



## POLICY BRIEF

# GOVERNANCE FUTURES: KEY INSIGHTS AND POLICY IMPLICATIONS

**Abstract:** Governance systems at the global, national, and local levels are at a critical juncture. As the world grows more volatile, uncertain, complex, and ambiguous, there is a growing belief that they are unfit to effectively address both present and future challenges, as well as meet people's needs and new aspirations. How governments together with other stakeholders prepare for the future will significantly impact people's well-being, both now and in the years to come. This Policy Brief outlines the limitations of present governance systems and explores alternative future governance models that can effectively address current complex challenges and capitalize on emerging opportunities. It does so by examining key drivers of change across the political, economic, social, technological, and environmental spheres— and how these issues and their interlinkages may shape governance systems by 2040. Using strategic foresight, the Policy Brief aims to deepen our understanding of the complex dynamics shaping the future of governance and provides insights into potential pathways for transformational change to enable the design of forward-looking, anticipatory policies.

## I. INTRODUCTION

### The role of governance in society

Governance systems at all levels have profound and far-ranging implications for society, the environment, and the economy. How societies govern themselves plays a significant role in ensuring the well-being of all people and fostering sustainable development. The type of governance influences whether people can achieve their full potential and whether physical, mental, and social well-being are safeguarded.

Global governance is “a framework of institutions, rules, norms, and procedures that facilitates collective action and cooperation among countries and other actors to address complex, cross-border challenges related to economic development, trade, human rights, environmental protection, and peace and security.”<sup>1</sup> In this sense, global governance operates through a network of formal and informal multilateral mechanisms that facilitate collaboration and manage conflict on a global scale. Governance at the national and subnational levels refers to the exercise of political and administrative authority to manage a country's affairs. It is a “system of values, policies, and institutions through which societies manage economic, political, and social affairs by engaging the state, civil society, and the private sector.”<sup>2</sup> It includes the institutions, mechanisms, and processes through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations, and

### Key Messages

- Governance institutions must adapt to rapid technological, geopolitical, and societal shifts and become more agile, adaptable, and forward-looking.
- For governance to be more agile and anticipatory, institutions must embrace strategic foresight as a critical tool for resilience and adaptability.
- Strategic foresight empowers policymakers to anticipate disruptions, manage emerging risks, and design governance models that are resilient, inclusive, and better prepared for the future.
- Based on the strategic foresight conducted for the policy brief, the desirable future of governance could be shaped by technological advancement, participatory governance, and decentralization.

mediate their differences<sup>3</sup>. At the heart of governance systems lies the social contract, which forms the bedrock of values, principles and interests guiding the relationship between the state and its people, and the conduct across all levels of society. Throughout history, governance systems have continuously evolved through the interplay of political dynamics, leadership styles, societal changes, technological advancements, and global developments. Each era has introduced challenges

<sup>1</sup> You-Jieh Chen, D. (2024). Strengthening Global Governance Activity, Global Summitry Project. <https://globalsummitryproject.com/projects-home/strengthening-the-g20>.

<sup>2</sup> United Nations Development Programme (UNDP). Responsible and accountable institutions. <https://www.undp.org/eurasia/our-focus/governance-and-peacebuilding/responsible-and-accountable-institutions>.

<sup>3</sup> United Nations Development Programme. 2019. “Governance for Sustainable Development.” UNDP Report.

and opportunities that have both influenced and have been influenced by governance practices.

Today, we are at an inflection point for governance systems at all levels, driven by a perceived disconnect between societal needs, values and aspirations, and the ability of these systems to fulfil them. The 2030 Agenda for Sustainable Development<sup>4</sup> sets a vision for democracy, good governance, and the rule of law, yet the present situation suggests a widening gap between this vision and its implementation. To meet this challenge, governance models must evolve. The 11 principles of effective governance for sustainable development, which were endorsed by the UN Economic and Social Council, provide a framework for change and expert guidance to interested countries on a broad range of governance challenges associated with the implementation of the 2030 Agenda for Sustainable Development. This policy brief explores the limitations of current governance systems and transformative pathways to build adaptive and inclusive governance systems. By using strategic foresight<sup>5</sup>, it examines cross-cutting issues in different domains that might shape governance systems at all levels in 2040 and beyond. It also provides recommendations for the United Nations System, the UN Member States, as well as Non-State and Sub-National Actors. The table below summarizes the policy brief's structure.

 <b>Governance Futures: A Call for Transformation</b>
<b>Problem:</b> 20th-century systems vs. 21st-century challenges 
<b>Major Forces of Change:</b>
 Geopolitics 
 Technology 
 Social Behavior 
 Non-state Actors  
<b>Scenarios:</b>
<b>Baseline:</b> Gradual change, risks of fragmentation 
<b>Radical:</b> Transformative change, potential for progress or chaos  
<b>Core Values:</b> Inclusion, Transparency, Adaptability  
<b>Recommendations:</b> UN System  , Member States  , Non-State Actors 

4 UN DESA (2015). Transforming our world: the 2030 Agenda for Sustainable Development. <https://sdgs.un.org/2030agenda>.

5 Strategic foresight can be defined as an “organized, systematic way of looking beyond the expected to engage with uncertainty and complexity.” [UN DESA (2021). CEPA strategy guidance note on strategic planning and foresight. <https://publicadministration.desa.un.org/sites/default/files/old-site/Strategy%20note%20strategic%20foresight%20Feb%202021.pdf>. The UN 2.0 Policy Brief highlights that “fostering strategic foresight capacity means cultivating structured methods that help to navigate uncertainty, imagine better futures and chart new paths forward already today. It is about nurturing proactive mindsets and exploring possible futures, with tools such as horizon-scanning, trend analysis and scenario development, desired futures approach to make better choices today—in the face of an uncertain tomorrow.” United Nations (2023). Our Common Agenda Policy Brief 11. [https://www.un.org/two-zero/sites/default/files/2023-09/un-2.0\\_policy-brief\\_en.pdf](https://www.un.org/two-zero/sites/default/files/2023-09/un-2.0_policy-brief_en.pdf).

6 United Nations Office on Drugs and Crime (UNODC), Office of the United Nations High Commissioner for Human Rights (OHCHR), United Nations Development Programme (UNDP) (2023). Global progress report on Sustainable Development Goal 16 indicators: A wake-up call for action on peace, justice and inclusion. [https://www.undp.org/sites/g/files/zskgke326/files/2023-09/final\\_uno\\_sdg16-23\\_230919.pdf](https://www.undp.org/sites/g/files/zskgke326/files/2023-09/final_uno_sdg16-23_230919.pdf).

7 United Nations (2024). The Sustainable Development Goals Report 2024, (Page 40). <https://unstats.un.org/sdgs/report/2024/The-Sustainable-Development-Goals-Report-2024.pdf>.

8 António Guterres (2023). Secretary-General’s address to the General Assembly. <https://www.un.org/sg/en/content/sg/statement/2023-09-19/secretary-generals-address-the-general-assembly>.

9 Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database. <https://www.sipri.org/databases/milex>.

II. CURRENT CONTEXT

Challenges and limitations of current governance systems in a changing world

According to a recent United Nations report on Goal 16 of the 2030 Agenda for Sustainable Development, “progress on violence reduction, access to justice, inclusive governance and peaceful societies is stagnating or in reverse”.<sup>6</sup> The UN Sustainable Development Goals Report 2024 cautions that with just six years remaining to 2030, current progress falls far short of what is required to meet the Sustainable Development Goals (SDGs). It highlights that “urgent action is needed to combat corruption and organized crime, strengthen the rule of law and access to justice, build effective and inclusive governance institutions, and protect rights and fundamental freedoms.”<sup>7</sup>

Public institutions in many countries across the world seem to be ineffective and no longer serve their intended purpose. This disconnect between institutions and the needs of today’s world is underscored by the United Nations Secretary-General, António Guterres who recently stated that “we cannot effectively address problems as they are if institutions don’t reflect the world as it is. Instead of solving problems, they risk becoming part of the problem.”<sup>8</sup>

Primarily developed in the 20th century, the present governance systems were tailored to address that era’s specific challenges and aspirations. Yet, the global landscape of the 21st century has evolved dramatically. It presents many new complexities and challenges that have exposed the limitations of these traditional governance systems. Unlike in the past, today’s interconnected crises, from climate change to escalating conflicts, require governance frameworks that are more adaptable, collaborative, and forward-thinking.

At the regional and global levels, current governance systems seem to fall short of the required mandates and capacities to effectively manage transboundary challenges. The year 2023 saw a concerning rise in military conflicts and global defense expenditures, underscoring the persistent volatility in international relations and the need for more effective conflict resolution mechanisms.<sup>9</sup> In addition to global crises, national governments also face an array of national pressing

issues that further challenge their ability to respond to people's needs and aspirations. While governance systems in many countries have made significant progress in reducing extreme poverty and fostering economic prosperity and development, they have struggled to manage rising inequalities, debt, and inflation. They have also faced challenges in responding to interconnected global crises while simultaneously addressing complex issues such as digital transformation, demographic shifts, migration, rapid urbanization, and climate change. These factors have hindered progress toward the 2030 Agenda for Sustainable Development.

Moreover, these challenges are compounded by the rapid pace of change, which is unparalleled in human history. Technological advancements, especially Artificial Intelligence, are reshaping societies faster than governance systems can adapt. While some public institutions have demonstrated resilience and ability to innovate—embracing digital governance and agile policymaking—many still fail to quickly adapt and anticipate new societal demands and effectively respond to emerging crises. They remain overly siloed, constrained by rigid hierarchies and legacy systems that are outdated and ill-suited for the digital age. As a result, they lack the flexibility, innovation, and collaborative mechanisms necessary for societies to navigate an increasingly complex and uncertain future.

The COVID-19 pandemic has further exposed and exacerbated the weaknesses and vulnerabilities of today's public institutions and their capacity to tackle socio-economic challenges. On the one hand, it has demonstrated the capacity of governments to act swiftly and promote innovations in the health sector and public service delivery. On the other hand, it has made visible in many countries the lack of coordination among different levels of government<sup>10</sup>.

As policymakers struggle to keep pace with evolving public expectations, in many countries the social contract between governance institutions and society is under strain. While some governance models have adapted, others risk becoming outdated and unable to fulfill the aspirations of both present and future generations. This is evidenced by the growing lack of trust in public institutions, decline in voter turnout, rising political polarization and anti-institutional movements.<sup>11</sup> It is also evident in the inability of many current governance systems and policies to bridge the gaps between the haves and have nots. Trust in public institutions is waning, not merely due to poor service delivery but because citizens increasingly feel that these institutions no longer represent or uphold the

principles of fairness, inclusiveness, and justice<sup>12</sup>. Therefore, the growing governance crisis is not just about inefficiency or outdated institutions; it is a deeper reflection of diverging and, in some cases, eroding shared societal values.<sup>13</sup>

Without a renewed consensus on the values underpinning governance systems and how they are being translated into practice, institutions risk losing legitimacy and becoming ineffective. In this respect, the UN Secretary-General has called for a new social contract that redefines the relationships between governments, citizens, and institutions to address the mounting challenges of inequality, systemic injustice, and the effects of crises like climate change, pandemics, and economic instability.<sup>14</sup>

From economic instability to rapid technological and demographic changes, these challenges require long-term, strategic policy responses. For example, the pursuit of economic growth without accounting for environmental consequences endangers both the planet and the well-being of present and future generations. Many governments, however, are unwilling or unable to make difficult choices that prioritize long-term perspectives over short-term political gains. Nonetheless, discussions are emerging on new ways to measure development, moving beyond economic indicators to include aspects like individual well-being, social welfare, and sustainability.

The need for resilience, the ability to navigate uncertainty, and the foresight to anticipate risks have never been more urgent. In light of these urgent challenges, merely recognizing governance failures is no longer sufficient—we must also chart a path forward. The key question now is: where do we go from here? What direction, values, and type of governance institutions are needed to tackle both current and future challenges and opportunities?

### III. KEY MAJOR FORCES OF CHANGE AFFECTING GOVERNANCE SYSTEMS

As we move toward 2040 and beyond, the world will become increasingly volatile, uncertain, complex, and ambiguous (VUCA). Various drivers of change will shape governance systems at all levels. As Li Junhua, United Nations Under Secretary-General for Economic and Social Affairs, stated, “we face a future where shocks, such as those from climate change, are not only more frequent, but are also more likely to turn into full blown crises that spread rapidly across countries, with concurrent and compounding effects across environmental, economic, and social systems”.<sup>15</sup> To

<sup>10</sup> UN DESA (2023). World Public Sector Report 2023. <https://desapublications.un.org/publications/world-public-sector-report-2023>.

<sup>11</sup> National Intelligence Council's Strategic Futures Group (2021). The Future of Public Activism: Populations Poised To Increase Pressure Worldwide (page 2). [https://www.dni.gov/files/images/globalTrends/GT2040/NIC-2021-02495-Future-of-Public-Activism\\_18Nov21\\_UN SOURCED.pdf](https://www.dni.gov/files/images/globalTrends/GT2040/NIC-2021-02495-Future-of-Public-Activism_18Nov21_UN SOURCED.pdf).

<sup>12</sup> 2025 Edelman Trust Barometer, Welcome to Edelman

<sup>13</sup> Values: the future of governance and society, 23 July 2021, [https://www.good-governance.org.uk/publications/books/values-the-future-of-governance-and-society?utm\\_source](https://www.good-governance.org.uk/publications/books/values-the-future-of-governance-and-society?utm_source).

<sup>14</sup> Report of the Secretary-General (2021). Our Common Agenda. [https://www.un.org/en/content/common-agenda-report/assets/pdf/Common\\_Agenda\\_Report\\_English.pdf](https://www.un.org/en/content/common-agenda-report/assets/pdf/Common_Agenda_Report_English.pdf).

<sup>15</sup> UN DESA (2024). World Social Report 2024 (page 3). <https://www.un.org/development/desa/dpad/publication/world-social-report-2024/>.

navigate these complexities, governance systems must embrace strategic foresight as a critical tool for resilience and adaptability.

By systematically analyzing emerging trends and uncertainties, policymakers can better anticipate challenges and design forward-looking, anticipatory solutions. *The Pact for the Future*, adopted by UN Member States in 2024, highlights the importance of long-term thinking in governance and urges governments to adopt anticipatory, adaptive, and responsive strategies to address emerging challenges.<sup>16</sup>

A foresight exercise undertaken for this policy brief (see Section IV) identified four key factors as major forces shaping governance systems toward 2040: (1) geopolitical dynamics, (2) technological advancements, (3) shifts in social behaviors, and (4) the rise of non-state and sub-national actors.

## Geopolitical Dynamics

### Declining Trust in International Institutions

Institutions such as the United Nations, Bretton Woods Institutions, and the World Health Organization have been instrumental in promoting global peace and development. They have provided platforms for diplomatic dialogue, economic cooperation, and financial assistance that have helped mitigate conflicts, foster growth, and reduce poverty worldwide.

However, outdated power structures and imbalances have weakened these institutions' ability to respond decisively to crises and conflicts. For example, the UN Security Council's veto system, controlled by its five permanent members, frequently blocks swift action in humanitarian emergencies and political conflicts. By 2022, approximately two billion people were living in conflict-affected regions,<sup>17</sup> while the number of refugees and internally displaced persons reached a record high of over 89 million in 2021.<sup>18</sup> Global military expenditures surpassed \$2 trillion<sup>19</sup> and by May 2024, the number of forcibly displaced people reached a staggering 120 million.<sup>20</sup> Conflicts and crises, especially those resulting in large numbers of refugees or displaced persons, challenge the resilience of national and international institutions.<sup>21</sup> On a global scale, military conflict have profound implications for governance, both directly and indirectly, shaping international

relations, economic systems, security frameworks, and trust in global institutions.

As global power dynamics shift, there is a growing demand for governance reforms that establish more equitable, representative frameworks—ones that reflect the diverse needs of today's world and amplify the voices of the Global South. The decline of trust in international institutions has weakened their relevance and effectiveness at a time when global cooperation is more crucial than ever to address transboundary issues that no single state can solve alone<sup>22</sup>. To address these challenges, global governance systems must strengthen their capacity to handle emergencies, requiring reforms in governance structures, funding, and cross-border collaboration.

### Shifting Centers of Power, Interests and Alliances

The inability of international organizations to address challenges such as conflict, climate change, pandemics, and financial crises has led to the formation of new political alliances and the realignment of centers of powers and interests. At a ministerial meeting in September 2023, held in preparation for the Summit of the Future<sup>23</sup>, the UN Secretary-General stated that the world is becoming multipolar, creating new opportunities for countries to take leadership roles on the global stage. He cautioned, however, that multipolarity without strong multilateral institutions poses serious risks, potentially leading to increased geostrategic tensions, chaotic competition, and further fragmentation. He emphasized that “multilateral institutions will only survive if they are truly universal”.<sup>24</sup> Yet, international governance systems continue to struggle to accommodate emerging powers and fail to adequately represent all voices, particularly those of the Global South.

The rise of the Global South, especially with Alliances like BRICS (Brazil, Russia, India, China, and South Africa) and its expansion to BRICS+<sup>25</sup>, reflect a growing quest for more representative governance systems. These nations, often regarded as emerging economies and geopolitical players, are demanding greater influence in global governance and more equitable solutions to global problems. They are increasingly challenging the current global order, particularly in the realms of trade, security, and global decision-making. This is particularly important for tackling challenges like climate change, where the Global South is disproportionately

<sup>16</sup> United Nations (2024). *Pact for the Future, Global Digital Compact and Declaration on Future Generations*. [https://www.un.org/sites/un2.un.org/files/soft-pact\\_for\\_the\\_future\\_adopted.pdf](https://www.un.org/sites/un2.un.org/files/soft-pact_for_the_future_adopted.pdf).

<sup>17</sup> Report of the Secretary General (2022). *Peacebuilding and sustaining peace*. [https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/sg\\_report\\_peacebuilding\\_and\\_sustaining\\_peace.a.76.668-s.2022.66.corrected.e.pdf](https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/sg_report_peacebuilding_and_sustaining_peace.a.76.668-s.2022.66.corrected.e.pdf).

<sup>18</sup> UNHCR (2021). *Global Trends Report 2021*. <https://www.unhcr.org/us/media/global-trends-report-2021>.

<sup>19</sup> Stockholm International Peace Research Institute (2022). *World military expenditure passes \$2 trillion for first time*. <https://www.sipri.org/media/press-release/2022/world-military-expenditure-passes-2-trillion-first-time>.

<sup>20</sup> United Nations (2024). *The Sustainable Development Goals Report 2024*, (Page 40). <https://unstats.un.org/sdgs/report/2024/The-Sustainable-Development-Goals-Report-2024.pdf>.

<sup>21</sup> Freedom House (2024). *Freedom in the World 2024: The Mounting Damage of Flawed Elections and Armed Conflict*. [https://freedomhouse.org/sites/default/files/2024-02/FIW\\_2024\\_DigitalBooklet.pdf](https://freedomhouse.org/sites/default/files/2024-02/FIW_2024_DigitalBooklet.pdf).

<sup>22</sup> *Trust and the Future of Multilateralism*, IMF, 2018

<sup>23</sup> United Nations (2024). *Summit of the Future*. <https://www.un.org/en/summit-of-the-future>.

<sup>24</sup> António Guterres (2023). *Summit of the Future Ministerial Meeting*. <https://press.un.org/en/2023/sgsm21956.doc.htm>.

<sup>25</sup> BRICS (2025). <https://infobrics.org/>.



impacted but often excluded from key decision-making processes as those on climate change.<sup>26</sup> These coalitions are not only advocating for reforms in global governance but also shaping new economic and political models that align with their interests and priorities. This could lead to more diverse international approaches and responses to global challenges, although the effectiveness of these emerging coalitions remains to be fully tested.

### Rising Protectionism and Trade Conflicts

The global economy is undergoing powerful transformations, with new business models emerging that challenge existing economic paradigms and governance systems at all levels. While globalization, through economic integration, has expanded markets and lowered costs, it has also exposed inequalities and vulnerabilities.

Crises like COVID-19 and the war in Ukraine have further exposed the risks of over-reliance on specific regions for critical goods (e.g., tech, automotive, pharmaceuticals), turning global supply chains from efficiency drivers into potential economic liabilities and security risks<sup>27</sup>. This has led to a reevaluation of trade policies and a surge in protectionism in many countries, driven by domestic dynamics. Governments have adopted tariffs and import restrictions to safeguard domestic industries, reduce trade imbalances, and create jobs.<sup>28</sup> National industrial policies are gaining traction, focusing on strategic sectors to reduce reliance on foreign technologies and enhance economic resilience. Environmental and ethical considerations are also reshaping trade, with rising demand for products that meet labor and sustainability standards. These trends are leading to new regional and ideological alignments and the steady erosion of traditional multilateral trade agreements and the dispute resolution mechanisms of the World Trade Organization.<sup>29</sup>

### Global Inequality and the Financial Architecture

Economic vulnerabilities and power imbalances, driven by global inequality, financial crises, and a growing informal sector are reshaping international relations. Following the COVID-19 pandemic, governments introduced emergency measures, stimulus packages, and financial reforms to stabilize their economies and maintain public trust. However, these interventions have significantly increased debt burdens and strained fiscal capacity, particularly in developing countries.

The war in Ukraine, along with the resulting food and energy crises, has further exacerbated the global debt levels and added financial pressures, pushing public borrowing to record highs. This situation, characterized by rising interest rates, currency depreciation, and declining exports, has worsened the development crisis, especially for low- and lower-middle-income countries.<sup>30</sup> Debt service payments for these nations surged from 6% of revenue in 2010 to 16% in 2021, diverting resources from the SDGs.<sup>31</sup> With nearly a third of these countries facing debt distress, the calls for governance reforms are mounting to improve debt transparency and management.<sup>32</sup> Momentum is increasing for international financial reforms<sup>33</sup>, including improved tax cooperation and fair tax practices to address systemic vulnerabilities. The UN General Assembly has established an intergovernmental negotiating committee to draft a United Nations Framework Convention on International Tax Cooperation. This process, running from 2025 to 2027, aims to create a more inclusive and effective system for setting international tax rules, focusing on financial transparency and the elimination of tax havens<sup>34</sup>.

### Climate Change as an Existential Global Threat

The scale and complexity of the climate change challenge calls for a reevaluation of global governance frameworks. Global alliances and climate governance structures are evolving, creating new coalitions but also deepening divides between developed and developing nations over climate finance and responsibilities. Leadership in sustainable innovation and resource control is becoming a key determinant of geopolitical dynamics. The growing focus on sustainability and climate-related technologies in certain regions is transforming global geopolitics by altering energy dependencies, intensifying competition for critical minerals, and driving new economic policies.

Climate change-induced displacement and resource scarcity are fueling migration and geopolitical tensions, while military strategies are adapting to environmental challenges, including competition in the Arctic. Resource depletion (including energy, food, and water) is intensifying competition among nations for these vital supplies. This competition, where major powers seek to secure reliable access to these resources, could lead to a breakdown in global cooperation in other areas. Resource scarcities are expected to disproportionately impact poorer nations, potentially sparking internal

<sup>26</sup> How Deep Is the North-South Divide on Climate Negotiations?, Carnegie Europe, 2021. <https://carnegieendowment.org/research/2021/10/how-deep-is-the-north-south-divide-on-climate-negotiations?lang=en&center=europe>.

<sup>27</sup> Supply chain implications of the Russia-Ukraine conflict, Deloitte, 22 March 2022, Russia-Ukraine supply chain impact | Deloitte Insights

<sup>28</sup> UNCTAD (2023). Trade and Development Report 2023. [https://unctad.org/system/files/official-document/tdr2023\\_en.pdf](https://unctad.org/system/files/official-document/tdr2023_en.pdf).

<sup>29</sup> Since 2019, the WTO's ability to resolve disputes has been at a standstill, highlighted by the rise of protectionism. Non-tariff measures are rising, with technical barriers of trade now affecting 70% of global trade. [UN Trade and Development (UNCTAD). <https://sdgpulse.unctad.org/trade-barriers/>]

<sup>30</sup> Inter-agency Task Force on Financing for Development (2024). Financing for Sustainable Development Report 2024 (page 28). <https://desapublications.un.org/publications/financing-sustainable-development-report-2024>.

<sup>31</sup> UN Trade and Development (UNCTAD) (2024). A world of debt: A growing burden to global prosperity. <https://unctad.org/publication/world-of-debt>.

<sup>32</sup> International Monetary Fund (2022). Making Debt Work for Development and Macroeconomic Stability. <https://www.imf.org/-/media/Files/Publications/PP/2022/English/PPEA2022019.ashx>.

<sup>33</sup> See UN Common Agenda, Policy Brief 6 on Reform of the International Financial Architecture.

<sup>34</sup> [Financing.desa.un.org](https://financing.desa.un.org).

or interstate conflict, causing spillover effects, and regional destabilization.<sup>35</sup> Thus, nations must collaborate more effectively, recognizing the interconnected nature of the climate crisis. This calls for coordinated global policies, investment in sustainable technologies, and fair distribution of resources in line with the Paris Agreement on Climate Change. Without strong governance structures, the global community risks failing to mitigate the long-term impacts of climate change, which could exacerbate global inequalities and trigger widespread political instability.

## Technological Advancements

Technology has become an increasingly powerful driver of change, with advancements accelerating across numerous sectors. The “Fourth Industrial Revolution,” defined by the convergence of cutting-edge technologies like Artificial Intelligence (AI), automation, the Internet of Things (IoT), blockchain, biotechnology, and quantum computing, is reshaping governance systems at both global and national levels. These innovations are transforming the way we live, work, and connect, presenting both opportunities and challenges in governance<sup>36</sup>.

### The Emergence of Data Diplomacy

The rise of the digital economy and AI technologies marks a major shift toward a more interconnected, data-driven global system, where decisions and interactions are increasingly shaped by digital infrastructure<sup>37</sup>. This transformation is redefining global political dynamics, elevating the geopolitical significance of data and investments in data centers. While AI competition has primarily focused on advanced semiconductors, it also relies heavily on massive data resources and extensive data center infrastructure. As a result, data diplomacy is becoming a crucial element of international collaboration.

In his essay “*The Next AI Debate Is About Geopolitics*,” Jaren Cohen, President of Global Affairs at Goldman Sachs, describes data as the “new oil.”<sup>38</sup> However, unlike oil, the placement of data centers will be determined by nations rather than nature, carrying significant geopolitical consequences. Goldman Sachs predicts that major tech companies like Google, Amazon, Microsoft, and Meta will invest approximately \$600 billion in AI-related data center infrastructure, further intensifying competition in this space. As the AI race accelerates, forging strategic global partnerships will be

crucial for maintaining leadership in the field. These new alliances will shape the landscape of “data center diplomacy,” as nations seek like-minded partners to host these critical facilities. As technological corporations wield immense influence over societies, politics, and economies worldwide, their growing power, which now extends beyond national borders, is increasingly challenging the authority of sovereign governments and international institutions. Their dominance over digital technologies and platforms highlights the growing intersection between corporate power and governance, redefining the global order and raising questions about the future of state-centric global governance models.

### Digital Governance

At the national and sub-national levels, technological advancements present significant potential to improve governance systems.<sup>39</sup> Digital governance initiatives have made public services more accessible and personalized, while real-time data analysis helps track spending, detect inefficiencies, and combat financial fraud. AI’s ability to analyze vast datasets allows governments to predict trends, optimize policy outcomes, and enhance public services. By automating routine tasks, AI-driven tools like chatbots can improve responsiveness, while smart city applications help optimize traffic, energy use, and waste management. Quantum computing promises to transform governance by improving forecasting, risk management, and decision-making in areas like national security and economic management.<sup>40</sup>

The widespread adoption of emerging technologies in governance, however, also poses risks, including data privacy breaches, cybersecurity threats, increased surveillance, and AI algorithmic biases that may reinforce discrimination. The over-reliance on digital systems whose technical failures could disrupt critical services, such as healthcare, education, and tax systems, may also erode public trust in digital governance, especially in developing countries. Effective management of these challenges and the implementation of robust security measures are key to unlocking the potential of new technologies in governance.<sup>41</sup>

Legislative frameworks for e-government development are essential for ensuring data privacy, cybersecurity, interoperability, and accessibility while promoting transparency, efficiency, and inclusive digital services in public administration. According to the UN E-Government Survey 2024, and

<sup>35</sup> United Nations Environment Programme (UNEP), International Resources Panel (IRP) (2024). Global Resources Outlook 2024. <https://www.unep.org/resources/Global-Resource-Outlook-2024>.

<sup>36</sup> Fourth Industrial Revolution, World Economic Forum, <https://www.weforum.org/focus/fourth-industrial-revolution/>.

<sup>37</sup> Bremmer, I. (2023). *The Next Global Superpower Isn't Who You Think*. Foreign Policy Magazine. <https://foreignpolicy.com/2023/06/17/china-russia-us-multipolar-world-technology/>.

<sup>38</sup> Cohen, J. (2024). *The Next AI Debate Is About Geopolitics*. Foreign Policy Magazine. <https://foreignpolicy.com/2024/10/28/ai-geopolitics-data-center-buildout-infrastructure/>.

<sup>39</sup> UN DESA (2021). Report on Innovation and Digital Government for Public Service Delivery (page 36). [https://publicadministration.desa.un.org/sites/default/files/publications/2023/Report\\_UNDESA\\_singlepages.pdf](https://publicadministration.desa.un.org/sites/default/files/publications/2023/Report_UNDESA_singlepages.pdf).

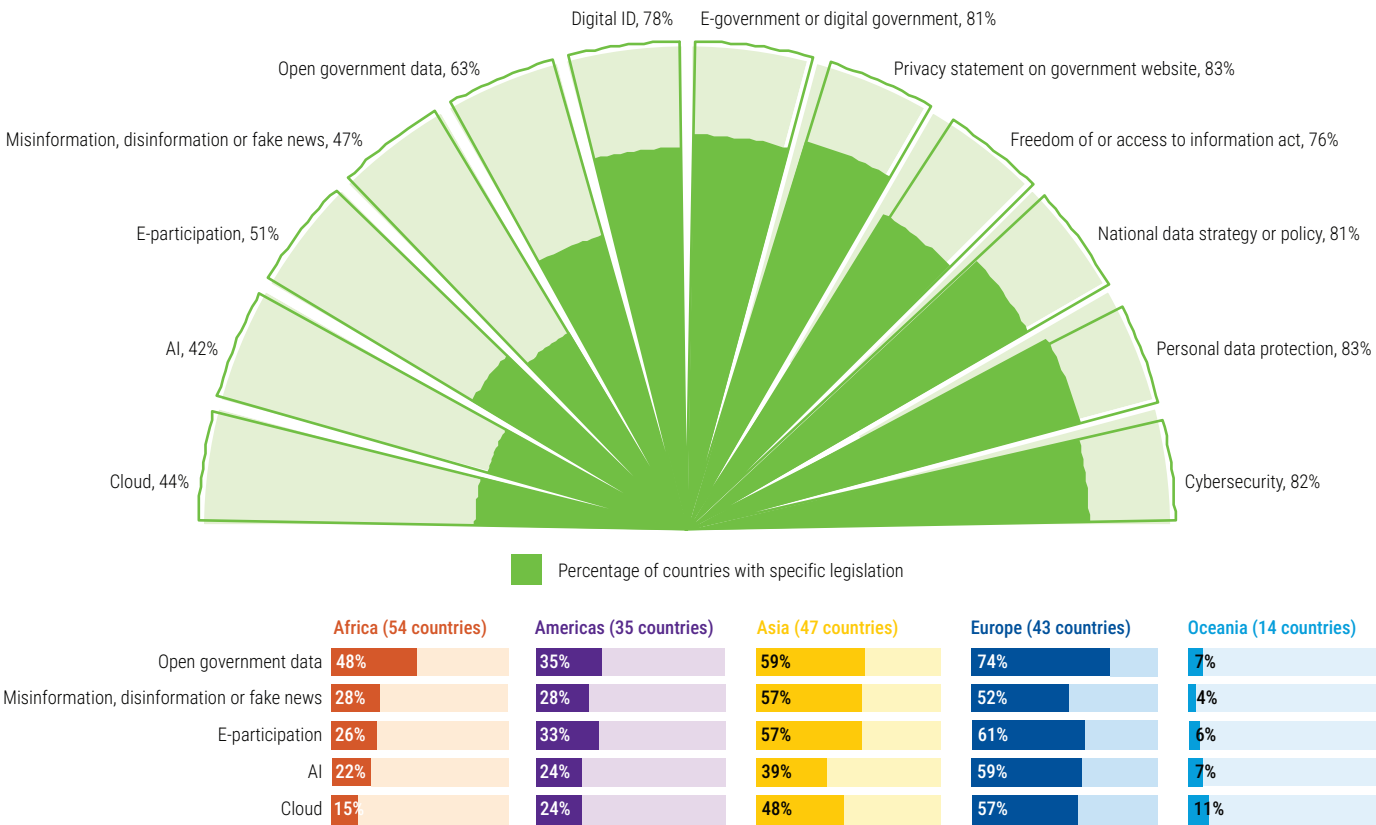
<sup>40</sup> Organisation for Economic Co-operation and Development (OECD) (2024). Digital Economy Outlook 2024 (Volume 1). Embracing the Technology Frontier. [https://www.oecd.org/en/publications/2024/05/oecd-digital-economy-outlook-2024-volume-1\\_d30a04c9.html](https://www.oecd.org/en/publications/2024/05/oecd-digital-economy-outlook-2024-volume-1_d30a04c9.html).

<sup>41</sup> UN DESA (2024). UN E-Government Survey 2024, Addendum on AI and Digital Government. <https://publicadministration.un.org/egovkb>.

Figure 1  
**Percentage of countries with legislative frameworks relevant to e-government development, 2024**

**193 UN Member States**

Availability of legislation, policy or strategy documents on:



Source: 2024 United Nations E-Government Survey.

as shown in Figure 1 below, “between 81 and 83 per cent of countries have national e-government strategies, policies or legislation on cybersecurity, data privacy, and data protection, 78 per cent require citizens to use a digital ID when accessing public services, and 76 per cent offer public access to legislation on the right of citizens to access government information. The shares are lower for legislation or policies on open government data (63 per cent), e-participation (51 per cent), protecting the public against misinformation, disinformation, and/or fake news (47 per cent), and frontier technologies such as cloud computing (44 per cent) and artificial intelligence (42 per cent). Regional disparities are more pronounced for these last five indicators; more than half of the countries in Asia and Europe have already adopted relevant legislation, policies or strategies, the average for the Americas is slightly above 30 per cent and that for Africa slightly below 30 per cent, and in Oceania the compliance rates range from 4 to 11 per cent.

**Impacts of Technology on Political Engagement and Social Cohesion**

Over 30 percent of the global population now uses social media platforms to connect, learn, and share information.<sup>42</sup> Digitalization, AI, and social media have revolutionized access to information and expanded platforms for civic and political engagement, influencing the political discourse. They have enabled direct interaction among citizens, politicians, and government institutions. Individuals are more empowered to voice opinions, organize protests, and rally support for various causes, such as climate change, human rights, and social justice through online petitions, and social media campaigns to influence policy decisions. Smartphones and social media have also increased the ability to document and expose government actions, such as abuses or corruption, holding authorities accountable in real time.<sup>43</sup> AI can detect patterns of fraudulent activity, reduce bureaucratic delays,

<sup>42</sup> Kepios (2025). Global Social Media Statistics, DataReportal. <https://datareportal.com/social-media-users>.  
<sup>43</sup> UNESCO (2022). Elections in Digital Times: A Guide for Electoral Practitioners (page 52). <https://unesdoc.unesco.org/ark:/48223/pf0000382102>.

and combat the spread of fake news, ensuring that citizens receive accurate information.

The use of these technologies, however, can also lead to divisive political discourse that may potentially undermine key democratic norms and institutions.<sup>44</sup> As people increasingly use social media as their main source of information, polarization and the spread of false information has been on the rise<sup>45</sup>, facilitated by the lack of regulations usually applied to traditional media and the concentration of ownership of social media platforms.<sup>46</sup> Misinformation can erode trust in traditional political parties and media. It can also threaten social cohesion, creating online echo chambers that can foster divisive discourse and hinder meaningful civic engagement.

Social media campaigns also have the potential to transform societal norms related to gender, race, and environmental issues, fostering new forms of activism while also intensifying ideological divisions. These changes in values are disrupting traditional social structures and giving rise to new social behaviors and dynamics. In addition, youth-led movements are increasingly demanding transparency and accountability. They are questioning conventional governance models and political involvement, potentially leading to either more centralized or more fragmented political systems.

### Technological Transformation of the Global Economy

New technologies are transforming production, management, and economic models across industries, boosting productivity and efficiency, with automation reducing costs and driving innovation.<sup>47</sup> Entire sectors from logistics, to healthcare, and finance have been transformed with the introduction of AI, blockchain, and IoT, while global connectivity and e-commerce have broken down geographical barriers, disrupting labor markets and challenging existing labor laws.<sup>48</sup>

New technologies are also offering solutions for climate change and resource management. AI is helping to enhance climate change mitigation efforts, providing tools for environmental monitoring and early warning systems.<sup>49</sup> However, AI itself can also have a detrimental environmental effect since data centers use significant amounts of energy<sup>50</sup>, calling for rebalancing policies.

### Addressing the Digital Divides

The 2024 UN E-Government Survey emphasizes that inclusivity should be a guiding principle in digital transformation, advocating for “inclusion by design” over “digital by default” to ensure equitable access to e-government services. Countries must address disparities by prioritizing accessible, affordable, and user-friendly digital services, alongside investments in digital literacy and infrastructure, to truly leave no one behind.

Many countries still struggle with digital connectivity and literacy, highlighting disparities in the access and use of technology<sup>51</sup>. Currently, around 3.6 billion people lack internet access, preventing them from accessing vital resources that could help them develop and prosper in the 21st century<sup>52</sup>. Lack of internet access and literacy, particularly in rural areas and in poorer countries, will deprive many of the opportunities to participate in the digital economy or take full advantage of online education, healthcare, and government services. Even when technology is available, they might not have the skills to navigate online platforms, use software, or stay safe from cyber threats.

As technological innovation takes center stage, the digital divide between and within nations, if not addressed will grow exponentially. Countries that successfully integrate digital and AI technologies into their industries are poised to experience significant economic growth, driven by productivity gains. Those facing digital barriers risk falling further behind, increasing inequalities, social tensions and geopolitical rivalries over access and control of new technologies.

As digital technologies evolve, Governments in developing countries will struggle to acquire emerging technologies like AI, cloud and quantum computing due to limited financial resources and lack of specialized knowledge to effectively use, monitor and regulate them<sup>53</sup>. They will also struggle to compete with the technological capabilities of large corporations or more advanced countries. Financial and expertise limitations hinder many developing countries from acquiring and regulating emerging technologies, potentially widening the gap between technologically advanced nations and those lagging behind. Operating in a globalized digital space, will also make it challenging to address issues of data privacy,

<sup>44</sup> Chan, M. & Yi, J. (2024). Social Media Use and Political Engagement in Polarized Times. Examining the Contextual Roles of Issue and Affective Polarization in Developed Democracies. <https://www.tandfonline.com/doi/full/10.1080/10584609.2024.2325423#abstract>.

<sup>45</sup> World Economic Forum (2025). The Global Risks Report 2025, 20th Edition. [https://reports.weforum.org/docs/WEF\\_Global\\_Risks\\_Report\\_2025.pdf](https://reports.weforum.org/docs/WEF_Global_Risks_Report_2025.pdf).

<sup>46</sup> Social media is broken. A new report offers 25 ways to fix it, 2021, MIT, <https://mitsloan.mit.edu/ideas-made-to-matter/social-media-broken-a-new-report-offers-25-ways-to-fix-it>.

<sup>47</sup> Organisation for Economic Co-operation and Development (OECD) (2024). Digital Economy Outlook 2024 (Volume 1). Embracing the Technology Frontier (page 19). [https://www.oecd.org/en/publications/2024/05/oecd-digital-economy-outlook-2024-volume-1\\_d30a04c9.html](https://www.oecd.org/en/publications/2024/05/oecd-digital-economy-outlook-2024-volume-1_d30a04c9.html).

<sup>48</sup> Hwang, J. (2024). The GIG economy and its implications for labor laws and worker protections. <https://ijsra.net/sites/default/files/IJSRA-2024-1714.pdf>.

<sup>49</sup> International Telecommunications Union and World Benchmarking Alliance (2024). Greening Digital Companies Report 2024: Monitoring emissions and climate commitments (page 54). <https://www.itu.int/hub/publication/d-str-digital-04-2024/>.

<sup>50</sup> <https://www.npr.org/2024/07/12/g-s1-9545/ai-brings-soaring-emissions-for-google-and-microsoft-a-major-contributor-to-climate-change>.

<sup>51</sup> A new inequality pandemic, as highlighted by the United Nations Secretary-General, Mr. Antonio Guterres. As the pandemic has hastened the digitization of nearly every daily activity, new digital divides have also appeared. Addressing these growing digital divides is imperative for all countries wishing to promote equality of opportunities since “leaving no one behind also means leaving no one offline.”

<sup>52</sup> “Digital technology diffusion and the skills to use them effectively are uneven, limiting equal opportunity and inclusion” (OECD 2024).

<sup>53</sup> A quantum-ready cybersecurity framework, for instance, will require a workforce skilled in quantum mechanics and quantum computing. The Cybersecurity Guide to Governance, Risk, and Compliance by Jason Edwards; Griffin Weaver.



cybercrime, and digital currencies without international cooperation. Differences in legal frameworks, cultural values, and political priorities among countries complicate efforts to establish cohesive governance structures that would consider the needs of less advanced countries. The Global Digital Compact (GDC), adopted during the 2023 UN Summit of the Future, calls for the creation of an international framework for digital cooperation. It aims to ensure that digital technologies, including AI, cloud computing, and quantum computing, are used in ways that are inclusive, safe, and equitable, especially for developing countries. One of the goals of the GDC is to find common ground between countries while respecting their sovereignty and ensuring that governance structures are adaptable to different national contexts.

### Adapting Regulatory Frameworks to Rapid Technological Changes

The technological transformation of the global economy is challenging current regulations, labor markets, international competitiveness, and global power dynamics that are bound to reshape governance.<sup>54</sup> However, governance institutions often lack the capacity to keep up with rapid technological change and anticipate citizens' needs while managing associated risks.

Governments will need to respond to these challenges by updating their laws, ensuring equitable access to technology, and carefully navigating partnerships with private tech companies<sup>55</sup>. Outdated labor laws fail to protect workers in an era of automation and gig economies, while cybersecurity, data privacy, and AI governance remain largely unregulated. They must reconsider labor laws and worker protections while addressing cross-border challenges such as taxation and immigration. A failure to modernize legal systems risks eroding public trust and fuel social unrest. Effective governance in the digital age will require adaptive legal frameworks that balance security, individual rights, and technological innovation.

### Shifts in Social Behaviors

Social behavior shifts driven by political, economic, social, technological, environmental, and legal trends will undoubtedly have a profound impact on governance systems across the globe. These trends are already shaping how people interact, governments operate, and power is distributed, which will in turn change how people engage with politics, business, and each other.

### Growing Distrust in National Governments

In many countries, trust in government has been steadily declining due to its inability to effectively address the needs and aspirations of citizens. Widening socio-economic disparities,

governance inefficiencies, and escalating crises have further eroded confidence in public institutions, fostering political polarization and shifts in societal norms. Perceptions of inequality and poverty influence public attitudes toward governance, undermining social cohesion, and overall stability.

Job displacement, financial instability, and the changes in business and labor dynamics are fueling calls for more robust social safety nets and greater economic inclusion. As citizens demand more from their governments, pressure is mounting to prioritize policies that reduce socio-economic divides. These sometimes include progressive taxation, social welfare programs, and investments in education and job training. Social progress and inclusion are expected to become key priorities in governance, especially in light of rapid technological changes and their impact on the labour market.

### Social and Cultural Shifts due to Globalization and Migration

Globalization and migration are reshaping governance worldwide. While these forces can enrich societies and create economic opportunities, they can also disrupt social cohesion and challenge state policies on integration and security. Governments face increasing pressure to balance the needs and rights of increasingly diverse populations while maintaining social stability. Migration, cultural shifts, and conflicts often fuel social movements advocating for the rights of marginalized groups, putting additional pressure on governments. The latter could lead to significant reforms or, in some cases, to the restriction of civil liberties if these movements are perceived as threats to stability.

Governments must adapt their legal systems to address the complexities of global mobility, cross-border commerce, and international agreements. However, they may struggle to reconcile global standards with deeply rooted cultural or religious values, local traditions, or governance practices. In some cases, the challenges brought about by globalization and migration have led to social tensions, economic inequalities, political instability, and policy dilemmas. These challenges can strain public resources, fuel nationalist sentiments, and create difficulties in governance, particularly in balancing integration with local economic and cultural interests.<sup>56</sup> These dynamics have sparked populist and nationalist movements aimed at limiting immigration and challenging multilateral governance frameworks.

Additionally, climate-induced displacement and geopolitical tensions may also accelerate deglobalization sentiments, forcing governments to reconsider policies on economic self-sufficiency and migration control. Moreover, diasporas play a significant role in influencing governance both in their host countries and countries of origin, shaping political engagement through remittances, advocacy, and economic investment.

<sup>54</sup> National Institute of Standards and Technology, U.S. Department of Commerce. NIST Special Publication 1270. <https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.1270.pdf>.

<sup>55</sup> "At the national level, many leading countries, including Canada, China, the members of the European Union, the Republic of Korea, Singapore, and the United States of America, are actively pioneering the regulation and use of AI.", UN e-Government Survey 2024, Addendum on AI and Digital Government.

<sup>56</sup> Castles, S., De Haas, H., & Miller, M. J. (2013). The age of migration: International population movements in the modern world. Guilford press.

Furthermore, migration from rural areas to cities often accelerates urbanization, creating disparities in resources, public services, and political representation. As a result, local governments or regions may gain more autonomy in managing issues traditionally handled by central authorities.

### Climate Change and Social Activism

Natural disasters, climate change, and environmental degradation are raising social awareness and sparking activism around issues like health, inequality, migration, resource usage, and economic priorities.

Climate change has been a catalyst for social and political activism and a driving force for governance reform over the past few decades.<sup>57</sup> As people become more attuned to environmental issues, social values among certain groups are shifting toward sustainability, minimalism, and environmental stewardship. Public awareness has surged, fueling large-scale movements such as *Fridays for Future* and *Extinction Rebellion*, which demand systemic policy shifts. As environmental concerns reshape social values, many individuals and corporations are adopting sustainability practices, affecting consumer behavior, investment strategies, and policy priorities.<sup>58</sup>

In some countries, especially among the members of the Organization for Economic Cooperation and Development (OECD), Governments face increasing pressure to enact stricter environmental regulations, invest in green technologies, and develop climate adaptation and mitigation policies.<sup>59</sup> However, the transition to a low-carbon economy presents significant socio-economic challenges, particularly in fossil fuel-dependent regions. Job losses, economic disruptions, and ideological divides over environmental policies have intensified political polarization, requiring governance systems to balance long-term sustainability with economic priorities and social stability.

Social activism by citizens in national and local communities will continue to influence political landscapes, challenging current governance systems in both positive and negative ways. On the positive side, activists have pushed for transparency, social reforms, and policies on justice, equality, and human rights.<sup>60</sup> They have also encouraged more political involvement, leading to a more informed public. However, activism has also led to greater polarization<sup>61</sup>, making it harder for governments to agree on policies. Overall, social activism can make governance more accountable and responsive to the people, but it also brings challenges that need to be carefully addressed by both activists and leaders.

### Rise of Non-State and Sub-National Actors

Non-state actors and local governments have become increasingly important in shaping governance, particularly as global and local challenges evolve. Issues like growing climate change, increasing informal sector and inequality, and widening digital divides are highlighting the need for more localized, tailored approaches to resource distribution and management coupled with effective multilevel governance and strong multilateralism.<sup>62</sup>

#### Growing Influence of Non-state Actors

Non-state actors (NSAs) include a wide range of entities such as multinational corporations, civil society organizations (NGOs), advocacy groups, religious institutions, and even armed non-state groups. They can have a profound impact on governance across various levels—local, national, and international, shaping policy, public opinion, and even the enforcement of laws and regulations.

Large multinational corporations are increasingly influencing political decisions and elections, challenging the traditional functions of international and national institutions. Due to their economic size and transnational reach, they can wield significant power to shape laws and regulations, sometimes bypassing or outpacing national governments in influence. NGOs can fill governance gaps in areas where governments may be weak, such as providing humanitarian assistance during crises, or offering health, education, and infrastructure services in underdeveloped regions. In countries with weak governance structures, NGOs may become vital for survival and development. Grassroots movements and activists are becoming more instrumental in rallying public support for political change (e.g., civil rights movements or climate change protests), thereby influencing policy changes and, social norms, and even challenging state legitimacy. Armed non-state actors, such as insurgent groups or criminal and terrorist organizations, can disrupt governance by leveraging technology to escalate security threats, creating instability, weakening state authority, challenging existing political systems, and even establishing alternative governance structures.

#### Importance of Local Governments

There is a growing shift from national to local governance, driven by increasing urbanization and the realization that decisions affecting most people are often made at the local level. Local governments worldwide are increasingly

<sup>57</sup> Including international agreements such as the 2030 Agenda for Sustainable Development, the Paris Agreement, and the Kyoto Protocol.

<sup>58</sup> Sustainability Is Falling on the CEO To-Do List. Customers Still See It as a Priority, Wall Street Journal, September 9, 2024.

<sup>59</sup> Measuring environmental policy stringency in OECD countries, OECD Economics Department Working Papers 14 March 2022.

<sup>60</sup> Ali, M. & Khan, Z. (2023). The Role of Youth Activism in Facilitating Social Change: A Catalyst for Transformation in the Contemporary Era. Qlantic Journal of Social Sciences and Humanities. [https://www.researchgate.net/publication/376982490\\_The\\_Role\\_of\\_Youth\\_Activism\\_in\\_Facilitating\\_Social\\_Change\\_A\\_Catalyst\\_for\\_Transformation\\_in\\_the\\_Contemporary\\_Era](https://www.researchgate.net/publication/376982490_The_Role_of_Youth_Activism_in_Facilitating_Social_Change_A_Catalyst_for_Transformation_in_the_Contemporary_Era).

<sup>61</sup> Carothers, T., & O'Donohue, A. (2019). Democracies Divided: The Global Challenge of Political Polarization. Brookings Institution Press. <http://www.jstor.org/stable/10.7864/j.ctvbd8j2p>.

<sup>62</sup> European Union Institute for Security Studies (2010). Global Governance 2025: At a Critical Juncture. <https://espas.secure.europarl.europa.eu/orbis/system/files/generated/document/en/Global%2520Governance%25202025.pdf>.

confronted with complex, multidimensional challenges that must be addressed in a coordinated way to promote sustainable development. This is especially true in developing countries, where urban areas are expected to grow rapidly.

If current trends continue, by 2050, urban areas will house approximately 70 percent of the world's population and contribute to more than 80 percent of global economic output.<sup>63</sup> In the developing world, the land occupied by urban areas will triple by 2050, signaling a shift toward urban sprawl similar to that already seen in cities of developed countries.<sup>64</sup> Consequently, the contributions of subnational governments will be crucial for achieving the 2030 Agenda for Sustainable Development, as local action will be necessary to meet at least 100 of the 169 SDG targets.<sup>65</sup>

### Role of Emerging-Market Cities in Global Dynamics

A key trend in global governance is the increasing influence of emerging-market cities.<sup>66</sup> Cities have become powerful economic hubs, essential nodes in international networks that shape global supply chains, investments, and technological progress.<sup>67</sup> They serve as centers of cultural and social influence, as well as drivers of policy innovation. Their growing economic importance is influencing policy agendas, norms, values, and priorities both at the global and national levels. This presents both challenges and opportunities across governance levels. On the one hand, cities are becoming central to addressing global challenges such as climate change, urban poverty, and cross-border transportation. On the other hand, this growing significance has led to a stronger demand for their inclusion in international forums, challenging the role of the national government. However, many existing international governance structures fail to adequately represent these rising centers of power. These frameworks should recognize cities as crucial stakeholders, especially in tackling issues like climate adaptation, migration, and economic inequality—issues that directly impact urban populations<sup>68</sup> and promote more inclusive global governance models.

## IV. FORESIGHT APPROACH: PREPARING FOR FUTURE GOVERNANCE

### Applying Strategic Foresight to Governance: Design and Methodology

To understand possible pathways forward and prepare for governance futures, this policy brief applied strategic foresight to explore two distinct governance futures for 2040:

- **Baseline Scenarios:** A world where governance evolves incrementally, adapting to changes but maintaining traditional hierarchical structures.
- **Radical Scenarios:** A future where governance undergoes transformational change, embracing AI-augmented democracy, decentralized power, and dynamic citizen participation.

These scenarios provide a framework for decision-makers to anticipate risks, seize opportunities, and design governance systems that are resilient, inclusive, and better equipped for the future. The strategic foresight exercise to explore and assess potential governance futures was undertaken by the United Nations Department of Economic and Social Affairs (UN DESA), in collaboration with the UN Futures Lab/Global Hub.<sup>69</sup>

The exercise examined key drivers of change<sup>70</sup> across the political, economic, social, technological, environmental, and legislative (PESTLE)<sup>71</sup> domains and explored potential governance scenarios. To identify the top drivers of change, UN DESA designed an online survey<sup>72</sup> based on prior research conducted for this policy brief and administered it to 23 UN agencies. It also developed several analytical tools to facilitate exploratory data analysis of the survey responses. These tools included an interactive dashboard<sup>73</sup>, a network analysis, and an AI assistant (see Figure 4).

The survey results were then presented in a **Foresight Webinar Series**<sup>74</sup> as the basis to explore the following:

<sup>63</sup> United Nations (2022). The Sustainable Development Goals Report 2022, (Page 48). <https://unstats.un.org/sdgs/report/2022/The-Sustainable-Development-Goals-Report-2022.pdf>.

<sup>64</sup> UN Habitat (2022). World Cities Report 2022 (page 14). [https://unhabitat.org/sites/default/files/2022/06/wcr\\_2022.pdf](https://unhabitat.org/sites/default/files/2022/06/wcr_2022.pdf).

<sup>65</sup> OECD (2021). A Territorial Approach to the Sustainable Development Goals: Synthesis Report (page 19). [https://www.oecd.org/content/dam/oecd/en/publications/reports/2020/02/a-territorial-approach-to-the-sustainable-development-goals\\_1109322e/e86fa715-en.pdf](https://www.oecd.org/content/dam/oecd/en/publications/reports/2020/02/a-territorial-approach-to-the-sustainable-development-goals_1109322e/e86fa715-en.pdf).

<sup>66</sup> As of 2023, 56% of the world's population, 4.4 billion people, live in cities. [World Bank Group (2023). <https://www.worldbank.org/en/topic/urbandevelopment/overview#1>].

<sup>67</sup> Resource Watch (2023). <https://resourcewatch.org/dashboards/cities>.

<sup>68</sup> UN Habitat (2024). Cities and Climate Action: World Cities Report 2024. [https://unhabitat.org/sites/default/files/2024/11/wcr2024\\_-\\_full\\_report.pdf](https://unhabitat.org/sites/default/files/2024/11/wcr2024_-_full_report.pdf).

<sup>69</sup> UN Futures Lab. <https://un-futureslab.org/>.

<sup>70</sup> Drivers of change are events or phenomena that may pose risks or present opportunities [UN Futures Lab (2023). Strategic Foresight Guide. <https://un-futureslab.org/project/un-strategic-foresight-guide/>].

<sup>71</sup> Chartered Institute of Personnel and Development (2024). CIPD PESTLE template. [https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/factsheets/pdfs/8351-cipd\\_pestle-editable-template.pdf](https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/factsheets/pdfs/8351-cipd_pestle-editable-template.pdf).

<sup>72</sup> The survey was conducted 11-21 October 2024 and disseminated to the UN Economist Network and the UN Strategic Foresight Community of Practice. Available at: <https://eur02.safelinks.protection.outlook.com/>.

<sup>73</sup> The interactive dashboard was developed to provide a high-level analysis of the drivers of change and summarized the most popular drivers by domain. It allowed users to filter by popularity and domain among other metrics.

<sup>74</sup> See the UN Futures Lab Guide on Strategic Foresight. <https://un-futureslab.org/media/uploads/2024/03/UN-Futures-Lab-2023-UN-Strategic-Foresight-Guide.pdf>.

Figure 2

## Top 10 Drivers of Change Across the PESTLE domains



1. What could governance at the global, national, and local levels look like in 2040 and beyond?
2. How could key drivers of change—such as technological advancements or shifts in political systems—influence governance structures?
3. What alternative or innovative governance models could emerge to address global challenges, such as climate change, inequality, cybersecurity, and future pandemics?

To help answer these three key questions, a range of foresight methodologies and tools were used throughout the Foresight Webinar Series, including horizon scanning, scenario development, desired future, and change agenda. Using the survey results, a horizon scanning exercise was conducted during the first session to assess the current state of governance at global, national, and local levels considering emerging trends. The top drivers of change identified across the PESTLE domains affecting governance at all levels are shown in Figure 2.

The network analysis identified interlinkages among the drivers of change, revealing interconnected challenges and opportunities. Recognizing these relationships is crucial for designing flexible, adaptive governance systems capable of managing future uncertainties and interconnected issues (see Figure 3).

Using insights from the **network analysis** and the **AI assistant**<sup>75</sup>, the most salient cross-cutting issues were identified

Figure 4

## AI Assistant developed for the foresight exercise

### Results from the Survey: Exploring Governance Futures with the UN Economist Network and UN Futures Lab

User: for those who chose climate change as a major driver of change what were their views on economic drivers?

AI: Those who selected climate change as a key driver of change emphasized the need for green and sustainable economies (Sustainability Imperatives and Shift). They recognized that transitioning to a low-carbon future would require significant economic shifts, affecting industries, labor markets, and global trade patterns. This interconnection highlights the importance of aligning economic policies with climate goals to ensure a just and equitable transition. For example, investing in green technologies and renewable energy could create new jobs, reduce reliance of fossil fuels, and foster innovation, while also mitigating climate change.

User: give an example of a respondent who chose climate change as a driver of change and talk about their other choices.

AI: One respondent, a woman from Guatemala working for the UN, selected climate change as an existential threat, alongside resource depletion and competition for resources. This choice reflects the interconnected nature of these drivers. Climate change is exacerbating resource scarcity, driving conflict and migration. Her additional choices—growing inequality—further emphasize how interconnected global challenges are, highlighting the need for future governance to address these issues holistically.

Type your message...

Send

<sup>75</sup> The AI assistant was trained on the entire survey results and on the network analysis. Its responses were restricted to the knowledge contained in the survey and network analysis. This meant that users were able to examine and test theories developed using the dashboard and network analysis, request individual examples, seek counter examples and solicit scrutiny.



Figure 3  
Drivers of Change Network Diagram

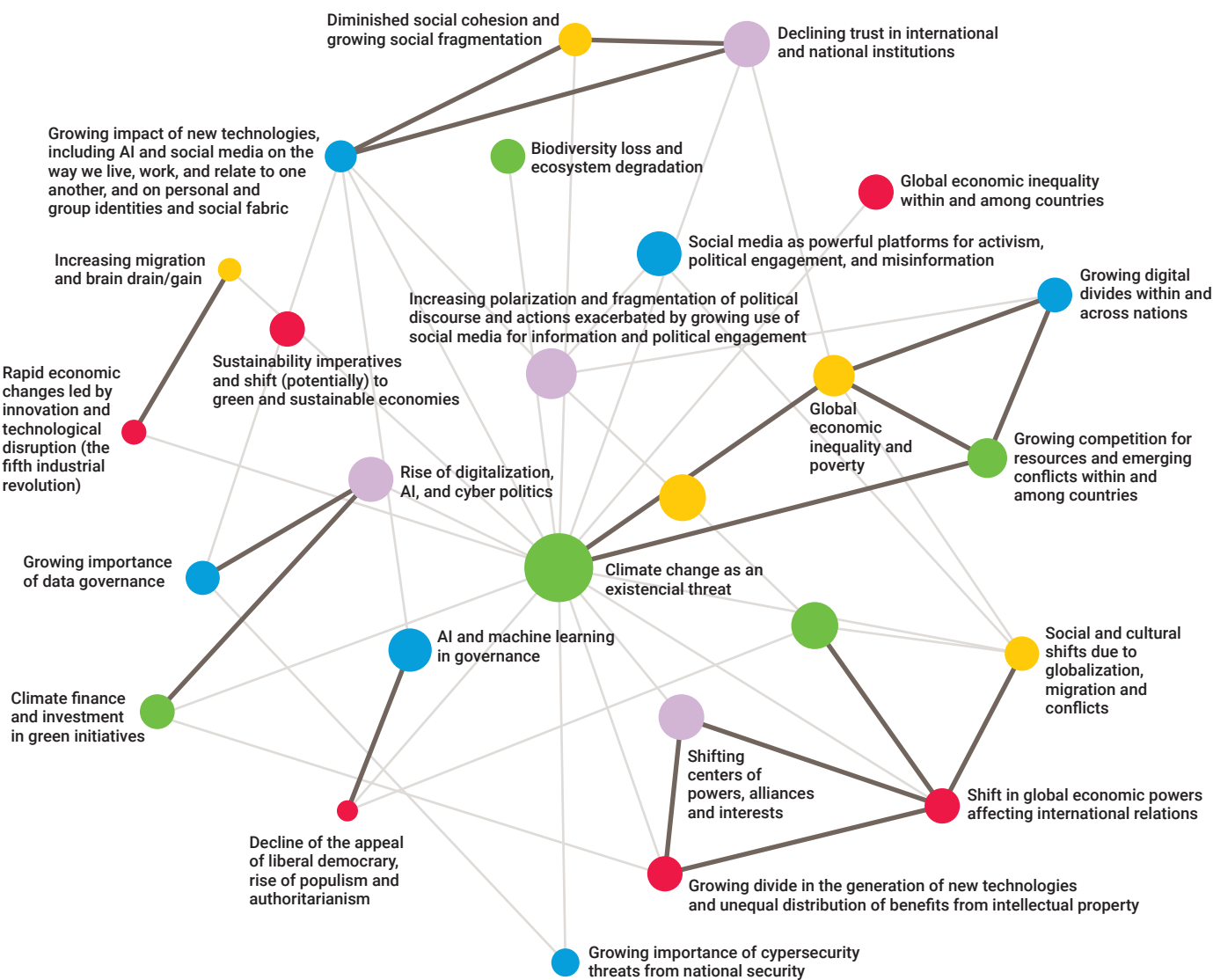


TABLE 1  
Four major forces of change

Technological advances	Shifts in social behavior	Geopolitical dynamics	Rise of non-state actors
Rise of digital economy	Increasing social movements and engagements	Shifting centers of power driven by economic and technological advancements	Economic influence, especially in areas of trade, finance and resource management
Changing governance and political landscapes	Declining trust institutions	De-globalization as a resilience measure against global	Fertile ground for the rise of non-state actors to fill the gap
Ethical and regulatory challenges	Social and cultural shifts due to globalization, migration and conflicts	Resource scarcity due to clients change and biodiversity loss	Cyber-politics and AI as new tools for influence

as potential major forces of change, including geopolitical dynamics, technological advances, shifts in social behavior, and the rise of non-state actors (see Table 1). These findings were further refined through an analytical review of narratives, clustering, and sensemaking to ensure contextual grounding, integration of key nuances from responses, and applicability to each stage of the strategic foresight process. The thematic areas were used to develop potential governance scenarios toward 2040 and explore possible governance models for addressing global challenges. They were also used for the visioning and action planning based on baseline (status quo) and radical scenarios.

## V. GOVERNANCE FUTURES SCENARIOS

The foresight exercise conducted during the Foresight Webinar Series explored the implications of the interplay between different drivers under the four major forces of change elaborated in the previous section. Participants imagined how governance could look like in 2040 when examined through the lenses of each cross-cutting issue.

Eight potential future governance scenarios were developed, two per cross-cutting issues: a baseline (status quo/no change) scenario and a radical scenario (major structural transformation resulting from revolutionary responses), respectively, as detailed below. These scenarios provide insights into both positive and negative outcomes that can either foster governance innovation or exacerbate current instability.

### Baseline Future Scenarios—Slow Changes to the Status Quo

These scenarios depict **slow or insufficient responses** to global challenges, leading to governance stagnation or fragmentation.

#### 1. Geopolitical Dynamics: Minimal Multilateralism in a Fragmented World

In this scenario, the global landscape could shift towards a **multipolar system**, with several powerful countries or regions that compete for influence. Countries and regions with robust economies or technological power would gain more influence on the global stage challenging existing hierarchies. **Regionalized governance and collaboration** might flourish in areas like climate change or trade, reducing the dominance of global institutions but creating a more cooperative, albeit fragmented, world. **Large multinational tech companies could gain unprecedented power**, especially in sectors like AI, biotech, and digital infrastructure. These corporations could exert more influence than some states in terms of economic or technological policy.

As **multilateral cooperation diminishes and the world becomes more fragmented**, the ability to address global

threats like pandemics or cyber warfare could be significantly hampered. However, new governance structures could emerge tailored to specific issues or geographical areas. For example, regional bodies might take on greater responsibility for managing climate adaptation, migration, or trade agreements, while global institutions take a backseat in some areas. This could lead to greater cooperation between countries with shared interests, but at the cost of global coordination. In this dynamic and evolving world, maintaining stability and ensuring global cooperation in addressing critical challenges will be increasingly difficult.

#### Minimal Multilateralism in a Fragmented World



Credit: Image generated by DALL-E, an AI model created by OpenAI

#### 2. Technological Advancements: Digital Governance with Persistent Inequalities

This scenario portrays a world where digital governance has brought significant advancements in efficiency, transparency, and inclusivity but also introduces critical challenges. Governments face the dilemma of **managing the opportunities of digital transformation** while **addressing the risks of digital exclusion, cybersecurity threats, and corporate influence**. As these technologies evolve, there is a pressing need for adaptive regulatory frameworks, cybersecurity measures, and strategies to bridge the digital divides. Gaps between technologically advanced and underdeveloped regions or countries may deepen, potentially leading to a global digital divide that limits opportunities for those already disadvantaged and create new power imbalances. The key will be balancing innovation with oversight to ensure digital governance serves the common good without compromising public trust or widening global inequalities.



## Digital Governance with Persistent Inequalities



Credit: Image generated by DALL-E, an AI model created by Open AI

### 3. Shifts in Social Behavior: The “Great Withdrawal” and Declining Trust in Institutions

This scenario presents a complex and dynamic landscape where governance systems are significantly weakened by declining public trust. In this scenario, the erosion of trust leads to gradual changes in governance. **Local governments become more central in addressing issues**, and there may be increased calls for reforms in multilateral institutions. However, the power of entrenched elites keeps larger systemic change at bay, and social unrest may persist without fundamentally changing the governance landscape. The future is marked by growing discontent, localized governance experiments, and calls for systemic change, yet with significant resistance from powerful elites and institutions that maintain their hold on power.

The **risk of fragmentation and further societal division** remains high and finding a balance between maintaining stability and addressing the growing demand for change will be crucial. The challenge will be to find ways to rebuild trust and foster greater collaboration without further fragmenting the social and political landscape. While elites may hold power in the short term, the demand for reform and greater representation from marginalized groups, local governments, and the global South could eventually challenge the status quo. The central tension in this scenario will be between the resilience of established power structures and the need for reforms to address new challenges, which could either recalibrate the system or worsen fragmentation.

## The Great Withdrawal



Credit: Image generated by DALL-E, an AI model created

### 4. The Rise of Non-State Actors in Governance

In this scenario, the combination of decentralization, digitalization and the rise of non-state actors might reshape traditional governance structures, emphasizing more localized, participatory, and collaborative approaches. Governance could be characterized by a hybrid model where states maintain significant power, particularly in international markets, but local and non-state actors increasingly shape political decisions. The traditional state-centric system will give way to a more networked and participatory approach, with collaboration, decentralization, and digital tools playing central roles in addressing both local and global challenges. However, the balance between state sovereignty and the rising influence of non-state actors will remain a critical challenge, with the potential to create fragmented governance systems and geopolitical tensions. In a world where globalization continues to intertwine economies, politics, and cultures, states will face the challenge of asserting their authority without stifling the rise of local and regional movements.

## The Rise of Non-State Actors



Credit: Image generated by DALL-E, an AI model created by Open AI



## Overview of Baseline Scenarios—Incremental Change and Limited Adaptation

These scenarios depict **slow or insufficient responses** to global challenges, leading to governance stagnation or fragmentation.

### 1. Minimal Multilateralism—A Fragmented World 🌐 ⚖️

- 🌐 **The Trend:** Weakening of global institutions (UN, WTO) due to rising nationalism, trade protectionism, and regionalism.
- 🔄 **The Shift:** Nations form smaller alliances, but weak coordination limits solutions to global crises (climate change, pandemics).
- ⚠️ **Key Concern:** Without effective multilateralism, cross-border governance challenges will escalate.

### 2. Digital Governance with Persistent Inequalities 🏢 💻

- 📈 **The Promise:** AI and digital tools enhance efficiency, transparency, and service delivery.
- ⚠️ **The Risk:** Widening digital divides, cybersecurity threats increase, and AI bias impacts policymaking.
- 🌐 **Key Concern:** Over-reliance on digital systems controlled by tech giants may undermine state authority and inclusivity.

### 3. The “Great Withdrawal”—Declining Trust in Institutions 🤝 📉

- 📉 **The Challenge:** Rising political disengagement, social polarization, and skepticism toward governments.
- ⚠️ **The Impact:** Social media activism replaces institutional engagement, but no major governance reforms occur.
- 🏛️ **Key Concern:** If institutions fail to regain trust, local governments may take on more governance roles, leading to fragmentation.

### 4. The Rise of Non-State Actors in Governance 🏢 🌐

- 🏢 **The Shift:** Cities, multinational corporations, and NGOs step in where national governments fall short.
- 🔄 **The Balance:** Local solutions grow stronger, but policy coordination and accountability become complex.
- ⚠️ **Key Concern:** Who regulates non-state actors in a decentralized system?

## Radical Future Scenarios

These scenarios explore governance breakthroughs or systemic breakdowns driven by major disruptions or innovations.

### 1. Geopolitical Dynamics: AI-Driven Global Dystopia vs. Global Governance for Climate Change Solutions

In the **AI-Driven Global Dystopia**, the concentration of political and technological power could exacerbate authoritarian control, protectionist policies, and a fragmented global economy. This would increase income inequality, political instability, and hinder international collaboration. The growing focus on national security and digital infrastructure could lead to a new form of tech-driven isolationism, where countries prioritize their own interests, further deteriorating trust between nations

and stalling multilateral cooperation on issues like climate change and pandemics. Failure to address issues such as climate change, financial imbalances, and trade reforms could disproportionately harm vulnerable regions, such as Small Island Developing States (SIDS) and many developing countries, deepening the divide between the global North and South. The rise of protectionist policies and fragmented governance could prevent the functioning of key international organizations, stalling vital global efforts to address crises and leading to the formation of unstable alliances. This would likely undermine global cooperation and hinder progress on collective challenges. In this scenario, the interplay of political and technological power will likely redefine international cooperation, transforming existing alliances, and altering the power structure between the state and companies. AI will serve as a central driver of both opportunity and conflict.

### AI-Driven Global Dystopia



Credit: Image generated by DALL-E, an AI model created by OpenAI

### Climate Change Global Action



Credit: Image generated by DALL-E, an AI model created by OpenAI



In the Global **Governance for Climate Change Solutions**, the intersection of technological advancements and political power could lead to new forms of cooperation, with countries potentially working together on AI-driven solutions to global challenges, fostering an environment of mutual benefit and shared economic growth. AI could play a pivotal role in combating climate change, utilizing machine learning and data-driven models to offer innovative solutions for managing environmental risks, making the future more sustainable and resilient. Cities and local governments could become hubs of innovation, leveraging AI and green technologies to address pressing challenges such as food security, public health, and climate change. The shift toward local governance could lead to more agile, efficient, and effective solutions that are tailored to specific regional needs.

## 2. Technological Advancements: AI-Driven Authoritarianism or AI augmented Deliberative Democracy

In this scenario, advancements in AI, cloud computing, quantum technologies, and digitalization will revolutionize governance. This transformation could usher in either AI-Augmented Deliberative Democracy or AI-driven Authoritarianism.

In the **AI-Driven Authoritarianism**, the risks of AI misuse can escalate, especially without proper safeguards in place. This could lead to cybersecurity vulnerabilities; heightened biases, and inequalities, particularly in developing nations; ethical concerns around surveillance, privacy, and data control; power imbalance and digital colonialism where wealthier nations and tech giants exert disproportionate control over global digital infrastructures, undermining smaller countries' sovereignty. Governments will struggle to balance innovation with fairness, social inclusion, and transparency. Creating new regulatory frameworks will be difficult, and there is likely to be resistance to AI governance due to concerns over privacy and democratic values.

### AI-Driven Authoritarianism



Credit: Image generated by DALL-E, an AI model created by OpenAI

In the AI-Augmented Deliberative Democracy, AI systems enhance democratic processes improving decision-making, transparency, efficiency, and accountability in governance; making

public services more efficient, effective and responsive to citizens; enhancing government anticipatory and risk management capabilities to address climate change, security, and economic shifts with the integration of AI and quantum computing.

### AI-Augmented Deliberative Democracy



Credit: Image generated by DALL-E, an AI model created by OpenAI

## 3. Shifts in Social Behaviors: Chaos or Participatory Renaissance

In this scenario, governance systems may either collapse into chaos or evolve into a participatory renaissance, depending on how societies respond to rising populism, technological disruptions, and social inequalities. In the **"Chaos"** scenario, governance becomes fragmented or even suffer a break down where disruptive social movements question existing national and global systems and fuel dangerous and polarizing political shifts. This could lead to the rise of extremist ideologies. Technology could exacerbate these tendencies, making governance systems more vulnerable to manipulation and instability. Traditional power structures could collapse, leading to a loss of trust and order, widespread violence and instability.

In the **Participatory Renaissance**, power is decentralized, and governance is more inclusive. Citizens have a greater role in influencing policies through innovative platforms and grassroots movements, creating new avenues for citizen participation. Local governments gain more influence, fostering greater engagement and collaboration between nations and international bodies. Multilateralism is revived.

## 4. The Rise of Non-State and Subnational Actors: Inclusive Decentralized Governance or Failed States

In this scenario, the role of non-state actors in governance will continue to expand, which could lead to two distinct paths: Decentralized Governance or Failed States. In the **Inclusive Decentralized Governance**, local governments and grassroots organizations will be empowered and work collaboratively with the state, promoting participatory systems that are more responsive to emerging challenges and citizens' need. Technologies like AI, crowdsourcing, and blockchain will enable transparent and effective governance, ensuring decisions

align with values of inclusion, sustainability, and equity. Governance structures are more inclusive, with local authorities and non-state actors reflecting the diverse needs of communities and ensuring that no one is left behind.

In the **Failed State**, non-state actors (e.g., transnational criminal organizations, radical militant groups) will exploit state weaknesses, exacerbating regional instability and undermining international cooperation. States struggle to assert the rule of law, and non-state actors use technology to undermine political processes, causing further chaos and governance breakdown. The ability of governments to respond effectively is compromised, leading to increased vulnerability to external pressures and internal conflict. How Governments will be able to leverage the potential of non-state actors and keep at bay criminal organizations will play an important role in shaping the governance of the future.

Overview of Radical Scenarios—Transformational Change or Disruptive Shifts

1. AI-Driven Global Dystopia vs. Global Governance for Climate Solutions

- Geopolitical Breakdown:** AI and emerging tech widen inequalities, fuel economic rivalry, and spark cyber conflicts.
- Sustainable Innovation:** AI-powered tools help mitigate climate change, improving resource management and governance.
- Key Concern:** Will AI be used to divide or unite nations in tackling global crises, including climate change?

2. AI-Augmented Democracy vs. AI-Driven Authoritarianism

- Optimistic Future:** AI enhances deliberative democracy, enabling real-time policymaking and broader citizen participation.
- Dystopian Future:** AI-controlled governance consolidates power of tech giants and status quo political leaders, enabling mass surveillance and algorithmic bias.
- Key Concern:** How can governments regulate AI to ensure transparency, fairness, and accountability?

3. Chaos vs. Participatory Renaissance

- Crisis Scenario:** Institutional failures trigger governance breakdowns, populism surges, and political instability worsens.
- Reform Scenario:** Civic engagement and grassroots movements drive a new wave of participatory democracy.
- Key Concern:** Can institutions evolve quickly enough to harness public participation rather than suppress it?

4. Inclusive Decentralized Governance vs. Failed States

- Local Power Shift:** Cities and regions gain importance, using technology and grassroots networks.
- Authoritarian Response:** National Governments restrict freedoms and consolidate power to maintain control.
- Key Concern:** Can decentralized governance scale up effectively without losing multi-level governance coherence and accountability?

Overview of Baseline and Radical Future Scenarios				
	Geopolitical dynamics	Technological advancements	Shifts in social behavior	Non-state and local actors
Baseline	<ul style="list-style-type: none"><li>Minimal multilateralism</li></ul>	<ul style="list-style-type: none"><li>Digital governance with inequalities</li></ul>	<ul style="list-style-type: none"><li>"Great withdrawal" (declining trust)</li></ul>	<ul style="list-style-type: none"><li>Fragmented governance systems</li></ul>
Negative		<ul style="list-style-type: none"><li>AI-driven authoritarianism</li></ul>	<ul style="list-style-type: none"><li>Chaos and collapse</li></ul>	<ul style="list-style-type: none"><li>Failed state autocratic power</li></ul>
Radical	<ul style="list-style-type: none"><li>AI-driven dystopia</li></ul>			
Positive	<ul style="list-style-type: none"><li>Climate cooperation</li></ul>	<ul style="list-style-type: none"><li>AI-augmented democracy</li></ul>	<ul style="list-style-type: none"><li>Participatory renaissance</li></ul>	<ul style="list-style-type: none"><li>Inclusive decentralized governance</li></ul>

VI. KEY VALUES AND CHARACTERISTICS OF A DESIRABLE FUTURE

The strategic foresight exercise explored the key fundamental values that should guide the visioning of a governance future. The following values and characteristics were identified.

- Human Rights, Rule of Law, and Democracy:** These are foundational elements that ensure governance is inclusive, transparent, and accountable.
- Inclusion and Social Justice:** Prioritizing equal opportunities and reducing inequalities.

- Transparency and Accountability:** Ensuring open governance and stakeholder engagement.
- Adaptability and Innovation:** Emphasizing flexibility, transformational leadership, and creative approaches.
- Environmental and Intergenerational Responsibility:** Focusing on sustainability and ecological conservation.
- International Financial Architecture Reform:** Addressing the growing imbalances between nations, particularly regarding access to technology and resources to reduce disparities.

- **Decentralization and Local Empowerment:** Advocating for governance at the appropriate level, empowering local actors while addressing global challenges.
- **Addressing Urban-Rural Divide:** As megacities continue to grow, rural and smaller urban areas must be given more representation and access to resources to avoid further marginalization.
- **Respect for Diverse Perspectives and Local Cultures:** Future governance systems must balance global coordination with respect for local contexts, cultures, and traditions, by recognizing diverse perspectives, including those of marginalized groups, Indigenous knowledge, and alternative systems of thought.

These values and principles reflect a collective aspiration for governance systems that are ethical, people-centered, and resilient in addressing contemporary and future challenges.

## VII. PROPOSED ACTIONS FOR KEY STAKEHOLDERS

The possible future scenarios explored during the foresight exercise and visioning of key values and characteristics of potential preferred governance futures provided a framework to understand what needs to happen now and what different actors—United Nations system, UN Member States, and Non-State Actors—should do to achieve those futures. The proposed pathways for action for the different actors are inspired by a combination of the governance models listed below that are considered the most promising to generate the necessary structural, institutional, regulatory, and behavioral changes that need to happen. These models can help balance the power of technology with democratic values, human rights, and global cooperation.

**AI-Augmented Deliberative Democracy:** where principles of deliberative democracy and artificial intelligence (AI) are merged to enhance democratic processes through decentralized decision-making. AI tools are incorporated into deliberative processes to facilitate, enhance and expand democratic participation. Ensuring AI and internet access and strong regulatory frameworks will be critical to ensure inclusion, ethical safeguards, prevent misinformation and AI algorithm biases, and consider all viewpoints.

**Participatory Renaissance:** where citizens play an active role in decision-making processes through collaborative governance networks of citizens and non-state actors in shaping policies, fostering collective responsibility and shared governance. In this model, elected authorities are empowered and resourced to drive transformation. AI plays a key role in facilitating deliberative democracy. Data privacy and effective platform governance will be critical to ensure transparency, fairness, and accountability in the algorithms driving decision-making.

**Decentralized Governance:** where local governments are central actors in addressing local issues and collaborate

with each other and with national and international entities to tackle global challenges. AI and other advanced technologies play a key role in enhancing participation and efficiency at all levels of governance. Access to digital tools and robust regulatory frameworks will be critical to ensure inclusive participation and protect against criminal exploitation, resource mismanagement, and data privacy violation.

### Proposed Actions for the UN System

Action Area	Proposed Actions
<b>Promote the UN's Role in AI Safety Guidelines, Reduce Fragmentation in AI Regulations and Support Less-Resourced Countries</b>	<ul style="list-style-type: none"> <li>■ Coordinate AI regulatory efforts at regional and international levels by, for example, convening expert group meetings to discuss AI safety guidelines and governance structures.</li> <li>■ Ensure less-resourced countries have representation in global AI regulatory discussions.</li> <li>■ Facilitate best-practice sharing among Member States to reduce regulatory fragmentation.</li> <li>■ Establish a global multi-stakeholder forum to monitor AI regulation coherence.</li> <li>■ Launch capacity-building programs and funding mechanisms for AI regulation.</li> <li>■ Facilitate technology transfer and equitable access to AI development opportunities.</li> <li>■ Use strategic foresight to imagine possible scenarios of AI development</li> </ul>
<b>Promote Innovative Participatory Mechanisms in UN Deliberations</b>	<ul style="list-style-type: none"> <li>■ Reform UN institutions to integrate regional and local governments into decision-making.</li> <li>■ Explore new dialogue mechanisms among Member States and other stakeholders.</li> </ul>
<b>Promote Decentralized Governance</b>	<ul style="list-style-type: none"> <li>■ Improve reporting on initiatives undertaken with local governments (e.g., Local 2030 Agenda).</li> <li>■ Support local governments in multilateralism through structures like the ILO's tripartite model.</li> <li>■ Assist local governments in adapting to digital transformation.</li> <li>■ Mobilize resources to ensure grassroots leaders and local governments participate in UN processes.</li> </ul>

### Proposed Actions for UN Member States

Action Area	Proposed Actions
<b>AI-Augmented Deliberative Democracy</b>	<ul style="list-style-type: none"> <li>■ Design AI tools for public goods, prioritizing long-term societal needs.</li> <li>■ Strengthen transparency in AI decision-making and address algorithmic biases.</li> <li>■ Develop regulatory frameworks balancing AI innovation, equitable access, and privacy.</li> </ul>



<b>Evaluate AI Regulatory Frameworks</b>	<ul style="list-style-type: none"> <li>Support research to assess AI regulatory effectiveness.</li> <li>Facilitate international dialogue on AI regulatory frameworks, including on the EU AI Act.</li> </ul>
<b>Address AI's Transboundary Nature</b>	<ul style="list-style-type: none"> <li>Develop transnational AI regulatory frameworks via international treaties.</li> <li>Strengthen cross-border cooperation to uphold shared ethical principles.</li> <li>Establish international data-sharing and collaboration protocols for AI regulation.</li> </ul>
<b>Strengthen Participatory Governance (Renaissance)</b>	<ul style="list-style-type: none"> <li>Expand participatory governance models that integrate multi-stakeholder decision-making and enhance participation in the policy cycle and budgetary allocation and oversight.</li> <li>Establish participatory mechanisms beyond electoral cycles.</li> <li>Ensure inclusive access to governance platforms, particularly for marginalized groups.</li> </ul>
<b>Promote Decentralized Governance</b>	<ul style="list-style-type: none"> <li>Recognize the role of local governments in public service delivery.</li> <li>Strengthen subsidiarity by equipping local governments with adequate resources.</li> <li>Improve legal frameworks defining national-local government relations.</li> <li>Partner with non-state actors to leverage AI, crowdsourcing, and emerging technologies for governance.</li> <li>Ensure regulatory safeguards against crime and financial abuse in decentralized governance.</li> </ul>

### Proposed Actions to engage with Non-State Actors

Action Area	Proposed Actions
<b>Recognize the Role of Non-State Actors in AI Development</b>	<ul style="list-style-type: none"> <li>Facilitate dialogue between private sector stakeholders and policymakers.</li> <li>Establish regular consultations with industry leaders to shape AI policies.</li> </ul>
<b>Encourage Private Sector Advocacy for Responsible AI Regulation</b>	<ul style="list-style-type: none"> <li>Support private sector actors in advocating for ethical AI regulation.</li> <li>Organize industry-led forums to co-develop AI policies.</li> <li>Encourage self-regulation alongside government oversight.</li> </ul>
<b>Promote a Participatory Renaissance</b>	<ul style="list-style-type: none"> <li>Foster multi-stakeholder governance networks for dialogue and cooperation.</li> <li>Strengthen partnerships with civil society, businesses, and local communities.</li> <li>Support platforms that enable broader participation in governance and development.</li> </ul>
<b>Promote Decentralized Governance</b>	<ul style="list-style-type: none"> <li>Enable non-state actors to collaborate with city governments to drive governance innovation.</li> <li>Incorporate citizen participation in local planning and management (e.g., participatory budgeting).</li> </ul>

## UN Support in Building Foresight Capacities for Anticipatory Governance

The findings of the foresight exercise, which engaged representatives of 23 UN agencies, exemplify the relevance and usefulness of preparing for the future by understanding current drivers of change and their interlinkages, visioning and future governance scenarios. This methodology can be used at national and local levels of government through multi-stakeholder participation. In this regard, the UN can play a pivotal role in fostering the use of foresight to develop national strategies and plans to achieve the SDGs, leveraging its existing expertise, structures, and partnerships. It can support UN Member States develop capacities for foresight at the individual level (developing foresight mindsets), and at the organizational and institutional levels. It can do so in multiple ways as illustrated below<sup>76</sup>.

### 1. Provide Advisory Services for:

- Integration of systems thinking and strategic foresight into governance structures, including through the creation of new foresight institutional arrangements such national foresight units or departments that can carry out horizon scanning, risk analysis, and long-term planning.
- Designing/redesigning national policies and strategies for systems thinking and strategic foresight that promote policy coherence and integrated planning to achieve internationally agreed development goals, including the SDGs and/or other relevant international agreements.
- Incorporating systems thinking and strategic foresight into national development planning and implementation processes, aligning them with financing strategies
- Promoting transformational change by cultivating a foresight and experimental organizational culture to design coherent policies in the public sector.
- Enabling a shift in mindset towards systems thinking, strategic planning, foresight, and agility to accelerate the implementation of the 2030 Agenda for Sustainable Development and other international agreements.

### 2. Foresight Training of Trainers and Training Programs

The UN can develop and implement targeted foresight training programs for governments, and other stakeholders, tailored to different regions and contexts, considering local needs and challenges through:

<sup>76</sup> Many of these efforts are underway by the UN Futures Lab/Global Hub, which was established in 2023 by the Executive Office of the Secretary-General to help drive the integration of futures thinking and strategic foresight in planning, policymaking, and decision-making. For more information, see [www.un-futureslab.org](http://www.un-futureslab.org). UN DESA provides capacity development support to Member States, upon their request, in the area of strategic foresight and systems thinking.



- **Capacity Development Workshop/Webinars:** on Foresight methodologies and tools: on foresight methodologies and tools (for scenario development, horizon scanning, trend analysis) for governance and policy development for the SDGs
- **Online Courses and Toolkits:** in collaboration with educational institutions or self-paced online learning platforms and Toolkits for government officials, policymakers, and young professionals to learn foresight skills for anticipatory governance.
- **Specialized Training for National Actors:** Training specialized government units, local authorities, or regional bodies in foresight techniques, focusing on long-term planning, risk management, and climate change resilience.

### 3. Promote peer-to-peer learning and exchange of innovative practices

The UN could strengthen a global network of foresight experts, institutions, and knowledge hubs through:

- Peer-to-Peer Learning: facilitated through intergovernmental dialogue, conferences, or virtual forums where countries can share insights on how foresight informs policy-making and public administration.
- Digital hubs to share innovative practices on applying strategic foresight in government
- Regional hubs promoting foresight in key areas of the world, to address specific challenges in those regions (e.g., urbanization in Africa, natural resource management in Asia, peacebuilding in the Middle East).

### 4. Promote Inter-Agency Collaboration within the UN

The UN can coordinate cross-agency efforts to share knowledge, tools, and expertise related to capacity building on foresight.

### 5. Engage with Private Sector and Academia and conduct research to inform capacity development

Foresight is not solely a government or UN responsibility; private sector stakeholders, think tanks, and academic institutions also play a critical role. The UN can help foster collaboration with and between these entities through:

- **Public-Private Partnerships (PPPs):** facilitating partnerships between public sector institutions, private sector, and academia to support and promote foresight activities, including through joint funding, especially for technological innovation, and governance futures.
- **Collaboration with Universities:** Collaborate with universities and research institutions globally to integrate foresight methodologies into their curricula and research, fostering the next generation of foresight practitioners.

## Overview of UN Support for Capacity Building in Foresight

### 1. Advisory Support for Governance Foresight

The UN can provide expert guidance to help governments **embed foresight methodologies** into governance planning, including by:

- **Institutionalizing Foresight Units:** Supporting the creation of national foresight offices for scenario analysis and long-term planning.
- **Policy Integration:** Embedding systems thinking and foresight into national strategies, ensuring alignment with SDGs and international agreements.
- **Agility in Policymaking:** Promoting adaptive governance models that respond effectively to emerging challenges.

### 2. Training & Capacity Building

To equip policymakers and institutions with future-thinking skills, the UN can:

- **Develop Training Programs:** Offer foresight workshops, webinars, and toolkits tailored to regional needs.
- **Foster Peer-to-Peer Learning:** Facilitate knowledge exchange between countries through regional foresight hubs.
- **Specialized Training for Policymakers:** Provide hands-on learning for government officials in scenario planning, horizon scanning, and anticipatory decision-making.




### 3. Strengthening Global Foresight Networks

The UN can enhance collaboration by:

-  **Creating a Global Foresight Hub:** A digital platform for sharing best practices and innovative foresight tools.
-  **Facilitating Cross-Sector Partnerships:** Engaging with academia, the private sector, and civil society to strengthen foresight research and application.
-  **Regional Foresight Initiatives:** Establishing specialized foresight programs to address regional governance challenges (e.g., urbanization, climate risks).

### 4. Promoting Inter-Agency Collaboration

Many UN agencies already conduct foresight-related work and the UN Futures Lab promotes collaboration within the UN system, for example through the UN Strategic Foresight Community of Practice. Strengthening **coordination across UN bodies will:**

-  Improve knowledge-sharing and integration of foresight practices.
-  Enhance cross-agency training initiatives.
-  Support collaborative foresight research on governance futures.

### 5. Engaging with the Private Sector & Academia

Foresight is not solely a government or UN responsibility. The UN can:

-  **Encourage Private Sector Participation:** Partner with AI developers, tech firms, and innovation hubs to explore the governance impact of emerging technologies.
-  **Support University Collaboration:** Integrate foresight methodologies into higher education curricula, fostering the next generation of foresight practitioners.
-  **Conduct Joint Research:** Promote public-private foresight studies on AI governance, digital democracy, and sustainability challenges.

## VIII. CONCLUSION

Governance is at an inflection point. Institutions designed for 20th-century challenges now struggle to adapt to 21st-century disruptions. As technological acceleration, geopolitical instability, and citizen disillusionment reshape global, national, and local governance, the need for transformation has never been more urgent. In an era of rapid change, strategic foresight is critical. It empowers policymakers to anticipate disruptions, mitigate risks, and design governance models that

are adaptive, inclusive, and future-ready. The scenarios presented in this policy brief highlight the stakes of inaction and the opportunities of foresight-driven decision-making. The UN is uniquely positioned to promote foresight on a global scale. By providing targeted training, facilitating global knowledge exchange, and leveraging its research capabilities, the UN can build strong foundations for foresight and strategic planning across nations to enable countries to anticipate future challenges, mitigate risks, and capitalize on emerging opportunities for sustainable development.

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### Disclaimer

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