

Impacts of COVID-19 on social development and implications for the just transition to sustainable development

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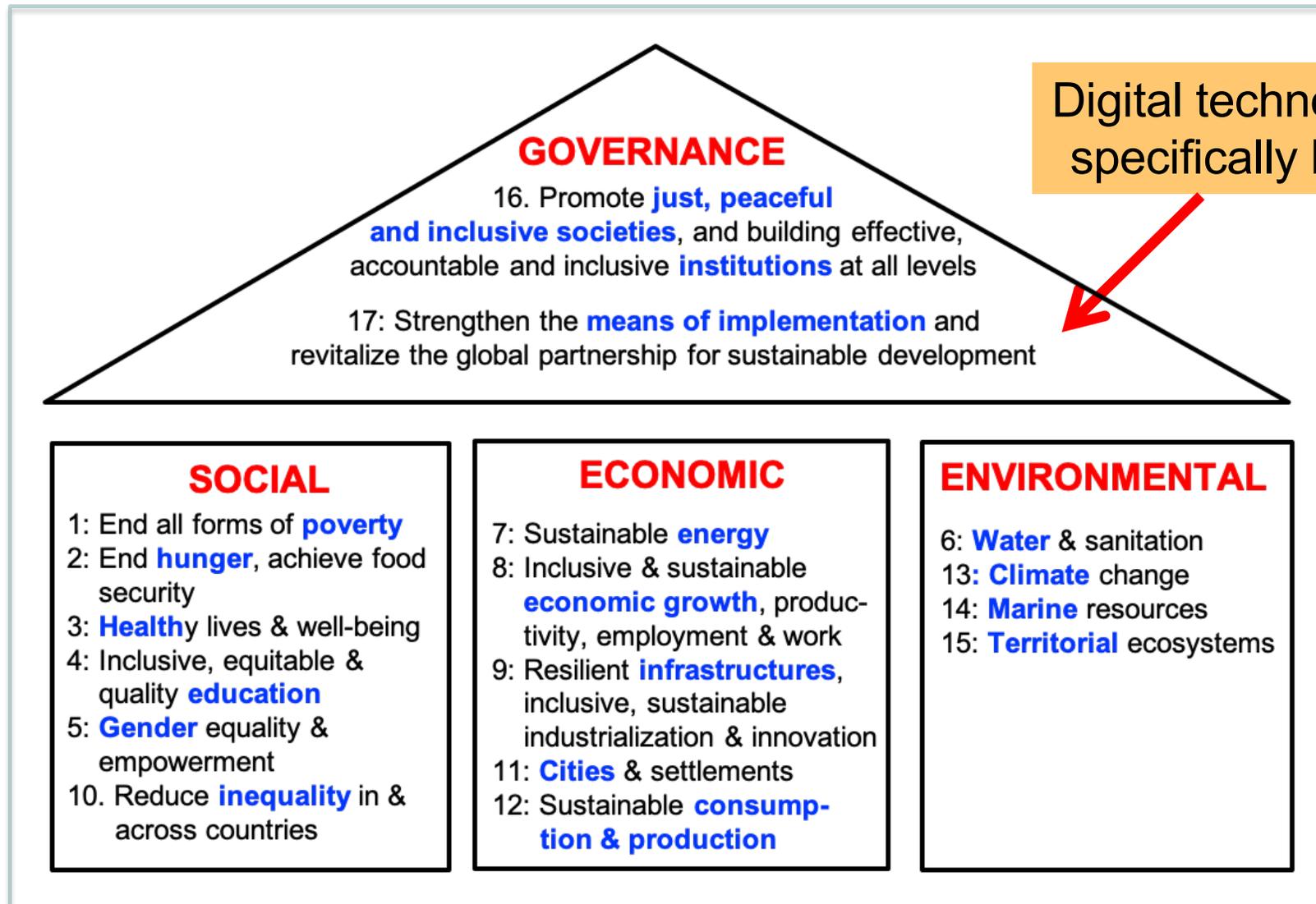
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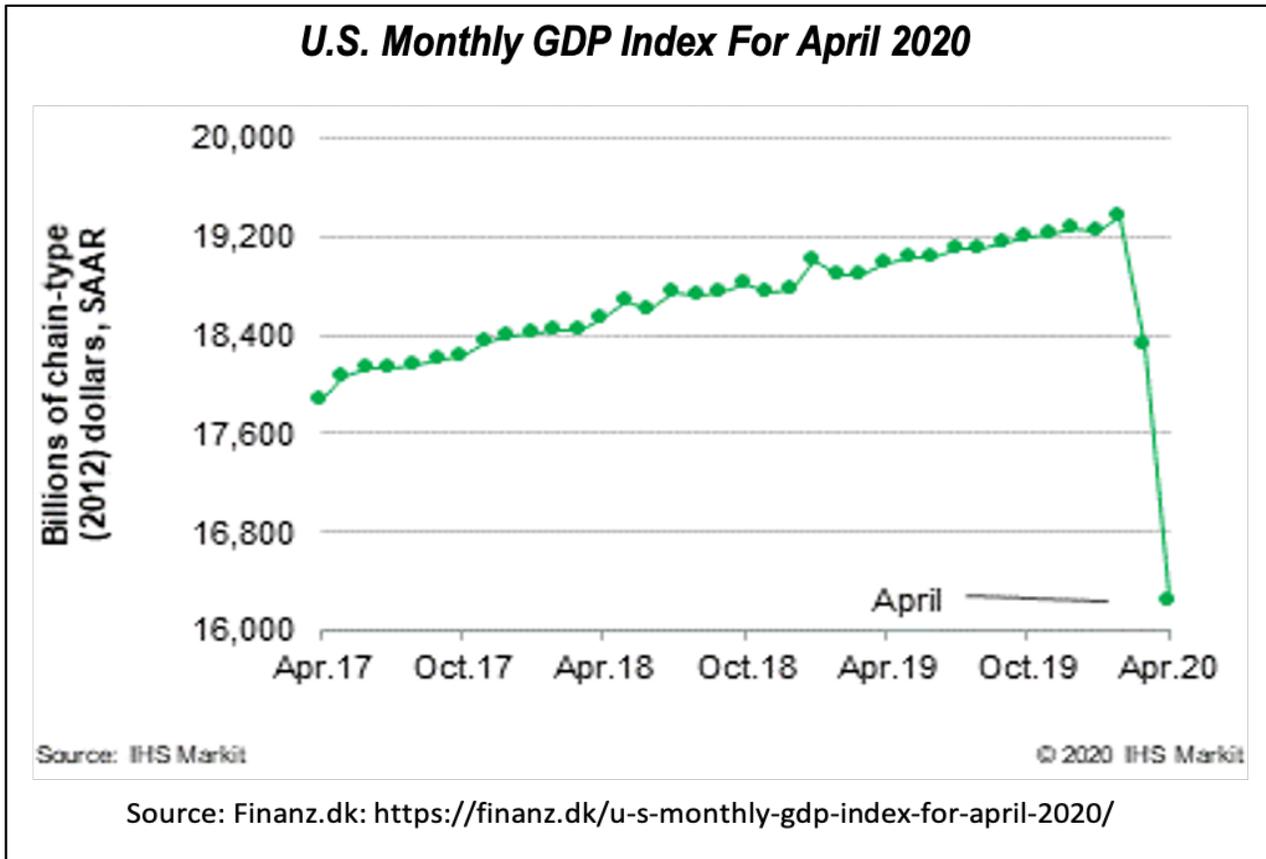
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Three pillars of the 2030 Agenda: Sustainable Development Goals, 2016-2030



Rapid GDP and growth contraction

- Massive supply-side recession
- Disruption of global supply chains
- Huge unemployment rise: -46% US
- GDP crash: -33% US; -12% Eurozone; -4% China
- 2020 estimate global GDP: -5%



World Bank:

- Lower investment and per capita income; erosion of human capital in lost work and education; fragmentation of global trade and supply linkages
- Recommends: strengthen public health systems and implement inclusive economic reforms

Extreme poverty

Before COVID-19:

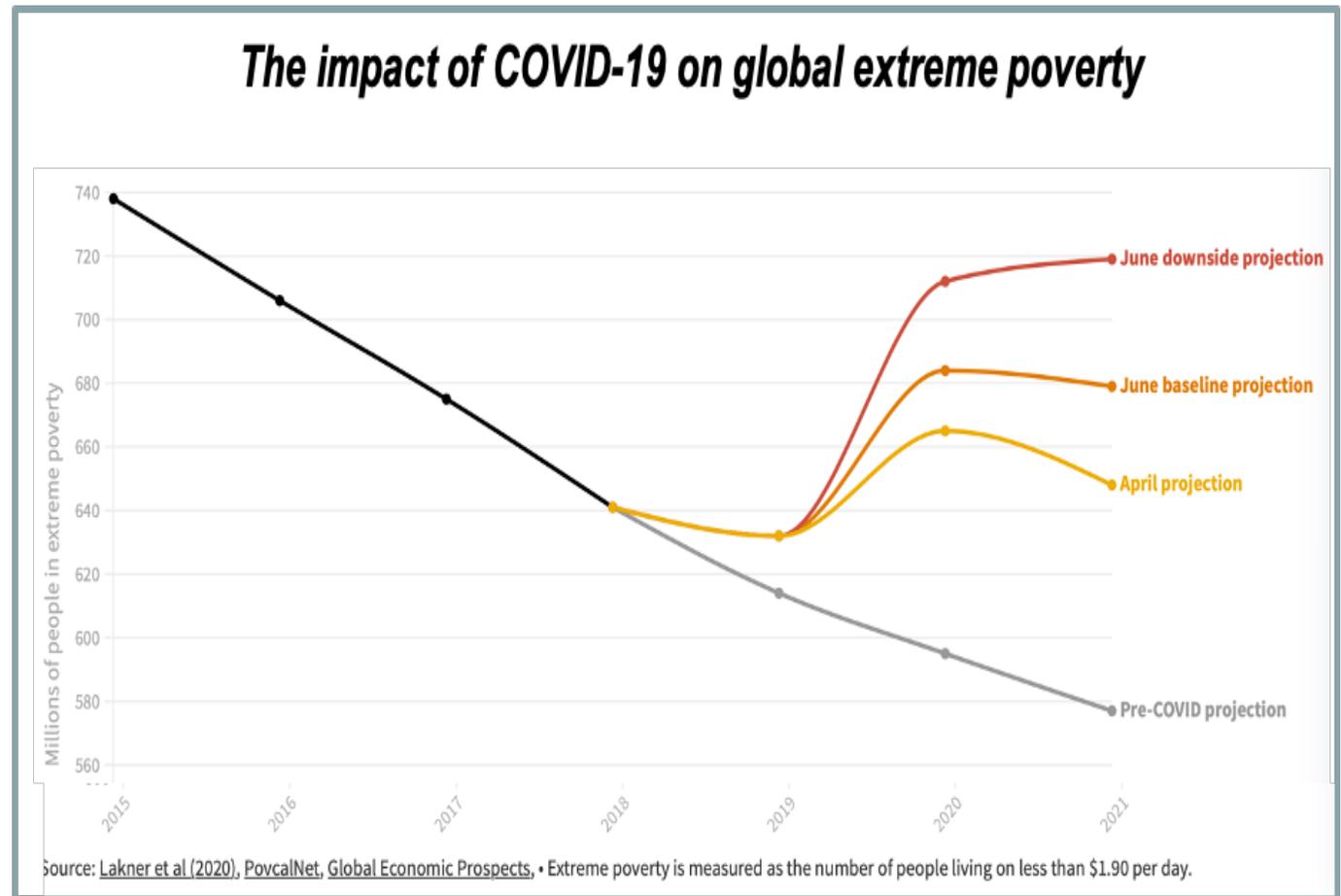
- Decline in extreme poverty (\$1.90/day)
- Top 1% have more than twice as much wealth as 6.9 billion people (Oxfam)
- Huge rise in working poor, now labelled 'essential workers'

During COVID-19:

- Massive increases in extreme poverty under different scenarios:
 - 71-100m (\$1.90/day)
 - 175-230m (\$5.30/day)
 - Strongly biased towards low- and middle-income countries

Forthcoming UN Alston Report: "Poverty is political choice":

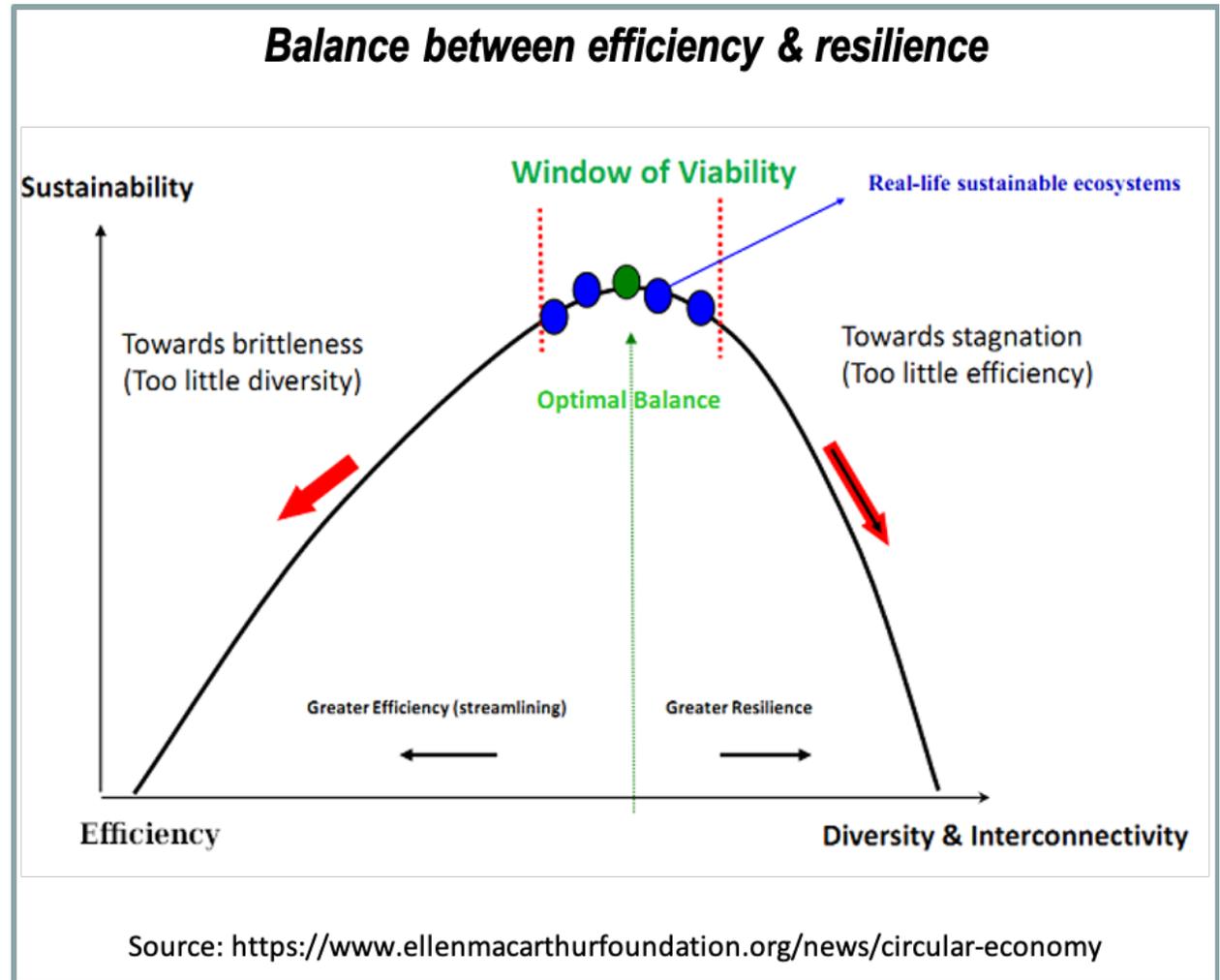
- Failing SDGs: poverty, economic and gender equality and climate change



Efficiency vs. resilience

To optimize sustainability, new focus on trade-off between:

- Efficiency
- Resilience: diversity and interconnectivity
- Reconsider the mantra of 'leanness' and JIT in public and private sectors
- Move to shared stakeholder value, away from purely shareholder value



- In addition to a narrow economic perspective, must see resilience also in social and environmental terms: together reflect the interconnectedness of the 2030 Agenda's three pillars

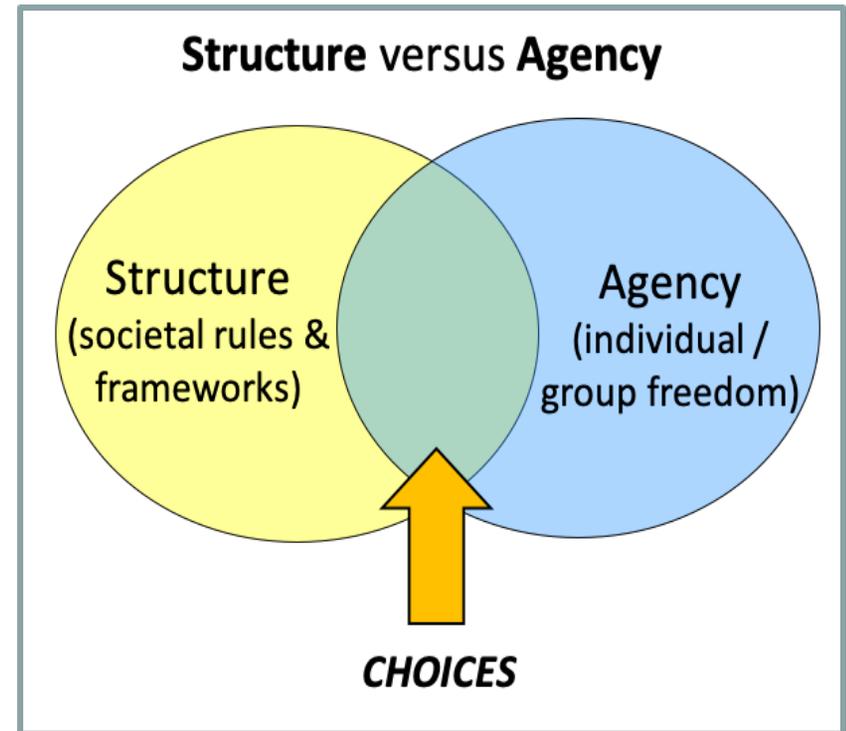
Focus on structure as well as agency

Basic issue: address duality between:

- Structures within which people operate -- largely beyond their control
- Agency people have largely with own control
- Too much focus on agency to date, rather than 'root' structural causes

Many examples:

- Scandinavian 'flexi-curity' labor market structures
- Tackle 'conditionality' to save administrative costs, provide benefits for individuals and society ('triple win'), e.g. Finnish UBI trial results (May 2020) improve well-being, confidence, life satisfaction, civil engagement, some effect on employment
- With working poor, time poverty often greater problem than income poverty: in complex and precarious work structures, need 2-3 jobs to survive with no time left for personal, family or community development.
- UK 2017 law: Uber drivers as employees with national living wage and holiday pay
- India 2017: world's largest biometric eID system for financial inclusion of the poor



Technology serving people and society

- Huge boost to existing trends towards online work, health, education, culture, leisure...
- **Issue 1:** ICT as general purpose technology – complements rather than substitutes for human action?
- **Issue 2:** are human values, ethics and wellbeing protected and promoted?
- **Issue 3:** right to **privacy and security with** massive growth of big data, AI, biotech, surveillance, ‘post-truth’ society
- **Issue 4:** **trust** is at the heart: do people trust big tech, do people trust government, and vice versa
- **Example:** EU’s 2018 launch of **GDPR**
- The most successful COVID-19 related applications seem to be adapted and updated from existing successful services.



Key issues for the just transition to sustainable development

In the aftermath of COVID-19 and a more de-globalized world:

1. Sustainability requires new balance between efficiency and resilience
2. Give greater role for good government (collaboration through PPPPs)
3. Seize opportunity for huge increase in more localized autonomy and green jobs
4. Reform structures to release people's agency for intelligence, hard work and motivation
5. Complement human intelligence with digital technology based upon ethics, transparency, security and human values – need for digital ombudsman