inequality reduction can also take the form of knowledge-sharing. Shared learning may include information exchange on experiences, the transfer of practical knowledge and technical assistance for developing countries in formulating public policies for sustainable development. Such shared understanding can expedite the development process while creating accountability mechanisms and exerting pressure to influence positive change.<sup>87</sup>

OHCHR, "World needs to prepare for next crisis by setting up Global Fund for Social Protection now".

<sup>&</sup>lt;sup>80</sup> Bachelet, De Schutter and Ryder, "Universal social protection floors are a joint responsibility".

<sup>&</sup>lt;sup>81</sup> Submission by Ecuador.

<sup>82</sup> Resolution 77/244.

<sup>83</sup> A/HRC/47/36; and De Schutter, "Can a global social protection fund prevent the next economic crisis?".

Michael Cichon, "The global fund for social protection and the global accelerator for jobs and social protection: can these two initiatives be strategically combined?", https://socialprotection.org, 17 February 2022.

<sup>&</sup>lt;sup>85</sup> De Schutter, "Can a global social protection fund prevent the next economic crisis?".

<sup>&</sup>lt;sup>36</sup> A/HRC/47/36.

<sup>87</sup> Brazil, "Implementation of the right to development at the national, regional and international levels".

61. In its 2021 study, on operationalizing the right to development in achieving the Sustainable Development Goals, the Expert Mechanism stressed the importance of domestic action in realizing the right to development and the 2030 Agenda. The Mechanism also highlighted the need for national development efforts to be supported by an enabling international economic environment. The 2030 Agenda records the commitment of States to pursue policy coherence and an enabling environment for sustainable development at all levels and by all actors, and to reinvigorate the Global Partnership for Sustainable Development. The Expert Mechanism reiterates its call for renewed commitment on the part of States to international cooperation and global solidarity, which are essential for addressing the deepening inequalities within and among States.

## IX. Coordination, monitoring and evaluation

- 62. Achieving comprehensive social protection that reduces inequalities and leaves no one behind requires multi-stakeholder coordination that includes Government, the private sector, civil society, academia and vulnerable communities. Policy coherence across different levels of government is critical to developing integrated implementation strategies. This requires proactive engagement with stakeholders in all phases of the policy cycle and strategic intervention, including exchanging knowledge and expertise.<sup>90</sup>
- 63. A key limitation of existing poverty- and inequality-reduction programmes, including social protection systems, is the need for local, national and international coordination. For example, UNDP has noted that a critical weakness of the social protection network in Brazil, which comprises several programmes designed to guarantee basic living standards for all and ensure income stability for vulnerable populations, is that it was not built on the basis of coordinated efforts. Each element may have been internally consistent; however, when assembled, they created overlaps and major gaps. Consequently, the network supports formal workers with a range of benefits, and often fails to protect more vulnerable individuals, many of whom are in the informal labour market. 91 Such lack of coordination undermines the capacity of States to monitor and evaluate the effectiveness and impact of inequality-reduction programmes.
- 64. Some countries have developed policy coherence and coordination tools that can provide a model for others. One example is the National Action Plan on Policy Coherence for Sustainable Development, in Italy, which is connected with the country's national sustainable development strategies. 92 The plan is aimed at building stronger policy coherence and coordinating interventions to tackle poverty and inequality within the broader national development policy frameworks. Likewise, the National Forum for Sustainable Development serves as a platform for consultations between government institutions and civil society to strengthen the National Sustainable Development Strategy and enhance participation in the 2030 Agenda implementation and monitoring process.
- 65. At the regional level, a good practice in poverty- and inequality-reduction policy coordination is the European regional policy on poverty and inequality, which builds on the European Social Charter and its provisions on the right to social security, the right to social protection, and the right to social welfare services. The Charter is the only international treaty in which it is recognized that everyone has the right to protection against poverty and social exclusion (art. 30). It requires parties to adopt an overall and coordinated approach consisting of an analytical framework, a set of priorities and corresponding measures to prevent and remove obstacles to access to social rights, particularly employment, housing, training, education, culture, and social and medical assistance.<sup>93</sup>

<sup>88</sup> A/HRC/48/63.

<sup>&</sup>lt;sup>89</sup> Ibid., para. 5.

<sup>90</sup> Submission by Bella Anis, Juta Mewangi (Malaysia).

André Portela Souza and others, "Social protection response to COVID-19 in Brazil", COVID-19 policy documents series, No. 27 (New York, UNDP, 2020).

<sup>92</sup> Submission by Associazione Comunità Papa Giovanni XXIII (APG23).

<sup>&</sup>lt;sup>93</sup> European Social Charter, art. 30.

## X. Beyond social protection systems: decent work agenda

Social protection programmes can enhance human capital and productivity, build resilience and reduce inequalities. However, to be effective, they must be complemented by other policies and strategies that address macroeconomic drivers of inequality, such as unemployment and income disparities. Beyond social protection systems, tackling poverty and inequality requires strategic policy intervention to break the cycle of poverty. One such policy intervention is the decent work agenda, which is aimed at breaking the cycle of poverty by creating new cycles of opportunity and local wealth formation. The decent work agenda rests on four pillars - employment creation, social protection, rights at work and social dialogue. It calls for setting priorities to tackle different aspects of poverty and groups of people living in poverty and involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for all, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity.94 As a poverty- and inequality-reduction and social protection strategy, the decent work agenda furthers the right to development in its focus on participation, representation and employment.

#### XI. Conclusions and recommendations

- 67. Investments in Social Protection Systems. Poverty and inequality remain critical challenges for States and the global community. Reducing inequality within and among countries is essential to achieving the Sustainable Development Goals and constructing a more equitable and shock-resistant global economy. Success in reducing inequality worldwide will require States to invest in social protection programmes and sustained international partnerships to support these programmes in resource-constrained developing countries and regions. Such partnerships must take a holistic approach to inequality reduction, including addressing global challenges that deepen inequality, such as pandemics, climate change, economic volatility, fragility and vulnerability to shocks and natural disasters. These inequality-intensifying shocks can only be mitigated through large-scale system change that entails rebalancing existing power structures and building alliances that can effect transformative change.<sup>95</sup>
- 68. Multisectoral approaches. Addressing global inequalities requires a concerted multisectoral approach to economic policy design and financing for sustainable and inclusive development. This encompasses fiscal policy reforms, domestic resource mobilization, private sector investments and global governance reforms to ensure fair international trade regimes. Fiscal reforms should be geared towards increased resource mobilization to strengthen domestic capacity to implement and sustain universal social protection programmes.
- 69. Muti-dimensional approaches. States should adopt multidimensional approaches to inequality reduction in developing public policies and strategies to address the complexity of the political, social and economic factors that entrench and widen inequality. To be effective, inequality- reduction measures such as social protection systems must be complemented with other poverty reduction and wealth redistribution measures such as those expanding decent employment opportunities.
- 70. Domestic monitoring and evaluation. States should strengthen the monitoring, evaluation and accountability processes relating to inequality-reduction policies and their implementation by incorporating inclusive citizen participation. To be effective, monitoring and evaluation tools must be aligned with specific poverty and inequality-reduction targets.
- 71. Universal benchmarks. Beyond individual country benchmarks for inequality reduction, there is also a need for universal guidelines that provide qualitative and

94 ILO, "Decent work". Available at www.ilo.org/global/topics/decent-work/lang--en/index.htm.

<sup>95</sup> UNRISD, Crises of Inequality.

quantitative indicators for assessing the effectiveness of social protection systems and other inequality-reduction programmes.

72. Cooperation and coordination. States should promote greater coordination between the interventions of national institutions and subnational governments in developing and implementing programmes to reduce poverty and inequality. States and international organizations should partner with civil society organizations and other representative groups to develop comprehensive and universal social protection systems where they do not yet exist and strengthen them where they do, with an emphasis on supporting historically excluded and marginalized populations.