

Challenges for Social Development in the 2030 Development Agenda

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High-level Panel

Rethinking and Strengthening Social Development in the Contemporary World.

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Overview of the presentation

1. Contemporary World: Changing circumstances over time.
2. Important International Agreements on Social policies.
 1. Social Challenges: Reasons for Rethink.
 1. Quo Vadis CsocD: Strengthening Social Development.

Contemporary Settings for Social Policies

- WSSD 1995 Political Détente
- MDGs 2000 Growth optimism
- 2008 Financial Crisis
- 2009-2012 Austerity in North and South, but Commodity Boom allowed certain countries to strengthen social policies
- SDG 2015 End of commodity boom , Weak growth

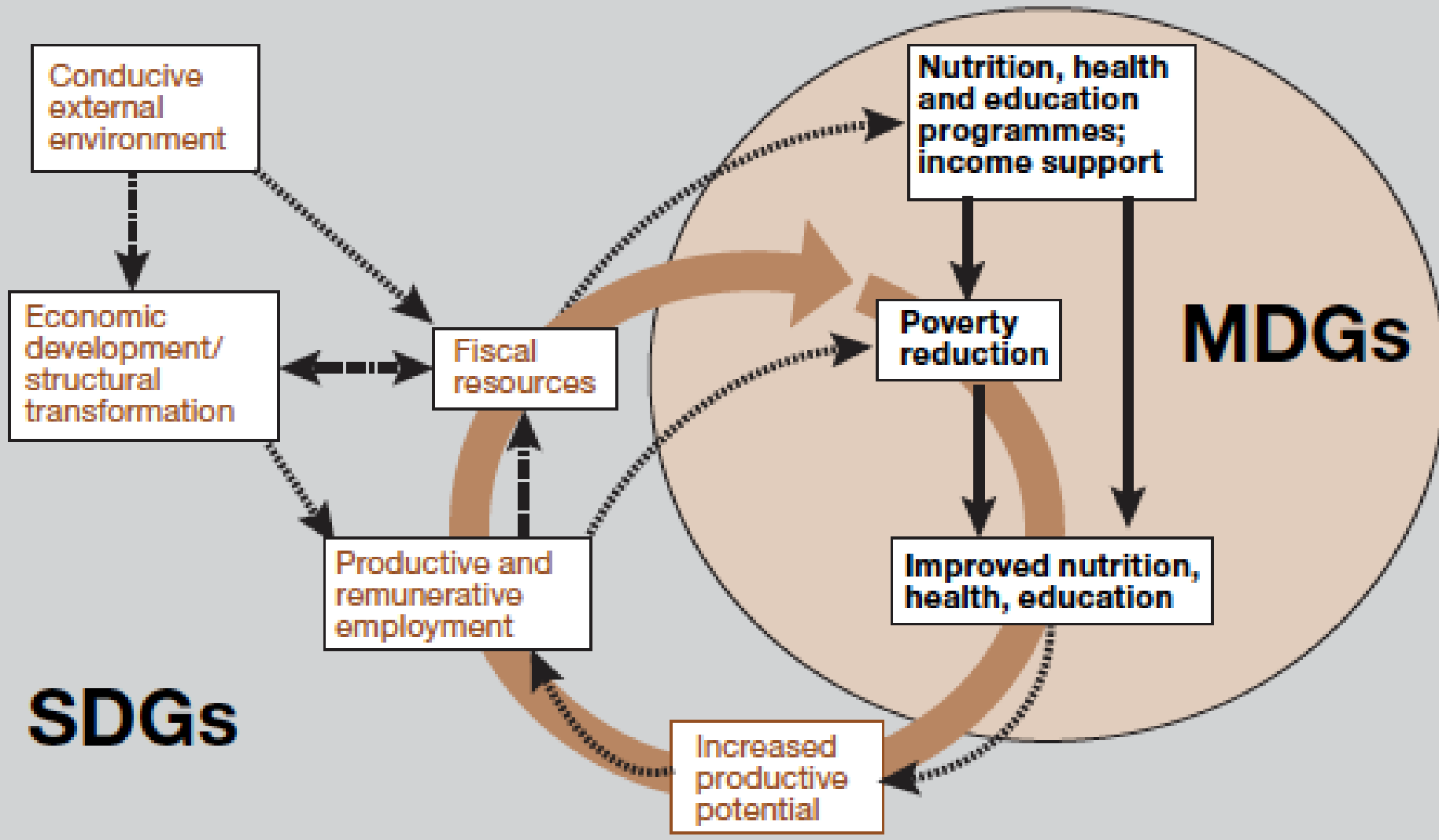
Interrelation between social and economic policies within ecological boundaries:

Economic= Social

Social=Economic

Member states accepted this in the SDGs

UNCTAD LDC report



Important International Agreements

- SDGs: *Transformative Economic and Social policy*
- Commission for Social development (with research input from UN. e.g. UNU-WIDER, UNRISD): *Social transformation, i.e. Social policies not Palliative but Investment in future*
- ILO and others: *Global Social Floor (Decent Work Agenda)*

Contemporary Challenges

A changing geo-political and social landscape

- Rapid growth of some large emerging countries such as China, India and Brazil.
- Three quarters of the poor now live in middle-income countries
- One quarter of the poor in fragile and conflict countries
- Regress in social conditions and increase poor households in developed countries since 2008 crises
- Large and often increasing income inequalities

Multiple domains of Inequality (ODI)

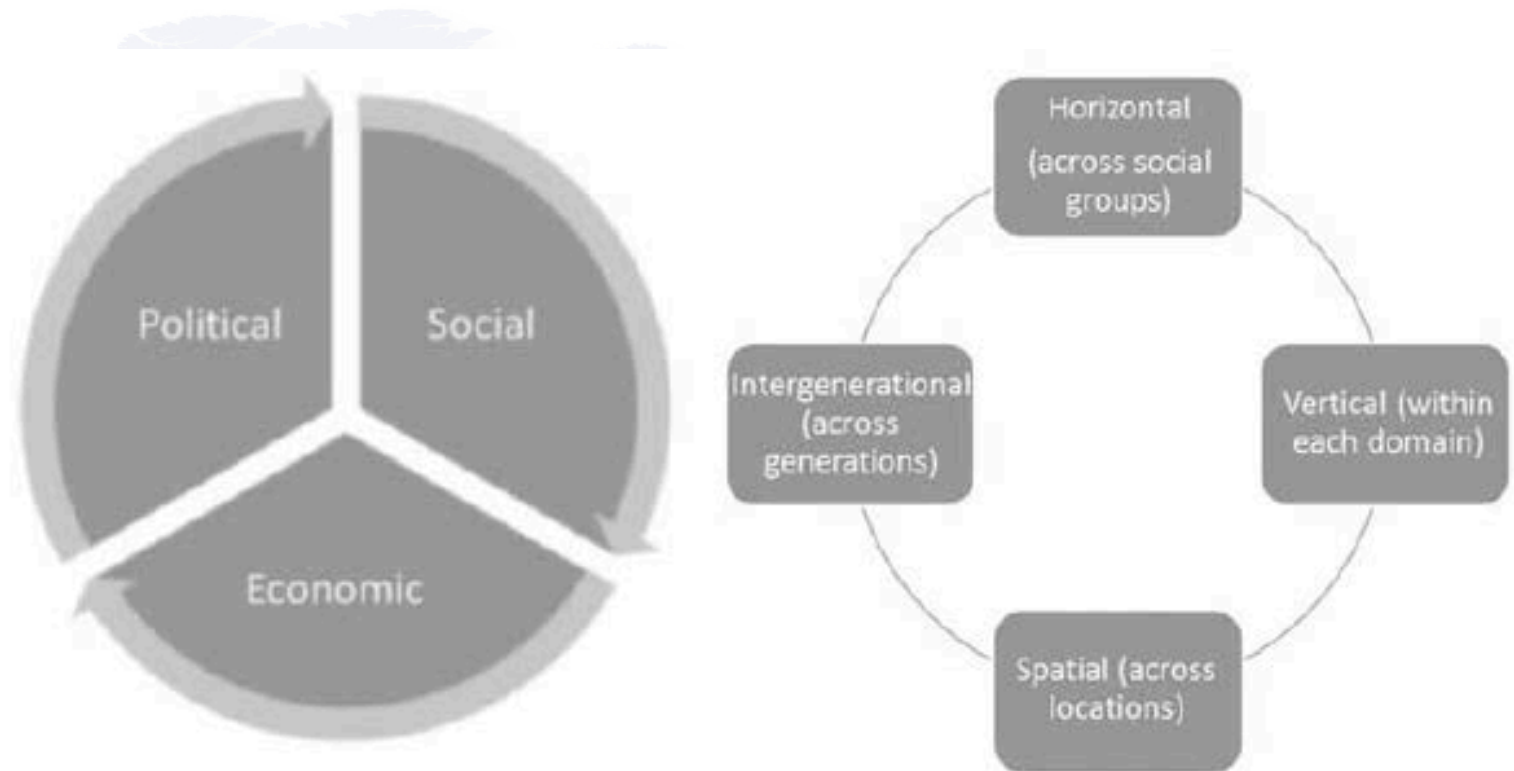
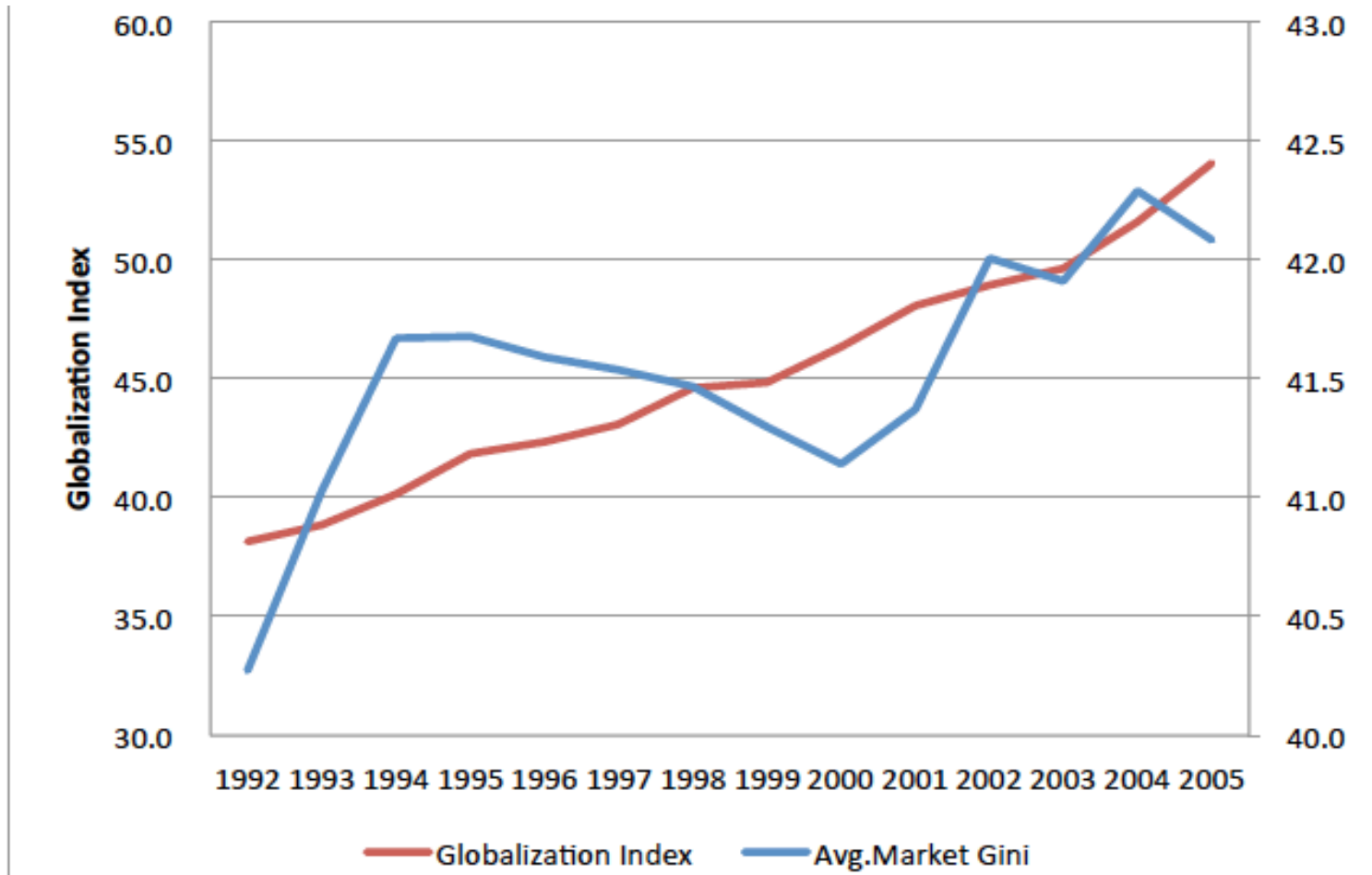


Figure 1: The multiple domains and dimensions of inequalities

Social Challenges: Causes for Rethink

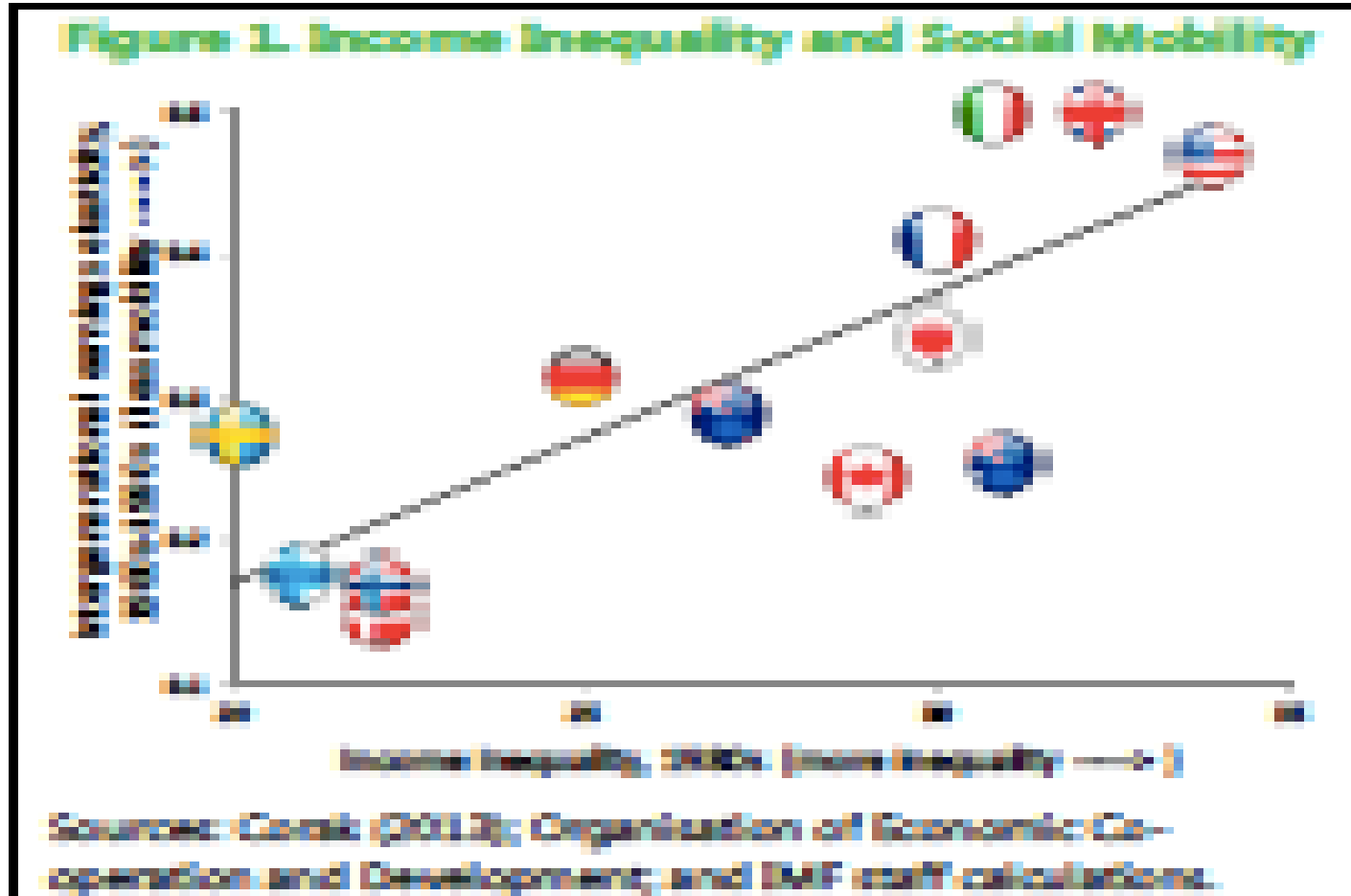
- Economic Inequality leading to social inequality
- Labour market inequalities major reason for income inequality (WSSD, ILO,IMF)

Household Income Inequality and Globalization across the World, 1992-2005





Income inequality and Social Mobility



Social Challenges: Causes for Rethink

- Financing of Social policies

Lessons from 2000 Countries with increased fiscal means do spend more on social policies (e.g. Latin America). Importance of domestic resource mobilization

- Tax base in developing countries relative small.

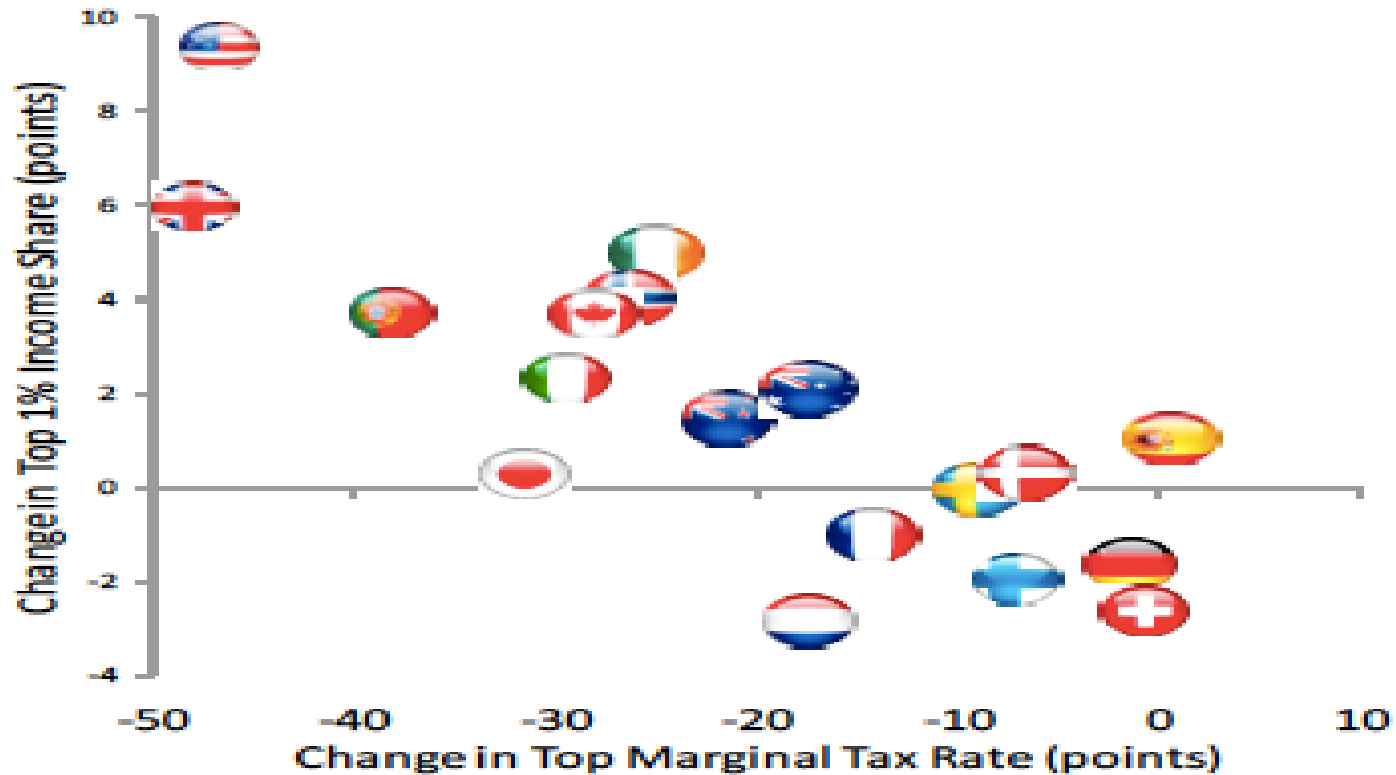
Continuing more emphasis on indirect taxes than on direct taxes (regressive).

Growing wealth inequality

- International Agreements on taxation and illicit capital transfer still weak

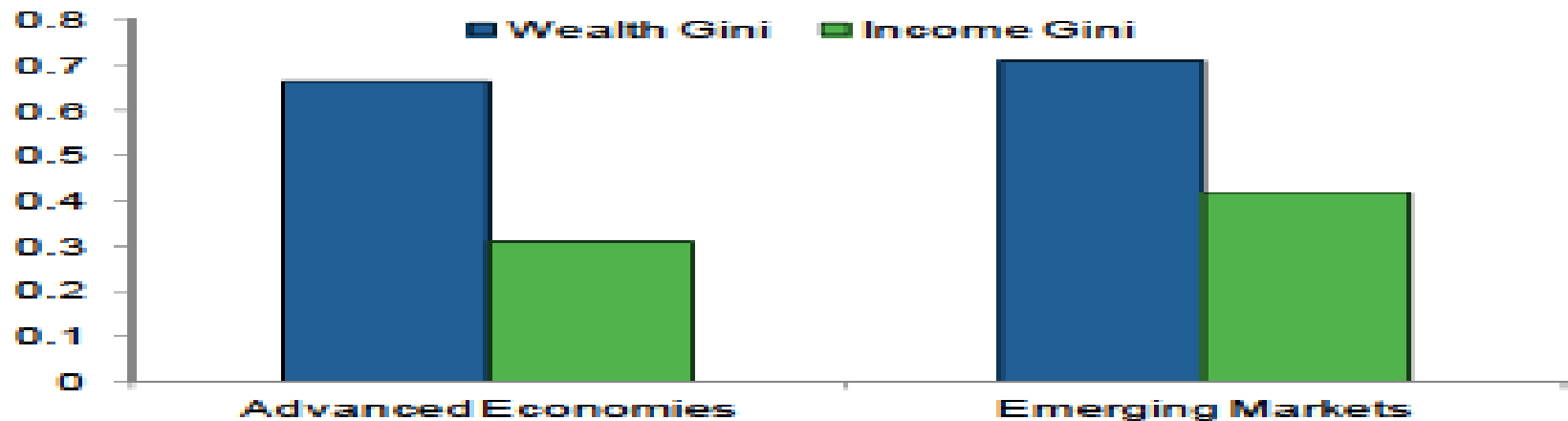
Eg. Addis Ababa Action Agenda July 2015

Figure 18. Change in Top Tax Rate and Top 1 Percent Income Share (1960–04 to 2005–09)



Sources: World Top Incomes Database; and IMF staff calculations.

Figure 11. Wealth and Income Inequality in Advanced and Emerging Market Economies, 2000



Sources: Davies and others (2008); Luxembourg Income Study Database; Organisation for Economic Co-operation and Development; Socio-Economic Database for Latin America and the Caribbean; World Bank; and IMF staff calculations.

Note: Emerging markets include China, India, Pakistan, Thailand, Turkey, Argentina, Mexico, Indonesia, and Brazil.

Quo Vadis CsocD? Strengthening Social Development

- Bring home the notion of national social contracts (social inclusion)
- Review Monitoring and evaluation process of SDGs, *if done in a participatory way*, can lead to better articulation of social policies: SDGs 1-5, as well part of 8 (employment) and 10 (inequality).

(All these concerns stems from WSSD)



Quo Vadis CsocD? Strengthening Social Development

- Importance of Monitoring Global Social Policies and Global Governance (SDG 16 and 17).
- Distinguish between international cooperation in “narrow sense” (ODA, Support capacity in developing countries on social policies and resource generation) and “broader sense” social aspects of trade, finance and technology.