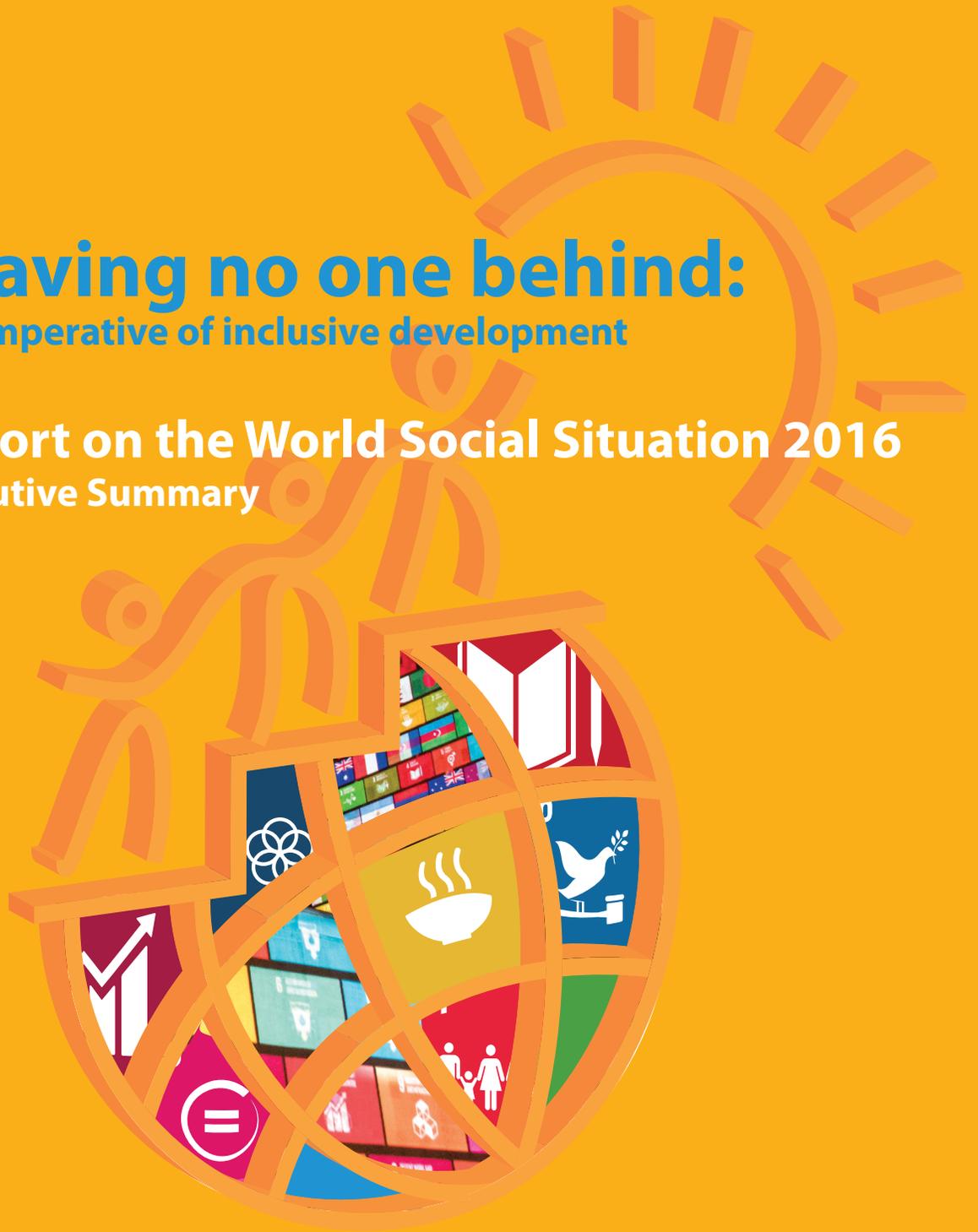


Leaving no one behind: the imperative of inclusive development

Report on the World Social Situation 2016
Executive Summary



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Humankind has achieved unprecedented social progress over the past several decades. Poverty has declined dramatically around the world, and people are healthier, more educated and better connected than ever before. However, the progress has been uneven. Social and economic inequalities persist and, in many cases, have worsened. Virtually everywhere, some individuals and groups confront barriers that prevent them from fully participating in economic, social and political life.

Against this backdrop, inclusiveness and shared prosperity have emerged as core aspirations of the 2030 Agenda for Sustainable Development. A central pledge contained in the 2030 Agenda is to ensure that no one will be left behind and to see all goals and targets met for all nations, peoples and for all parts of society, endeavouring to reach the furthest behind first.¹

The focus of the 2030 Agenda on inclusiveness underscores the need to identify who is being left behind and in what ways. The *Report on the World Social Situation 2016* is designed to do just that. Specifically, the report contains an examination of the patterns of social exclusion and consideration of whether development processes have been inclusive, with particular attention paid to the links between exclusion, poverty and employment trends. Key challenges to social inclusion are highlighted along with policy imperatives to promote it. It is recognized in the report that promoting inclusion will take time and political determination. Raising awareness about the consequences of leaving some people behind and recommending actions that Governments can take to avoid doing so can help generate political will.

Identifying social inclusion and exclusion

In aspiring to empower and promote the social, economic and political inclusion of all members of society, target 10.2 of the 2030 Agenda highlights attributes that have considerable influence on the risk of exclusion when it emphasizes that all should be included “irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status”.² As such, social inclusion is presented as the process of improving the terms of participation in society for people who are disadvantaged on the basis of age, sex, disability, race, ethnicity, and economic and migration status. It is contended in the report that promoting social inclusion requires both removing barriers to people’s participation, including certain laws, policies and institutions as well as discriminatory attitudes and behaviours, and taking active steps to make such participation easier.

Identifying a set of criteria to determine who is excluded and how is key to tracking progress and assessing the impact of measures undertaken to promote inclusion. However, measuring social exclusion is not easy for several reasons. First and foremost, people can be excluded from many domains of life, be they social, economic, political, civic or spatial spheres. The relative importance of each domain depends on where people live and on their age. That is to say, the concepts of social inclusion and exclusion are multidimensional and context-dependent. Translating them into a limited set of measurable indicators applicable across countries constitutes an imposing challenge. Furthermore, a proper assessment of exclusion requires indicators of people’s socioeconomic status – including their income, their employment situation and whether they have access to land, housing or education and health care – but it must also take into account their subjective judgements and perceptions.

In taking into account these challenges, the report contains an analysis of three sets of indicators: those that measure access to opportunities, namely education, health and other basic services; those that measure access to employment and income; and those that measure participation in political, civic and cultural life. A relative approach is taken to exclusion: instead of defining a threshold under which individuals or groups would be

¹ General Assembly resolution 70/1, para. 4.

² Ibid., target 10.2.

considered excluded, disparities in these indicators across selected social groups are construed as symptoms or outcomes of the exclusion of those who are being left behind.

It is clear that the extent of social exclusion, the groups affected by it and the social problems it encompasses vary by context and also over time. In many ways, the world has become less tolerant of exclusion. The spread of democratic ideals and the demand for equal rights have led some Governments to loosen policies that sustain unfair treatment and have created opportunities for political participation. Meanwhile, the expansion of education and improvements in information and communications technologies (ICTs) are enabling more people to make more informed choices and exercise voice. However, these advances have not been enough to eliminate disadvantage and promote inclusive societies. Recent political events, including responses to the large movements of people seeking to escape war and destitution in their own countries, as well as the effects of climate change, pose major challenges to the continued promotion of inclusive development.

Key dimensions of exclusion

Poverty, income inequality and exclusion: a vicious cycle

To the extent that poverty is a major hindrance to social inclusion, the global progress made in reducing extreme income poverty bodes well for inclusive development. While 37 per cent of the world's population lived under the international poverty line of \$1.90 a day in 1990, the proportion had declined to 12.7 per cent by 2012.³ However, the situation of those living in deep poverty has not improved significantly and many people who have escaped poverty remain vulnerable to it.

Trends in inequality also suggest that prosperity has not been equitably shared, with income inequality having risen within many countries in the last 20 years. In general, income inequality across social groups constitutes a significant share of total income inequality, although its weight varies strongly by country.

Decent work deficits and exclusion

Over the last two decades, employment has helped millions of people to escape poverty and has economically empowered women and other disadvantaged groups. In some cases, it has promoted the social inclusion of these groups, while in others it has reinforced existing divides. However, economic growth and, more broadly, development have not been sufficiently inclusive, as they have failed to reduce deficits in decent work. Many people cannot rely on stable decent jobs as means to cope with risks or secure livelihoods. The risk of holding a poorly paid, precarious or insecure job is higher today than it was in 1995. Despite rapid progress made in reducing poverty, 13.5 per cent of workers in developing countries are living in extreme poverty (on less than \$1.90 a day) and 34.3 per cent are living on less than \$3.10 a day (ILO, 2016). These figures call into question the notion that jobs – any jobs – are the main solution to poverty. A large share of workers are outside the realm of regulation and are not properly represented in social dialogue and consensus-building processes in the workplace. While some informal jobs become stepping stones into formal work and empower those who hold them, particularly women, most trap individuals and groups into a spiral of low productivity and exclusion. Deficits in decent work, in particular among young people, raise fears of social instability and put the social contract under threat.

³ In October 2015, the World Bank released revised income poverty estimates based on a new set of purchasing power parity (PPPs) conversion factors and an ensuing new income poverty line of \$1.90 per day. In 1990, the poverty line had been \$1.00 per day and in 2008 \$1.25 per day.

Who is being left behind?

While lagging behind in education or in access to health services or facing barriers to political participation alone cannot be equated with social exclusion, the report shows that disadvantages in all of these domains generally reinforce one another. Lower levels of health and education go hand in hand with higher levels of poverty and unemployment, as well as less voice in political and civic life. In the report, it is the accumulation of disadvantage among certain social groups that is taken as a symptom of their exclusion.

The inequalities observed have historical roots but tend to persist, even after the structural conditions that created them change. Some ethnic groups, for instance, continue to experience significant disadvantages in countries which no longer impose formal barriers to their participation. However, discrimination continues to play a key role in holding back some groups.

It is also important to note that, while the report's analysis is based on statistically visible groups, those groups that are omitted from household surveys and censuses are frequently at the highest risk of being left behind. It is often when groups gain political recognition and social movements promote the enforcement of their rights that countries begin to identify them in censuses and surveys.

Denial of opportunities

There is clear consensus across countries on the need for education and health care to benefit all people – that is, for these services to be universally accessible. Yet in both developed and developing countries, there are enduring disparities in school enrolment, educational attainment and learning outcomes based on factors beyond a student's inherent capacity to learn. For example, in 19 countries with data the percentage of youth (aged 15-24 years) who have completed lower secondary education is on average twice as high among youth in the main ethnic group as among youth in the most disadvantaged ethnic minority.⁴ Similarly, not all individuals and groups have benefited equally from improvements in health. There are wide gaps in child health and life expectancy at birth based on ethnicity, socioeconomic status and place of birth. Moreover, measures that take into account illness and functioning, such as health-adjusted life expectancy (HALE), tend to show wider gaps than life expectancy at birth.

The report's analysis suggests that progress in different dimensions of social inclusion should be monitored separately. Progress in closing gaps in child health among ethnic groups, for example, has not necessarily been matched by equitable improvements in access to infrastructure and vice versa. Child mortality has generally declined faster in rural than in urban households in recent years while stronger reductions in malnutrition have been experienced in urban areas.

Unequal income-generating prospects

There are also significant disparities in access to the labour market, employment opportunities, wages and overall income across social groups. Disadvantaged groups are not only more likely to live in poverty, but they also experience deeper poverty and are more likely to remain in poverty over the long term than the rest of the population. In the labour market, indigenous peoples, members of other ethnic minorities and international migrants receive lower wages than the rest of the population, as do women, who on average earn between 10 and 30 per cent less than men when working full time (Hall and Patrinos, 2012; OECD/European Union, 2015; United Nations, 2015). The exclusion of youth from the labour market is of particular concern because of its long-term effect on their well-being as well as its impact on social cohesion and stability. More than 40 per cent of the world's active youth are either unemployed or working but still living in poverty (ILO, 2015).

⁴ For details, see United Nations Educational, Scientific and Cultural Organization, World Inequality Database on Education. Available from www.education-inequalities.org. Accessed on 22 July 2016.

In countries of the Organisation for Economic Co-operation and Development (OECD), almost 39 million young people (15.5 per cent of all youth) were not working or in education or training in 2014.⁵

Labour market disadvantages, however, are not just due to differences among workers in education, skills or place of residence. The analysis contained in the report shows that most of the occupational differences observed among ethnic groups persist, for instance, once the effects of educational attainment and other sociodemographic characteristics are accounted for. The labour market continues to reflect socially driven distinctions based on ethnicity, race, age, gender and other personal attributes that should have no bearing on job opportunities or workers' competencies.

Unequal participation in political, civic and cultural life

Participation in political, civic and cultural activities is a major part of social life and crucial to promoting inclusion. Individuals and groups who are excluded from these processes have limited voice or power to affect the attitudes, norms, institutions and policies that drive social exclusion in the first place. Some forms of political and civic participation also reveal subjective aspects of social inclusion that are not captured by looking at the socioeconomic status of individuals and groups.

In many countries, racial and ethnic minorities, migrants, women and young people vote less frequently and are less likely to be represented in Government by individuals of the same social group than are other people. Here, too, education and income lead to higher political engagement as measured by voting behaviour. Lower voter turnout is, in some cases, the result of institutional barriers to registering and voting. One reason for this situation is that the right to vote in a country is generally granted to citizens only. However, differences in voting patterns often remain even when formal restrictions to voting are not present, suggesting that there are other barriers at play as well.

Lack of engagement in political activities among some individuals and groups is concerning and undermines democratic foundations – representation, rule of law and protection of freedom and rights. Data show, for instance, that levels of trust and confidence in the police and the courts in some countries are lower among racial and ethnic minorities than among other groups, thus challenging the legitimacy of these institutions in protecting the rule of law for all and promoting good and democratic governance.

Regarding participation in social life, social networks are an important source of support, power and agency for individuals, groups and communities that face multiple forms of social exclusion. Frequent contact with family, friends and neighbours provides social support that positively affects health and well-being. In many cases, members of vulnerable and marginalized groups enjoy dense networks of community group relations; what they lack is power and capital to achieve their ends.

Prejudice and discrimination: barriers to social inclusion

The prejudicial treatment of people on the basis of their identity or their characteristics is a common cause of exclusion. Across countries, there are still laws and policies that discriminate against individuals and groups in all spheres of life, despite the considerable progress that has been achieved in recent decades to end such practices. Even where discriminatory laws have been eliminated, discriminatory practices continue to underpin group-based differences.

Publicly registered incidents of discrimination, such as legal cases brought against employers or public authorities or reported incidents of hate crimes, have limited value for cross-country comparisons or even to

⁵ See OECD Data. Available from <https://data.oecd.org/youthinac/youth-not-in-education-or-employment-neet.htm>. Accessed on 22 July 2016.

assess trends over time. The willingness and opportunities to report discrimination depend on efficacy, real or perceived, of the police and the justice system in addressing this ill. Instead, some surveys have gathered information on perceived instances of discrimination. Results of the European Union Minorities and Discrimination Survey in 2008 showed, for instance, that one in four respondents felt discriminated against due to ethnic or immigrant origin, sex, age, disability, sexual orientation, religion or beliefs (European Union Agency for Fundamental Rights, 2009). Perceived discrimination on the basis of ethnicity or immigrant origin was the most significant of these areas. Experimental research also showed large differential treatment based on race, ethnicity and migrant status in various domains, including job interview call-backs, apartment rentals and examination results.

Constant exposure to discrimination can lead individuals to internalize prejudice or stigma in the form of shame, low self-esteem, fear, stress and poor mental and physical health. It may further affect achievement and diminish a person's sense of agency – that is, the capacity to make decisions and act on them – leading individuals to behave in ways that conform to how others perceive them.

While discrimination is decried around the globe and there are legal obligations and guidelines to fight it, much work remains to be done to achieve a world free of discrimination and prejudice. Continued efforts to capture the extent, manifestations and effects of discrimination are a necessary step towards realizing this goal.

Policy imperatives for leaving no one behind

No single set of policies or strategies is applicable across all countries and in all contexts to tackle exclusion and promote inclusion. Instead, successful examples point to several imperatives to address the structural causes of exclusion and social injustice.

The first imperative is to establish a universal approach to social policy, complemented by special or targeted measures to address the distinct obstacles faced by disadvantaged, marginalized or otherwise excluded social groups. Special efforts are needed, even if temporarily, to overcome the barriers which some groups face and make the universal provision of goods and services more effective for promoting social inclusion. Governments should design these measures in ways that minimize stigma and capture by local elites; they must integrate them fully into broader social protection systems. Policies aimed at tackling discrimination, as well as those that provide preferential access to some services, enable the participation of excluded persons and communities in decision-making processes.

Identifying groups that are left behind and in need of special measures may require better household and individual-level data and increased data disaggregation. Strengthened statistical offices as well as more openness to innovative social research directions could help improve the ability to meet data needs. However, improved data are not sufficient on their own. Ultimately, ensuring that all individuals are afforded the same rights and opportunities requires political will and commitment.

The second imperative is to promote inclusive institutions. The report highlights the role that institutions play in either perpetuating exclusion or promoting inclusion. Empowering workers, entrepreneurs and small producers, for instance, or pursuing inclusive land ownership schemes, new forms of collective action, or greater State capacity to engage in participatory budgeting could make economic institutions more inclusive and equitable. Similarly, promoting civil registration and legal identity, engaging more with civil society, supporting local associations and enabling the creation of social movements could help political institutions become more transparent and inclusive. Finally, promoting equal recognition through anti-discrimination laws and their effective enforcement, encouraging tolerance and challenging exclusionary attitudes and behaviours are all avenues for creating more inclusive cultural and social institutions.

Reversing entrenched prejudice and reforming institutions that perpetuate exclusion are often slow processes. Institutions are shaped by national and local circumstances, norms and behaviours that have deep

historical and cultural roots. They therefore require considerable shifts in how people relate to each other and what is considered acceptable. However, concerted effort and long-term political commitment at the highest level would make such change possible.

Conclusions

The report contains information on many positive trends, ranging from more representation of disadvantaged groups in political processes to a reduction of inequality in access to education. However, group-based disparities vary significantly across countries and by group. Whether development is leaving some people behind – and, consequently, whether or not it is promoting social inclusion – depends on context as well as on the indicators used to measure progress.

Beyond the foundational role of inclusion and the moral imperative to correct imbalances in power, voice and influence, there are also practical reasons to ensure that no one is left behind. Inclusion strengthens not only the social, but also the economic and environmental dimensions of sustainable development. Awareness of the importance of inclusion, however, has not yet been translated into political commitment or the necessary normative shifts that are imperative for inclusive development, as argued in the report. Instead, overreliance on market mechanisms, a retrenchment of the redistributive role of the State and growing economic inequalities have contributed to social exclusion and have even put the social contract under threat in many countries in the last few decades.

The commitment to leave no one behind and thus ensure that every individual can participate in social, economic, political and cultural life with equal rights and enjoy the full range of opportunities expressed in the 2030 Agenda is an important step in the right direction. Framing goals in universal terms alone, however, does not ensure universality. For example, despite aiming for universal primary education, the Millennium Development Goals left some children behind, as this report shows. The extent to which the 2030 Agenda will help to promote inclusion will depend on the strength and form of its implementation.

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