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**Follow-up to the World Summit for Social Development and
the twenty-fourth special session of the General Assembly:
emerging issues**

Twenty-five years of the World Summit for Social Development: addressing emerging societal challenges to the implementation of the 2030 Agenda for Sustainable Development

Note by the Secretariat

Summary

Pursuant to Economic and Social Council resolution 2006/18, the programme of work of the fifty-eighth session of the Commission for Social Development includes the item entitled “Emerging issues”, under which the Commission addresses emerging issues affecting social development that require urgent consideration. In connection with this item, the Commission is also mandated to address new cross-cutting issues in the context of evolving global development challenges. At its fifty-eighth session, under this item, the Commission will consider the theme “Twenty-five years of the World Summit for Social Development: addressing emerging societal challenges to the implementation of the 2030 Agenda for Sustainable Development”. The present note has been prepared by the Secretariat as a technical background paper to inform and to facilitate the Commission’s discussion under the item in question. It contains a review of some of the important challenges at the societal level to the implementation of the 2030 Agenda from the social perspective, with a focus on issues and trends most relevant to the three core objectives of social development identified at the World Summit for Social Development, namely, poverty eradication, the promotion of productive employment and decent work and the promotion of social integration and inclusion.

* E/CN.5/2020/1.



I. Introduction: 25 years of progress and challenges

1. Nearly 25 years ago, in 1995, the representatives of 186 countries gathered in Copenhagen, Denmark, for the World Summit for Social Development. They were joined by 2,300 representatives from 811 non-governmental organizations and by more than 2,800 journalists.¹ At the Summit, world leaders pledged to make the eradication of poverty, the goal of full employment and decent work, and fostering social integration the overriding objectives of social development. Five years later, at its twenty-fourth special session, the General Assembly adopted further initiatives to enhance social development. The year 2020 will mark the twenty-fifth anniversary of that landmark summit. During the past 25 years, countries have made significant progress in reducing the depth and severity of poverty, in creating full employment and decent work and in fostering social integration. Between 1990 and 2015, more than 1 billion people were lifted out of poverty. Significant progress has also been made in other social dimensions of development, including having more girls in school than ever before, promoting the empowerment of women and gender equality, notable reductions in child and maternal mortality, improved access to universal health care and education, and access to basic services, such as clean water and sanitation and electricity.

2. Over the past quarter of a century, countries have also consistently reaffirmed their will and commitment to continue to implement the Copenhagen Declaration on Social Development and the Programme of Action of the World Summit for Social Development. That commitment received a further boost when the international community adopted the Millennium Development Goals in 2000, and again in September 2015, when 193 world leaders adopted the 2030 Agenda for Sustainable Development and its Sustainable Development Goals. Hence, marking the twenty-fifth anniversary of the World Summit coincides with about a decade left to ensure the successful implementation of the 2030 Agenda. Over the course of the decade, it is imperative that the international community continue to implement the Copenhagen Declaration and Programme of Action within the context of the 2030 Agenda.

3. Nevertheless, progress has been uneven across countries and indicators, and inequalities persist. For example, the Social Summit called for support for Africa's development, but sub-Saharan Africa continues to lag behind, and goals in maternal health are not on track to be met. More worryingly, although there have been gains, no country is on track to achieve the Sustainable Development Goals by 2030, as several important challenges remain. In some instances, progress has slowed, stagnated or even reversed in relation to critical dimensions of social development, undermining the prospects of meeting various targets of the Goals, including the overarching objective of eradicating poverty in all its forms everywhere. For instance, global hunger is on the rise for the third year in a row, with more than 820 million people in the world still hungry today.² Similarly, between 2002 and 2014, the proportion of people living in poverty in Latin America and the Caribbean had declined by more than one third, and extreme poverty by more than one quarter. However, both poverty measures began to trend upwards beginning in 2015, stabilizing at around 30 per cent and 10 per cent,

¹ United Nations, Department of Public Information, *The Copenhagen Declaration and Programme of Action: World Summit for Social Development, 6–12 March 1995* (New York, 1995).

² Food and Agriculture Organization of the United Nations (FAO), International Fund for Agricultural Development (IFAD), United Nations Children's Fund (UNICEF), World Food Programme (WFP) and World Health Organization (WHO), *The State of Food Security and Nutrition in the World 2019: Safeguarding against Economic Slowdowns and Downturns* (Rome, 2019).

respectively.³ The number of undernourished people in the region increased by 2.4 million between 2015 and 2016, reaching a total of 42.5 million, or 6.6 per cent of the population.⁴ Some of those challenges are linked to slow global growth, compounded by rising trade tensions and challenges to multilateralism.

4. Moreover, the world continues to face major persistent challenges, as well as new ones, in all three dimensions of sustainable development – social, economic and environmental. Those challenges include changes in demographic dynamics, including population size, age structures and spatial location, high and rising inequality, the ongoing effects of climate change, increasing climate variability and extremes and natural disasters, rapid technological change and its impact on the future of work, and globalization. Such societal challenges have a significant impact on and in some cases even threaten human well-being, shared economic prosperity and, broadly, the implementation of the 2030 Agenda for Sustainable Development. They have also had a major impact on the ability of countries to implement the outcomes of the World Summit for Social Development and the objectives of the Copenhagen Declaration and Programme of Action over the past 25 years. These megatrends reinforce each other, but the mechanisms through which their impact will affect the achievement of the Sustainable Development Goals will be uneven across indicators, countries and regions. Nonetheless, policy can attenuate the impact of the new societal challenges and megatrends on social development and the Goals. Evidence-based policies that are tailored to each country's unique circumstances can influence the potential negative impact of megatrends and the way in which megatrends are likely to evolve, including how they will affect progress towards the achievement of the Goals.

II. Emerging societal challenges to social development

A. Demographic trends and implementing the 2030 Agenda for Sustainable Development

5. Changing population trends and structures constitute an important societal context for policies and strategies for implementing the 2030 Agenda for Sustainable Development and the Copenhagen Declaration and Programme of Action. Such policies and strategies should be grounded in an understanding of the profound changes in global population dynamics, including a large youth population, a progressively ageing world population and continued migration and urbanization, that reflect a more mobile population that is increasingly concentrated in cities and towns (see E/CN.9/2019/2). The effects of those demographic megatrends are varied and sometimes complex, depending on national circumstances, including each country's levels of and trends in fertility and mortality, which create challenges and opportunities for achieving social development and implementing the 2030 Agenda. Policies and strategies should account for these demographic megatrends as an integral part of national development planning.

6. These population dynamics affect, and to some extent shape, national priorities and the international development agenda regarding economic growth, labour markets and income distribution; social protection and pensions; health, education and gender equality; food, water and energy security; and environmental protection and climate change mitigation and adaptation. Demographic trends have had both positive and

³ Economic Commission for Latin America and the Caribbean, *Social Panorama of Latin America 2017* (Santiago, 2018).

⁴ FAO and Pan American Health Organization, *Panorama of Food and Nutritional Security in Latin America and the Caribbean* (Santiago, 2017).

negative development impacts, in particular on the implementation of the outcomes of the World Summit for Social Development, especially the eradication of poverty, the expansion of productive employment and decent work and the promotion of social integration.

7. Over the past 25 years, the world's population has continued to grow, although at a decreasing rate. The world's population was 5.7 billion in 1995 and stands at 7.7 billion in 2019. It is further projected to reach 8.5 billion in 2030 and 9.7 billion by 2050.⁵ The largest increases in population between 2019 and 2050 will occur in some of the countries with either the largest number of people living in extreme poverty or high poverty rates and a high prevalence of hunger. The continued population growth in the least developed countries brings about additional challenges to the efforts to achieve the Sustainable Development Goals.

8. Nowhere is this impact more severe than in sub-Saharan Africa and the least developed countries. While the proportion of people living in extreme poverty has fallen in those countries, the number of people living in poverty is higher than ever. In sub-Saharan Africa, the percentage of people living in extreme poverty fell quite substantially, from 58.9 per cent in 1996 to 41.1 per cent in 2015. However, the absolute number of people living in extreme poverty increased from 405.1 million to 413.3 million during that period. By 2030, the share of the world's extremely poor population living in sub-Saharan Africa could be as large as 87 per cent. According to World Bank estimates, although Nigeria has reduced its rate of extreme poverty, it will soon replace India as the country with the most people living in extreme poverty.

9. In the least developed countries, this impact is also felt in the achievement of goals relating to universal education and to providing safe and adequate housing for all. Despite continued progress in school enrolment that has put millions more children in school, the least developed countries are less successful in making progress towards the universal education target than other countries because their efforts need to be redoubled to compensate for the rapid growth in the number of children of primary school age.⁶ Along the same lines, while countries have been able to reduce the proportion of the population who are slum dwellers, there are many more people living in slums today than 25 years ago because of rapid urban population growth.

10. Population growth is also expected to exert pressure on global demand for food. With the world's population expected to grow to 9.7 billion by 2050, global demand for food is expected to increase by 50 per cent by 2030 and to double by 2050. This spike in demand will also result from urbanization and increasing affluence in parts of the developing world.⁷ Rapid population growth and the dynamics in the prevalence of undernourishment have also led to a dramatic increase in the total number of undernourished people.⁸ Therefore, a major societal challenge posed by these demographic trends is meeting the needs of the growing population while protecting the planet. When combined with unsustainable patterns of consumption and production, population growth exerts pressure on planetary resources such as land

⁵ United Nations, Department of Economic and Social Affairs, Population Division, *World Population Prospects 2019: Highlights*.

⁶ Michael Herrmann, "Consequential omission: how demography shapes development – lessons from the MDGs for the SDGs", available at www.un.org/development/desa/dspd/wp-content/uploads/sites/22/2018/05/8.pdf.

⁷ European Commission, "Research joint programming initiative on agriculture, food security and climate change: motivations and state of play of research at European level", Commission Staff Working Document (C(2010)2590 final) (Brussels, 28 April 2010).

⁸ FAO, IFAD, UNICEF, WFP and WHO, *The State of Food Security and Nutrition in the World 2018: Building Climate Resilience for Food Security and Nutrition* (Rome, 2018).

and water. It also heightens the urgency of eradicating poverty in all its forms, combating inequality and developing and managing sustainable cities.⁹

11. Demographic trends also offer numerous opportunities for achieving the Sustainable Development Goals. Declines in fertility in sub-Saharan Africa and in parts of Asia, Latin America and the Caribbean have resulted in faster growth of the working-age population (25 to 64 years old) relative to the rest of the population. These shifts in the age distribution of the population have contributed to creating opportunities for accelerated economic growth, as well as some challenges. The rising share of the working-age population has the potential to expand human capital and investments in infrastructure and to accelerate economic growth. However, benefiting from this “demographic dividend” requires appropriate policies to translate the growth of the working-age population into economically productive adults and into increased productivity, savings and investment per capita. If well managed, such demographic changes in sub-Saharan Africa and other developing regions could enable countries to consolidate the development gains achieved since the World Summit on Sustainable Development and to support the achievement of the Sustainable Development Goals.

12. Investments in education and health, including universal access to sexual and reproductive health-care services and family planning, and creating an enabling environment for sustained, inclusive and equitable growth are key priorities. Without proactive policies, a larger youth population could put undue pressure on the job market and may even contribute to depressed earnings. The World Bank has estimated that more than 90 per cent of the world’s poor are concentrated in countries that have not experienced any demographic dividend or that are in the early stages of their demographic transition.¹⁰ In the case of African countries, harnessing the demographic dividend could account for 11 to 15 per cent of gross domestic product growth and for a reduction in the number of poor people by 40 to 60 million by 2030. If African countries double the skilled share of their labour supply as a result of improvements in educational attainment, from 25 per cent to about 50 per cent between 2011 and 2030, the demographic dividends can help expand Africa’s economy by an additional 22 per cent by 2030 and reduce poverty by an additional 51 million people relative to the base case.¹¹ For those benefits to be realized, countries need to create sufficient decent jobs to keep up with the growth in the working-age population. In order to accommodate recent and ongoing demographic shifts, an estimated 734 million jobs would need to be generated globally between 2010 and 2030.^{12,13} Creating decent jobs for youth will be a critical challenge, especially in sub-Saharan Africa, where there are 10 million new entrants to the labour force each year.¹⁴

13. While some countries continue to experience rapid population growth, others are seeing their populations decline. At the same time, the world is also growing older as fertility levels continue to fall and life expectancy at birth continues to rise.

⁹ United Nations Conference on Sustainable Development, “Population dynamics and sustainable development”, Rio 2012 Issues Brief No. 14, June 2012.

¹⁰ World Bank Group, *Global Monitoring Report 2015/2016: Development Goals in an Era of Demographic Change* (Washington, D.C., 2016).

¹¹ S. Amer Ahmed and others, “How significant is Africa’s demographic dividend for its future growth and poverty reduction?”, World Bank Group policy research working paper No. 7134, December 2014.

¹² David E. Bloom and Mathew J. McKenna, “Population, labour force and unemployment: implications for the creation of (decent) jobs, 1990–2030”, background paper, United Nations Development Programme Human Development Report Office, 2015.

¹³ United Nations Development Programme, *Human Development Report 2015: Work for Human Development* (United Nations publication, Sales No. E.15.III.B.1).

¹⁴ World Bank, *World Development Report 2013: Jobs* (Washington, D.C., 2012).

Looking ahead, global demographic trends point to a progressively ageing population. Decreased fertility and increased life expectancy at birth have made people aged 65 years and older the fastest-growing age group. By 2050, an estimated 1 in 6 people (16 per cent) in the world will be over the age of 65, compared to 1 in 11 in 2019 (9 per cent).¹⁵ This trend poses major social and economic challenges and opportunities that include impacts on sustained economic growth, jobs, living standards and other support systems for older persons, such as pensions, health care and long-term care. To cope with the growth in the number of older people, about 42 million additional jobs will need to be generated for people 65 years and older by 2020.¹⁶

14. Furthermore, rapidly ageing populations will also need fiscal adjustments to pension and social protection programmes to provide adequate protection for older persons in vulnerable situations and to mitigate poverty in old age and unequal ageing.¹⁷ First, strengthening social protection should prioritize the prevention of poverty in old age. Estimates from 18 Latin American countries from 2016 show that, without pensions, poverty among those aged 65 and older would be 15.2 per cent to 46.7 per cent higher.¹⁸ Second, fiscal adjustments need to be made to address the pressures on pension systems and health care resulting from the increase in dependency ratios and the demand for old-age health care. For example, in the European Union, there are 3.5 workers for every pensioner, and this figure is expected to decline to 2 workers per pensioner by 2070.¹⁹ In member countries of the Organization for Economic Cooperation and Development (OECD), the cost of health services has also risen as a result of ageing and the introduction of new, costly medical technologies. Ageing populations and other societal changes have also increased the demand for long-term care for those who are not able to look after themselves. In addition, across OECD countries, 13 per cent of persons aged 65 or over are receiving long-term care, and that figure is expected to continue to rise as a result of gains in life expectancy.²⁰

15. The other two megatrends relating to population, namely, urbanization and international migration, are also affecting the spatial distribution of populations and are linked in various ways to sustainable development. The share of the world's population living in urban areas is projected to increase from 56 per cent in 2019 to 60 per cent in 2030, and to 68 per cent in 2050. In absolute terms, an estimated 2.5 billion more people will be added to urban areas by 2050, with 90 per cent of that growth taking place in Africa and Asia. Only a third (31 per cent) of the population of Africa was urban in 1990, but this figure is projected to reach 49 per cent by 2035, which will make Africa the fastest-urbanizing region in the coming decades.²¹

16. If managed effectively, urbanization can drive economic growth and thereby contribute to reducing poverty. If poorly managed, rapid unplanned urban growth can have negative social, economic and environmental consequences, including additional strain on public infrastructure and services, high unemployment rates, slum

¹⁵ United Nations, Department of Economic and Social Affairs, Population Division, *World Population Ageing 2019: Highlights* (2019).

¹⁶ World Bank, *World Development Report 2013: Jobs*.

¹⁷ Organization for Economic Cooperation and Development (OECD), *Preventing Ageing Unequally* (Paris, OECD Publishing, 2017).

¹⁸ Economic Commission for Latin America and the Caribbean, *Quadrennial Report on Regional Progress and Challenges in relation to the 2030 Agenda for Sustainable Development in Latin America and the Caribbean* (Santiago, 2019).

¹⁹ European Commission, *Reflection Paper: Towards a Sustainable Europe by 2030* (Brussels, 2019).

²⁰ OECD, *Health at a Glance 2017: OECD Indicators* (Paris, OECD Publishing, 2017).

²¹ See www.uneca.org/sites/default/files/uploaded-documents/ERA/ERA2017/executive-summary_03.pdf.

growth, increased pollution and environmental degradation. Worryingly, the process of urbanization in Africa and other parts of the developing world has not been accompanied by sufficient structural transformation of economies, including industrialization. Instead, Africa and the least developed countries continue to struggle to eradicate extreme poverty through better-paying jobs in higher-productivity manufacturing and service industries. Much of the rapid urbanization in those countries has been accompanied by the growth of the informal sector, rising inequalities and environmental damage.

17. Although urbanization is often linked to rising inequalities and social and environmental pressures, it also provides a great opportunity for accelerating progress towards the achievement of the Sustainable Development Goals. As underscored in the New Urban Agenda, countries should strive to adopt forward-looking policies that harness opportunities presented by urbanization and to plan better for urban growth. Efforts are also required to invest in rural areas and to close rural-urban inequalities. In the case of Africa and the least developed countries, policies should ensure that the process of urbanization accelerates structural transformation to promote economic diversification, in particular through industrialization.

18. Regarding international migration, 3.5 per cent of the world's inhabitants (272 million people) were international migrants in 2019, up from 2.8 per cent in 2000.²² About 47.9 per cent of migrants were women, and 10 per cent were refugees or asylum seekers. The growing significance of international migration is also changing the size and composition of the labour force in many countries. Of the 200 million international migrants in 2000, about 90 million were workers. In high-income countries, the number of migrants as a proportion of the population rose from 9.3 per cent in 2000 to 14 per cent in 2017. Migration has also been a major contributor to population growth in developed countries. In the absence of migration, the size of Europe's total population would have declined during the period 2000–2015. In Northern America and Oceania, migration contributed 42 per cent and 31 per cent of population growth, respectively. These trends have important implications for the implementation of the 2030 Agenda for Sustainable Development in both receiving and sending countries.

19. In the Global Compact for Safe, Orderly and Regular Migration, it is underscored that migration is a multidimensional reality of major relevance for the sustainable development of countries of origin, transit and destination (see General Assembly resolution 73/195, annex). This requires coherent and comprehensive responses. While sending countries often suffer losses of highly skilled workers, migration has the potential to contribute to development outcomes and to realizing the goals of the 2030 Agenda for Sustainable Development in both receiving and sending areas, especially when it is properly managed. For instance, the latest World Bank data on remittances shows that global remittances reached \$689 billion in 2018, up from \$633 billion in 2017. More importantly, remittances to low- and middle-income countries reached a record high of \$529 billion in 2018, an increase of 9.6 per cent over the previous record high of \$483 billion in 2017.²³ When properly leveraged, those resources can contribute to poverty eradication and investments in human capital formation, agriculture, micro-, small and medium-sized enterprises and infrastructure. Other benefits of migration include the transfer of skills and the promotion of trade between countries of origin and destination.

²² United Nations, Department of Economic and Social Affairs, Population Division, "Population facts", No. 2019/4, September 2019.

²³ World Bank, *Migration and Remittances: Recent Developments and Outlook – Transit Migration*, Migration and Development Brief 31 (Washington, D.C., 2019).

B. High and rising inequality: backlash against globalization and challenges to institutions

20. When the World Summit for Social Development was held, globalization was well under way. After the end of the Cold War, there was a general sense of optimism that globalization could be harnessed for social progress, although its benefits were bypassing many, with more than a billion people living in extreme poverty and hundreds of millions unemployed. Some societies were experiencing deepening social fault lines, with the gap between the rich and the poor widening. Twenty-five years after the World Summit, the world is still facing the same challenges, and the situation has grown worse in some regions. Income inequality has increased in most developed countries and remains very high in developing countries as a whole, although it has declined in some Latin American and African countries. Similarly, non-income inequality, including inequality in access to and opportunities for education and health care, persists, although progress has been made in the past decades. High levels of inequality often lead to a concentration of wealth and political influence among those who are already in the top bracket of the income distribution, creating or perpetuating unequal relations and an imbalance of power, which exacerbate social divisions and threaten social cohesion. In the world's most unequal region, Latin America and the Caribbean, high levels of inequality mean that Sustainable Development Goal 10 presents a particularly serious challenge for achieving the Goals. Recent public protests in some of those countries exemplify this challenge. Combating income and non-income inequalities is a must for safeguarding and bolstering social cohesion, political stability and peace and security while enabling inclusive economic growth.

21. Globalization, the process by which an increasingly free flow of ideas, people, goods, services and capital leads to the integration and interdependence of economies and societies, is seen as a contributing factor to rising inequality.²⁴ While neither the phenomenon of globalization nor people's sentiment against it are new, today's world is facing a much larger challenge. The backlash against globalization is no longer confined to the economic field; it has spread across social, cultural and political arenas, as manifested in recent and ongoing demonstrations by citizens across regions. However, the target of that backlash varies in different regions. For example, in OECD countries, immigration, or, more precisely, the perceived threat of mass inflows of migrants and refugees with different cultural backgrounds, has overshadowed other globalization "shocks". In contrast, in Latin America the adverse effects of globalization have been felt more as trade and external financial shocks.²⁵

22. With high and widening income and wealth inequality, stagnating or declining real wages, the rising costs of basic services, such as education and health care, the reduction or elimination of subsidies as a result of public spending cuts, and the increasing prevalence of precarious jobs and unemployment, especially among youth, many people feel that the current pattern of economic growth facilitated by globalization has not benefited them. When a growing number of citizens feel that the fruits of globalization are not being shared equitably but are enjoyed by only a few, while their own quality of life is deteriorating, they lose confidence in "the establishment" and trust in public institutions. This increases social tensions and polarization, undermining social cohesion in many societies.

23. The greater level of anxiety and the perception of being left behind are the underlying causes of the current wave of backlash against globalization. This, in turn,

²⁴ International Monetary Fund, "Globalization: a framework for IMF involvement", Issue Brief 02/01, March 2002.

²⁵ Dani Rodrik, *Straight Talk on Trade: Ideas for a Sane World Economy* (Princeton, New Jersey, Princeton University Press, 2017).

increasingly results in dissatisfaction with existing institutions that have not been able to address the structural causes of inequalities. Indeed, the 2017 Edelman Trust Barometer revealed that the trust of the general population in all four key institutions – business, government, non-governmental organizations and the media – had declined broadly for the first time since tracking began in 2012.²⁶ Most respondents reported that they did not believe the overall system was working for them. In this context, people’s legitimate concerns linked to globalization, the pace of innovation and eroding social values are turning into anxieties. Those fears are manifested in various forms, including the reassertion of local and national identities, demand for greater democratic control and accountability, the rejection of centrist political parties, and distrust of elites and experts. At the same time, many countries are facing a decline in tax revenues and a high concentration of private capital. Wealth is becoming increasingly financialized and its ownership concentrated. There has also been a shift in income taxation from high-income to lower-income taxpayers in many countries.²⁷ In sum, the backlash against globalization shows how policymakers severely underestimated the political fragility of the current form of globalization.²⁸

24. Has globalization in and of itself increased inequality? There is a need to gain a deeper understanding of globalization and analyse how it affects the daily lives of citizens. Contrary to popular belief, technological progress and the weakening of labour institutions, admittedly facilitated by globalization to some extent, play greater roles in worsening inequality than globalization itself. Indeed, globalization can be beneficial as long as it is effectively managed and regulated so that its benefits are more equitably distributed. As policymakers have learned in the past 25 years, however, economic growth, often enabled and stimulated by globalization, does not automatically trickle down. The shared enjoyment of its benefits requires public policies to promote inclusive growth and to protect those who are being left behind.

25. At the World Summit for Social Development, Member States already foresaw that without a fundamental paradigm shift, increased global competition resulting from globalization could lead to a race to the bottom in wages, labour rights and employment practices and could also undermine the environment. Consequently, they committed to a vision of people-centred development in which economic development is achieved along with social development to bring about higher standards of living, generate full employment and decent work and social progress for all. They acknowledged that economic development, social development and environmental protection are interdependent and mutually reinforcing components of sustainable development, and they promoted policy coherence and integration to promote development for all.

26. To address the backlash against globalization, it is necessary to draw attention to the gap between the perception of globalization and reality. A detailed analysis of globalization (i.e. the depth and breadth of countries’ integration with the rest of the world, as measured by the Global Connectedness Index) reveals that people tend to overestimate the intensity of globalization, while underestimating its constraints.^{29,30}

²⁶ See www.edelman.com/research/2017-edelman-trust-barometer.

²⁷ United Nations, Department of Social and Economic Affairs, “Addressing inequalities and challenges to social inclusion through fiscal, wage and social protection policies”, summary of the high-level panel discussion on the priority theme of the fifty-seventh session of the Commission for Social Development, available at www.un.org/development/desa/dspd/wp-content/uploads/sites/22/2019/06/panel-priority-theme.pdf.

²⁸ World Economic Forum, “The surprising thing about the backlash against globalization”, 15 July 2016.

²⁹ Based on international flows of products and services (trade), capital, information and people across 169 countries and territories.

³⁰ See Steven A. Altman, Pankaj Ghemawat and Philip Bastian, *DHL Global Connectedness Index 2018: The State of Globalization in a Fragile World* (New York, 2018).

The world is far less globalized than is widely believed. This is especially so with regard to immigration, as people in Europe and the United States of America believe that there are more than twice as many immigrants in their countries as there really are. By many other measures, globalization is also less deep than it is perceived to be: about 20 per cent of economic output around the world is exported; foreign direct investment flows account for 7 per cent of global gross fixed capital formation; roughly 7 per cent of telephone call minutes (including calls over the Internet) are international; and only 3.4 per cent of people live outside the countries where they were born.³¹ Despite advances in transportation and telecommunications, distances and differences between countries act as much greater constraints on international flows, about half of which are between countries and their top three origins and destinations.

27. Whether or not the depth of globalization is misperceived, the root cause of the backlash against globalization is the inequitable sharing of the benefits and costs of globalization. What is necessary now is to avoid a “one size fits all” approach to globalization and to identify the necessary conditions to achieve “fair” or more ethical globalization that works for all people. For example, the Netherlands, ranked as the world’s most connected (globalized) country by the Global Connectedness Index, maintains a relatively equal society. Similarly, Singapore was ranked the second most globalized and as the country with the highest proportion of flows crossing national borders. Those countries show that economic growth achieved through globalization does not automatically widen inequality.

C. The future of work, technological change and inequality

28. The world is in the midst of its fourth industrial revolution, and the resulting changes in the world of work will affect everyone. Work is fundamental to human development. It not only enables people to meet their material needs and escape poverty, but also provides a sense of purpose and improves social cohesion. However, the world of work has been undergoing rapid change. The greening of the economy stands to provide millions of new jobs as the world transitions to clean energy and sustainable practices. Many carbon- and resource-intensive industries, on the other hand, are likely to see a significant decline in the process. In addition, demographic change, including ageing populations and rapidly expanding young populations, presents challenges to social protection schemes and adds to the pressure on labour markets. Technological changes, such as artificial intelligence and automation, could also have profound consequences for workers in many sectors.

29. Moreover, no less than 2 billion people continue to make their living in the informal economy and lack access to basic workers’ rights and social protection. The International Labour Organization estimates that 172 million people are unemployed globally. Persons with disabilities in particular face many barriers to access to employment and are twice as likely as persons without disabilities to not be employed.³² The situation of younger workers also continues to be vulnerable, and the share of older workers has been rising in developed and middle-income countries. In addition, more than a third of the global workforce works more than 48 hours per week, and the gender pay gap continues to persist, at about 20 per cent globally,³³ while trade union membership declined in 60 out of 88 countries for which data are

³¹ Ibid.

³² See *Disability and Development Report: Realizing the Sustainable Development Goals by, for and with Persons with Disabilities* (United Nations publication, Sales No. 19.IV.4).

³³ International Labour Organization, Global Commission on the Future of Work, *Work for a Brighter Future* (Geneva, 2019).

reported between 2004 and 2016.³⁴ Each of these challenges has the potential to increase economic inequality, reinforce social exclusion, exacerbate insecurity and increase both social and political instability. However, the outcomes are not set in stone. Governments face a unique opportunity to deliver a better future for their citizens by addressing these challenges head-on through an integrated set of policies in line with the 2030 Agenda for Sustainable Development.

30. Technological change is often cited as one of the key factors in the future of work, and emphasis has been placed largely on its potential for job destruction. Yet technologies usually replace specific tasks rather than entire jobs. Often understated is the fact that new technologies also generate new and better jobs. At present, important differences are found across countries in how jobs are being redesigned and tasks regrouped into new or existing roles. Whether the automation of tasks leads to the disappearance of jobs is as much a technological question as an institutional one. Regulations and institutions influence whether it remains profitable to regroup several tasks into a job and whether workers can up- or re-skill to take on new sets of responsibilities.

31. However, the continuous introduction of new technologies and the shifting organization of work have become a permanent feature of the modern workplace. This has led to an increase in demand for high-level cognitive and complex social interaction skills. In order to keep up with developments, workers will no longer be able to rely exclusively on the formal schooling they acquired before entering the labour force. Lifelong learning and active support during labour market transitions are thus poised to become increasingly relevant in terms of equal opportunity.

32. So far, highly skilled workers are benefiting the most from new technologies. Job disruption – and, at times, destruction – is affecting mainly low- and middle-skilled workers who perform routine manual and cognitive tasks. Moreover, in many countries, productivity gains brought about by new technologies are being captured by a small number of dominant companies. Productivity gains have not yet resulted in increases in wages and living standards, which has helped to fuel discontent. If these trends continue, they will lead to greater polarization of the labour force and an intensification of wage inequality.

33. Nonetheless, there is no solid evidence to date that recent technological advances have led to massive increases in joblessness or that they will render certain types of work obsolete. Where new technologies are pushing wage and income inequality higher, they are doing so mainly through increasing workforce polarization and non-standard working arrangements that often lack the benefits and stability of regular jobs.

34. The latter phenomenon, while predating the current trend of technological change, is perhaps most clearly visible in the rise of the “gig economy”, or the app-based platform economy that emerged in the early 2000s alongside the growth of the Internet. Although employment through online marketplaces remains low, ranging from 0.5 per cent of the labour force in the United States to 5 per cent in Europe, the production and delivery of a range of online services is expected to expand in the future.^{35,36} Under ideal circumstances, platform-based work improves labour market access, providing new opportunities for previously excluded people. In addition, it offers workers the freedom to work as much as they want, whenever they want.

³⁴ International Labour Organization, “Trade union density rate (%)”. Available at <https://ilostat.ilo.org/data/> (accessed on 12 November 2019).

³⁵ Diana Farrell and Fiona Greig, *The Online Platform Economy: Has Growth Peaked?* (Washington, D.C., JPMorgan Chase Institute, 2016).

³⁶ European Parliament, Directorate-General for Internal Policies, *The Social Protection of Workers in the Platform Economy: Study for the EMPL Committee* (Brussels, 2017).

However, platform work can also lead to ambiguous employment status, lack of voice, insufficient or absent social protection, and worker exploitation. Moreover, platform workers are rarely members of trade unions and are often barred from bargaining collectively as a result of competition regulations or other antitrust laws.³⁷ In other words, while the platform economy has brought improved levels of consumer choice and convenience for a lower price, workers are at risk of being left worse off.

35. Lastly, collective bargaining is facing increasing pressures in relation to the future of work besides the decreasing levels of worker representation mentioned above. Historically, trade unions have adjusted their collective bargaining strategies to changing circumstances and responded to technological and demographic changes. For example, to counter the permanent connectivity enabled by modern technologies, the right to disconnect has become a topic of discussion in many countries.³⁸ However, the increasing relevance of non-standard forms of employment is significantly more difficult to accommodate in existing frameworks. Indeed, trade unions often fear that non-standard forms of employment will result in poorer working conditions overall, while employers mainly see advantages, such as increased flexibility and reduced costs.³⁹ Trade unions are adjusting to this new reality by providing support for non-standard workers and extending their membership options.

D. Climate change and natural disasters: impact on poverty eradication and inequality reduction

36. Unabated climate change, global warming and extreme weather conditions have emerged as defining issues of our time. According to the recent report of the Intergovernmental Panel on Climate Change, global temperature rise is likely to reach 1.5° C between 2030 and 2052 and is on track to exceed 3° C to 4° C by 2100 if it continues at the current rate, posing risks to economic growth, food security, health, livelihoods, water supply and social stability.⁴⁰ The recently published *Emissions Gap Report 2019* also contains a sharp warning to countries that every year of inaction is jeopardizing the main goal of the Paris Agreement, namely, to hold the increase in the global average temperature to well below 2° C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5° C above pre-industrial levels. In the report, it is also noted that countries have collectively failed to stop the growth in global greenhouse gas emissions. Climate change is accelerating environmental degradation and increasing the frequency, duration and intensity of extreme weather and climate events. Excessive or insufficient precipitation, rising sea levels, extreme temperature changes, storms, droughts and floods are some of the climate hazards increasingly faced by countries and societies.⁴¹

³⁷ International Labour Organization, Global Commission on the Future of Work, “Job quality in the platform economy”, Issue Brief No. 5, 17 February 2018.

³⁸ Organization for Economic Cooperation and Development, *OECD Employment Outlook 2019* (Paris, OECD Publishing).

³⁹ European Commission, *Employment and Social Developments in Europe 2018* (Luxembourg, Publications Office of the European Union).

⁴⁰ Intergovernmental Panel on Climate Change, “Summary for policymakers”, in *Global Warming of 1.5°C: An IPCC Special Report on the Impacts of Global Warming of 1.5° C above Pre-Industrial Levels and Related Global Greenhouse Gas Emission Pathways, in the Context of Strengthening the Global Response to the Threat of Climate Change, Sustainable Development, and Efforts to Eradicate Poverty* (Geneva, 2018).

⁴¹ Ove Hoegh-Guldberg and others, “Impacts of 1.5° C global warming on natural and human systems”, in *Global Warming of 1.5°C*.

37. The ongoing effects of climate change are being felt everywhere, as highlighted by the devastation caused by Cyclone Idai in Mozambique, Malawi and Zimbabwe, as well as the catastrophic destruction caused by Hurricane Dorian in the Bahamas. In India, climate change is now disrupting the monsoon, making seasonal rains more intense and less predictable. Such events are leaving millions of farmers, in particular poor farmers, at the mercy of climate disruptions. In addition, according to the World Bank, close to half (800 million) of the population of South Asia currently lives in areas that are projected to become moderate to severe hotspots by 2050. In India, the living standards of nearly half of the country's population of 1.3 billion are likely to be reduced by 2050 as a result of erratic rainfall and rising temperatures.⁴² In the European Union and its 28 member States, goals related to addressing climate change and biodiversity have also been singled out as one of the greatest challenges facing the European Union.⁴³

38. Environmental degradation and the impacts of climate change have taken a heavy toll on the livelihoods and well-being of people, in particular the poorest and most vulnerable, including smallholder farmers, indigenous peoples and rural coastal populations, who are exposed to greater risk and also incur greater losses. Those who have the fewest means to cope with, adapt to, recover from and mitigate risks suffer most from the effects. The increased incidence of climate catastrophes has demonstrated that decades of sustainable development gains can be significantly reversed or wiped out.

39. Whether they manifest themselves as individual shocks or gradual environmental degradation, the effects of climate change contribute to the loss of homes and lives, negative health effects and damage to infrastructure, livelihoods and environmental resources. In extreme cases of flooding and coastal erosion, the physical survival of entire communities can be at stake. In addition, the damage caused to the environment severely harms livelihoods that are climate-sensitive, including agriculture and fishing. The erosion of natural assets can force people who rely on those means for their living to seek other sources of income, for example by shifting from crop-based to hybrid livestock-based agriculture or wage labour employment, but alternatives may not always be available or feasible. There may also be high costs associated with such a switch, or a lack of technical know-how. Outcomes can be particularly disastrous when climate disasters occur in quick succession, leaving little time for those already afflicted to recover and rebuild their assets and livelihoods.

40. Changes in temperature and the occurrence of heat waves, droughts and floods, among other extreme events, have significant impacts on human health, mortality and migration. Extreme temperatures, for instance, aggravate cardiovascular and respiratory disease and increase mortality.⁴⁴ Fluctuating and increased precipitation levels compromise fresh water supplies and raise the risk of diarrhoea, waterborne diseases and diseases transmitted through insects and animals. Changing climatic conditions will not only lengthen periods of disease transmission, but also expand their geographical range. Children and older persons are especially at risk owing to their narrow mobility, vulnerability to infectious diseases, lower caloric and

⁴² Muthukumara Mani and others, *South Asia's Hotspots: The Impact of Temperature and Precipitation Changes on Living Standards*, South Asia Development Matters (Washington, D.C., World Bank, 2018).

⁴³ Sustainable Development Solutions Network and Institute for European Environmental Policy, *2019 Europe Sustainable Development Report* (Paris and Brussels, 2019).

⁴⁴ United Nations Framework Convention on Climate Change, "Climate change impacts human health", 12 April 2017.

nutritional intake and, for older persons, greater social isolation.⁴⁵ Young people and children are more likely to suffer or die from diarrhoeal diseases and floods, while older persons are particularly susceptible to heat stress, droughts and wildfires. In the event of a natural disaster, persons with disabilities tend to be left behind during evacuations and suffer higher death rates.⁴⁶ The International Organization for Migration also projects a rise in forced displacement and migration across the globe as a result of rising global temperatures and disappearing ecosystems. By 2050, estimates show that hundreds of millions of people will be affected by climate change and environmental degradation.⁴⁷

III. Strategies to address challenges to accelerating action to implement the 2030 Agenda for Sustainable Development

41. The implementation of the 2030 Agenda for Sustainable Development and the achievement of the Sustainable Development Goals will depend on several factors. In addition to political will, those factors are the policies and strategies that countries and their development partners put in place, the timeliness and predictability of resources (both financial and human) devoted to their implementation and the extent to which economic growth is sustained, equitable and inclusive. It will be key to address the ongoing effects of several global megatrends and emerging societal challenges to the implementation of the 2030 Agenda. To effectively address those interlinked challenges, it is important to implement mutually reinforcing social, economic and environmental policies. For instance, fiscal policies should continue to prioritize education, health and social protection.

42. To ensure that countries formulate goals and targets that will improve the human condition, it is essential to systematically take account of demographic change. Knowledge about the number, age distribution and location of people makes it possible to address their needs and ensure that no one is left behind. Owing to their continuing population growth, many developing countries, especially sub-Saharan African countries and the least developed countries, must significantly increase their investment in human capital formation. In particular, those countries should improve access to quality education and health care, including family planning and reproductive health services and maternal and child health. Efforts are also required to accelerate job-intensive economic growth and the provision of clean water and sanitation, affordable energy, decent and affordable housing, and social protection.

43. As the economic dynamism of ageing populations can diminish in the face of the shrinking working-age population, one set of measures is to facilitate the labour force participation and employment of older persons. This can be achieved by promoting flexible work arrangements for older workers and avoiding the creation of disincentives to continued work in pension systems while preserving acquired rights. Increasing the labour force participation of older persons can also be stimulated by promoting lifelong learning to ensure that older workers have the skills and capabilities that enable them to adjust to changing labour markets. It will also be key that Member States tackle ageism in the workplace, enhance the creation of age-friendly work environments and the promotion of positive images of work in later

⁴⁵ Christopher B. Field and others, “Technical summary”, in *Climate Change 2014: Impacts, Adaptation, and Vulnerability, Part A: Global and Sectoral Aspects – Contribution of Working Group II to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change*.

⁴⁶ See *Disability and Development Report: Realizing the Sustainable Development Goals by, for and with Persons with Disabilities*.

⁴⁷ International Organization for Migration, *Migration, Environment and Climate Change: Assessing the Evidence* (Geneva, 2009).

life. Besides improving the labour force participation rates of older workers, the global health transition that has contributed to longer life expectancies also makes it imperative for societies to establish age-friendly services for older persons and to improve access to quality health services for older persons in urban and rural areas.

44. To eliminate the drivers and structural factors that force people to leave their countries of origin, it is imperative that countries invest in programmes that accelerate the attainment of the Sustainable Development Goals. Such programmes should prioritize eradicating poverty in all its forms and dimensions, promoting the structural transformation of economies and job creation, investing in education and universal health coverage, mitigating the impacts of climate change and curbing carbon emissions, ensuring food security and promoting the inclusion of persons with disabilities and the empowerment of women and girls.

45. Countries also need to implement urban sustainability policies to deal with the multiple challenges posed by rapid urbanization. In particular, urbanization patterns that are characterized by a lack of structural transformation of economies, high levels of unemployment, underemployment and inequality as well as worrying levels of environmental degradation should be rethought.

46. To build people's trust and restore faith in the system, Governments, the international community, civil society organizations, including non-governmental organizations, social groups, academia, the philanthropic community, think tanks, the private sector and financial institutions need to join forces to build a more integrated model that puts people at the centre of development. Countries with a relatively limited degree of globalization should take advantage of the policy space to achieve inclusive growth and shared prosperity. In addition, efforts should be made to find more productive ways to engage with citizens, as well as to manage their expectations, in particular the gap between perception and reality in an age of an information society facilitated by the Internet, social media and the 24-hour news cycle. In addition, multilateral systems need to ensure that globalization does not go beyond the boundaries set by institutions that regulate and stabilize the market to work for sustainable development for all.

47. The multiple interlinkages between the 2030 Agenda for Sustainable Development and the Paris Agreement indicate that the integrated and synergistic implementation of both would lead to many benefits. Such an approach would considerably enhance the effectiveness and quality of outcomes and contribute to the efficient use of resources, to coherence across sectors and among actors and to the formation of novel partnerships.⁴⁸ Countries also need to harness available technologies to leap-frog and/or switch from polluting fossil fuels to cleaner energy while maintaining robust economic growth and creating jobs. In addition, climate action and the shift to green economies offer opportunities to reduce poverty and inequality. A just transition calls for integrating climate goals with social and economic policies aimed at reducing vulnerability, supporting those affected by climate change and creating decent jobs.

48. Addressing these challenges effectively will require greater investments in national statistical capacity and the collection and timely analysis of disaggregated data. In addition, no one State or nation can effectively deal with these challenges alone, in particular transnational challenges such as climate change and international migration. Delivering greater well-being and a stronger future for all of humanity will

⁴⁸ United Nations, Department of Economic and Social Affairs, and United Nations Framework Convention for Climate Change secretariat, *Global Conference on Strengthening Synergies Between the Paris Agreement on Climate Change and the 2030 Agenda for Sustainable Development: Maximizing Co-Benefits by Linking Implementation of the Sustainable Development Goals and Climate Action – Conference Summary* (2019).

require that all countries support multilateralism. Combating the devastating effects of climate change and natural disasters requires a strong collective effort, from policy formulation and burden-sharing to resource mobilization and technology transfer on mutually agreed terms.

49. All these actions to accelerate progress towards the achievement of the Sustainable Development Goals will be supported by a reaffirmation of the vision of people-centred development and the principle of equity and social justice articulated at the World Summit for Social Development in Copenhagen 25 years ago. Firmly rooting social, economic and environmental policies in the overarching objective of improving the well-being of people would make it possible to address the multitude of societal challenges with a clear vision. If equity and social justice formed the foundation of policy-making, it would become natural to promote fair globalization, sustainable and inclusive urbanization and a just transition to adapt to and mitigate the impact of climate change. Striving to achieve the three core objectives of social development proclaimed in Copenhagen, namely, poverty eradication, full and productive employment and social integration, would align our collective actions towards the accelerated implementation of the 2030 Agenda and the Goals. The importance of the World Summit for Social Development, 25 years later, lies precisely in its value as a platform to launch a decade of action for realizing sustainable development for all.
