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Emerging issues: the social drivers of sustainable development

Note by the Secretariat

I. Introduction

1. As the Secretary-General noted recently, sustainable development, enabled by the integration of economic growth, social justice and environmental stewardship, must become the international community's guiding principle and the operational standard of a new post-2015 agenda (see [A/68/202](#)). Such an integrated approach will help to ensure that the three pillars of sustainable development are treated more equally than has been the case to date. Indeed, the interpretation of sustainable development has tended to focus on environmental sustainability while neglecting the social dimension. This integrated approach calls for a clarification of what the social dimensions are and how they can be addressed so as to contribute to sustainable development.

2. The social dimensions of sustainable development relate to social conditions that influence processes of change. These "social drivers" include social structures that shape people's behaviour and opportunities, and the capacity of individuals and groups to influence change. Social drivers encompass the various ways in which individuals and groups respond and adapt to circumstances, including how they cope and organize in defence of their interests or their rights. They also include aspects related to socioeconomic stratification, such as class, ethnicity, gender and location, both informal and formal institutions, including the norms and values that pattern behaviour, and the way people and organizations interact in networks. Together, these social drivers affect not only the outcomes of development but, perhaps even more importantly, the changes that are needed to achieve the sustainable future we want.

* [E/CN.5/2014/1](#).



3. Achieving the outcomes envisioned under the integrated concept of sustainable development requires the eradication of poverty in its multiple dimensions, equality of opportunity and outcome, equity in the distribution of benefits and costs, social inclusion and non-discrimination. The pathway to achieving sustainable development outcomes involves recognizing the importance of the social drivers that are related not only to poverty reduction but also to enhanced productive capacity and employment, social justice and empowerment. Providing access to decent work and social services, enabling access to resources and increasing participation and involvement in decision-making all contribute to more sustainable outcomes.

4. The present note is aimed at addressing a number of key policies that can affect the social drivers of sustainable development. These relate to strategies that place employment at the centre of macroeconomic policy; move beyond a narrow focus on safety nets towards social policies concerned with universal social protection and redistribution; focus not only on equality of opportunity but also equality of outcome; recognize the need for green economy transitions that are socially fair; promote alternative or complementary forms of “social and solidarity economy”; and promote participation and empowerment.

5. The present note was prepared in close collaboration with the United Nations Research Institute for Social Development (UNRISD), which provided a substantive contribution.

II. Importance of the social drivers of sustainable development: key issues

6. Social norms and behaviours can play a vital role in driving sustainable development but can also jeopardize the process, particularly if such norms sustain social ills such as poverty, inequality or conflicts and violence. The key message of this note is that social norms and behaviours (or “drivers”) are subject to influence by policies aimed at promoting sustainable development.

7. There is growing recognition that economic growth is a fundamental but insufficient objective of development strategies. Achieving inclusive, equitable and sustained economic growth also requires a focus on social objectives; social sustainability is a prerequisite. A framework that combines social policy and macroeconomic policies would include measures in the areas of employment, social protection and social inclusion and, would call for strengthening the linkages between the social and economic dimensions of sustainable development.

A. Employment-centred economic policies

8. Employment represents the most important source of income for the majority of the world’s people. While full employment and decent work are recognized as core development goals, development strategies associated with economic liberalization that promotes unfettered market power are inadequate to realize those objectives. The assumption that economic growth translates into significant employment growth, let alone decent work, is increasingly being questioned by evidence-based research. Countries that have experienced relatively high growth

have often faced only moderate declines in levels of unemployment, while other countries that have recently experienced renewed growth often endure a decline in the quality of employment,¹ leading to the phenomenon of “jobless growth”.

9. A stable macroeconomic, financial and fiscal environment is important for productive investment, promoting quality job creation and leading to inclusive and sustainable economic growth. Rather than emphasizing growth strategies that see employment as a side outcome, development strategies, including macroeconomic policy, need to promote inclusive growth and support aggregate demand, and to prioritize employment and decent work as a primary development objective. In addition to active labour market policies, this implies greater consideration of countercyclical policies, public investment and public works, infrastructure development, and the role of the private sector as a major source of jobs.

10. Beyond the challenge of creating employment after the global financial crisis, there are two fundamental concerns that policymakers should address in the post-2015 development agenda to achieve sustainable development. First, the complexity of the employment challenge relates to the scale of the informal economy, growing casualization even within the formal economy, and the apparent inability of the formal sector under present policy conditions to absorb “surplus” labour from agriculture. The number of workers in vulnerable employment continues to grow, reaching 1.49 billion in developing countries in 2012.² Tackling this challenge requires a mix of integrated policies, including skills development in the informal economy to enhance employability, the extension of social protection, a favourable regulatory environment, the promotion of labour rights, support for entrepreneurship and micro- and small enterprise development, local development and strengthened social dialogue.³

11. The second challenge is how to generate employment in sectors and production systems that do not degrade and harm the environment. This has led to the current focus on eco-efficiency and “green jobs”, defined as “work in agricultural, manufacturing, research and development, administrative and service activities that contribute to preserving or restoring environmental quality”.⁴ Key in this regard are not only cleaner energy and technology, but also generating employment by expanding in low-carbon social service sectors such as education, health, public transport and leisure, as well as retrofitting housing.⁵

12. Placing people at the centre of the development agenda also means factoring in vulnerability and inequality, the impacts of macroeconomic and other policies, including international trade and investment agreements, regressive and restrictive

¹ International Labour Organization, *Global Employment Trends 2013: Recovering from a Second Jobs Dip* (Geneva, International Labour Office, 2013); International Labour Office, *Transitioning from the Informal to the Formal Economy*, report V (1) prepared for the 103rd session of the International Labour Conference, 2014 (Geneva, 2013).

² International Labour Organization, *Global Employment Trends 2013: Recovering from a Second Jobs Dip*.

³ International Labour Office, *Transitioning from the Informal to the Formal Economy*.

⁴ United Nations Environment Programme and others, *Green Jobs: Towards Decent Work in a Sustainable, Low-Carbon World* (2008).

⁵ Tim Jackson, *Prosperity without Growth: Economics for a Finite Planet* (London, Earthscan, 2011).

fiscal policies, budgetary imbalances associated with defence expenditures, liberalization of financial markets and privatization of social services.⁶

B. Social policy: beyond safety nets

13. Following the World Summit for Social Development and the Millennium Summit in 2000, social protection assumed a central place on the policy agenda both at the national and international levels. Indeed, much of the focus of the Millennium Development Goals and new forms of social policy, including conditional cash transfer programmes, have concentrated on primary education, maternal and child health, and major diseases. Expanding and consolidating gains in these areas remains crucial for the post-2015 development agenda. There is also growing recognition of the need to go beyond an approach to social protection that targets specific vulnerable groups by revisiting the idea of universal social protection and redistribution.

Universal social protection

14. There are increasing calls for an approach to social policy aimed at providing universal comprehensive social services and social security for all.⁷ Yet, around 80 per cent of the world's population does not have access to a comprehensive social protection system.⁸ Universalism involves more generalized access to quality social infrastructure and services and more comprehensive social security through policies that provide adequate levels of security under multiple contingencies related to unemployment, sickness, disability, old age or other lack of livelihood in circumstances beyond a person's control.

15. Recent policy innovations and proposals include the significant scaling-up in some countries of conditional cash transfer programmes, minimum employment guarantee schemes, the basic income grant and the national social protection floors. The latter comprise essential health care, including maternity care, as well as basic income security for children, persons of active working age affected by sickness, unemployment, maternity and disability, and the elderly.

16. Universal social protection contributes to sustaining economic growth by stabilizing aggregate demand in economic downturns. It also facilitates the transition to a greener economy; benefits afforded by social protection schemes make the transition easier by sustaining livelihoods and enabling skills training and upgrading.

17. In various countries, social and environmental policies are now breaking out of their policy silos and merging in ways that enhance policy coherence and integration. Examples of these "eco-social" policies include schemes, such as *Bolsa Verde* (Green Grant) in Brazil, that extend conditional cash transfer programmes to

⁶ *Combating Poverty and Inequality: Structural Change, Social Policy and Politics* (United Nations publication, Sales No. E.10.III.Y.1); United Nations Non-Governmental Liaison Service, *Advancing Regional Recommendations on the Post-2015 Development Agenda: A Consultation with Civil Society* (New York, 2013).

⁷ *Combating Poverty and Inequality: Structural Change, Social Policy and Politics*.

⁸ Michael Cichon, "The Social Protection Floors Recommendation, 2012 (No. 202): can a six-page document change the course of social history?", *International Social Security Review*, vol. 66, Nos. 3-4 (2013), pp. 21-43.

environmentally sensitive zones; employment programmes, such as the National Rural Employment Guarantee Act, 2005 in India, that rehabilitate environmentally degraded areas; biofuel schemes that also address issues of food security; and the use of fiscal savings from energy subsidy reductions to expand social programmes.⁹

Redistribution

18. Redistributive policies constitute another important aspect of transformative social policy. Examples include policies associated with public spending and progressive taxation, including measures to deal with tax evasion and avoidance, land and tenure reform, public works and infrastructural development in rural areas, and well-targeted subsidies to the poor. Concern for the functional distribution of income (the ratio of wages to profits) also needs to be integrated into the policy agenda. If appropriately structured, such policies can directly address inequalities in wealth and income, and ethnic and spatial disparities that have widened.¹⁰

19. Reduction in inequality through redistribution helps to expand aggregate demand in support of economic growth, as the rich tend to spend a smaller share of their income than the less well-off. It would also contribute to environmental sustainability by alleviating poverty, which often forces people to endure environmentally dangerous conditions.

20. The concept of “transformative social policy” has been coined to refer to this broader perspective on social policy.¹¹ In addition to functions related to social protection, human capital formation and redistribution, a fourth dimension relates to social reproduction.

C. Equality of opportunity and outcome

21. There is growing recognition that equality has not featured as prominently as it should on the international development agenda.¹² Equality matters both for its intrinsic value as a human right and for instrumental reasons linked, for example, to economic growth and social cohesion. It is also essential for enhancing people’s resilience to external crises and shocks. Inequalities are important factors in determining how people are affected by, for example, food and financial crises or climate change, and their capacity to respond and adapt to adversity and

⁹ Sarah Cook, Kiah Smith and Peter Utting, *Green Economy or Green Society? Contestation and Policies for a Fair Transition*, Occasional Paper on Green Economy and Sustainable Development, No. 10 (Geneva, United Nations Research Institute for Social Development, 2012).

¹⁰ “Redistributing wealth and income: implications for policy”, in *Combating Poverty and Inequality: Structural Change, Social Policy and Politics* (United Nations publication, Sales No. E.10.III.Y.1).

¹¹ Thandika Mkandawire, ed., *Social Policy in a Development Context* (Houndmills, Basingstoke, Hampshire, 2004); United Nations Research Institute for Social Development, “Transformative social policy: lessons from UNRISD research”, *UNRISD Research and Policy Brief*, No. 5, 2006.

¹² “Achieving gender equality, social inclusion, and human rights for all: challenges and priorities for the sustainable development agenda”, report of the Sustainable Development Solutions Network Thematic Group on Challenges of Social Inclusion: Gender, Inequalities, and Human Rights (September 2013).

opportunity. Such outcomes and behaviours have an impact on economic growth as well as the environment.

22. This broad perspective on equality points to the need to rethink current approaches to addressing inequality. While there is growing awareness of the negative impacts of inequality on development,¹³ Governments and relevant stakeholders have often focused on addressing equality of opportunity. While it is crucial to improve access to quality health care, education and skills development in order to create a more level playing field, this approach tends to ignore structural factors that influence individual outcomes.

23. Gender-based wage gaps, for example, are often the outcome of structural and discriminatory forces, such as fewer years of labour market experience due to care-related interruptions in paid work, and also a gendered definition of “skill”, which is biased.¹⁴ Macroeconomic policies and market pressures that result in fiscal retrenchment can affect health-care service and impact the time women must spend engaged in unpaid care work.

24. Focusing exclusively on promoting equality of opportunity runs the risk of sidelining important policy instruments for tackling disparities in income, wealth and location. These inequalities not only have an implication for welfare, they also shape the opportunities individuals have. Left unaddressed, inequality in outcomes tends to persist over time and across generations and to perpetuate inequality and poverty.

25. To tackle inequalities both of opportunity and outcome, a coherent set of social and economic policies is needed. In addition to the above-mentioned redistributive and investment policies, macroeconomic policies need to be geared towards employment generation (see sect. A above); labour market regulations and labour rights that promote social norms and forms of bargaining; and policies and programmes that proactively support smallholder agriculture and skills development.¹⁵

D. Green and fair economy

26. Efforts to promote sustainable development and address climate change have centred to a large extent on green economy. Viewing green economy through a social lens highlights a number of issues that often receive limited attention. Research in this field suggests that win-win assumptions about green economy need to be seriously examined. Green economy initiatives and strategies impact social groups differently and can produce both winners and losers. Schemes and incentives associated with payments for environmental services, pricing and market-based

¹³ *Human Development Report 2005: International Cooperation at a Crossroads — Aid, Trade and Security in an Unequal World* (United Nations publication, Sales No. 05.III.B.1); World Bank, *World Development Report 2006: Equity and Development* (New York, Oxford University Press, 2005); World Bank, *World Development Report 2012: Gender Equality and Development* (Washington, D.C., 2011).

¹⁴ Shakra Razavi, “*World Development Report 2012: Gender Equality and Development: an opportunity both welcome and missed (an extended commentary)*” (Geneva, United Nations Research Institute for Social Development, 2011).

¹⁵ United Nations Research Institute for Social Development, “Inequalities and the post-2015 development agenda”, *UNRISD Research and Policy Brief*, No. 15, 2012.

allocation of environmental assets and biofuels often benefit or target the better-off, redistribute assets upwards and favour people and places with the greatest purchasing power.¹⁶ Concerns about land grabbing¹⁷ have now extended to “green grabbing”, where land and natural resources are appropriated for environmental ends.¹⁸

27. Such findings suggest the need to focus not only on green economy transitions that address tensions between economic development and the environment, but also the issue of green and fair economy.¹⁹ Key in this regard are the social drivers associated with social policy and community-based development.

28. Comprehensive social policies are needed not only to protect and compensate the vulnerable and facilitate the creation of green jobs through education and retraining — the current focus of much policy — but also for many other reasons. Other social policies include labour market regulations to ensure decent work within the green economy; redistributive shifts in fiscal policy to encourage green consumption and minimize socially regressive impacts of adequate carbon pricing; “eco-social” investment to retrofit, for example, housing and public transport; public support for care services to facilitate women’s participation in the green economy; and agrarian reform measures to facilitate the participation of rural populations.²⁰

29. Many examples of community-based livelihood and natural resource management systems show that there are local experiences that simultaneously address multiple development objectives associated with green and fair economy. The traditional knowledge and practices of small-scale farmers, fisherfolk, indigenous peoples and forest-dwellers are essential for crafting transition paths conducive to sustainable development. Concerns have arisen that such perspectives and the values they embody are not given the weight they deserve in policy agendas and decision-making processes. It is also crucial that policymakers ensure that local resource management institutions will not be undermined by market forces and “modernization”.

E. Participation and empowerment

30. Inclusive and participatory governance arrangements are important in transitioning to a green and fair economy. Participation and empowerment have been recognized as important social drivers of inclusive and equitable development. Such processes not only facilitate the design and implementation of development

¹⁶ United Nations Research Institute for Social Development, “Social dimensions of green economy”, *UNRISD Research and Policy Brief*, No. 12, 2012.

¹⁷ Saturnino M. Borras Jr., Philip McMichael and Ian Scoones, “The politics of biofuels, land and agrarian change: editors’ introduction”, *Journal of Peasant Studies*, vol. 37, No. 4 (2010), pp. 575-592.

¹⁸ James Fairhead, Melissa Leach and Ian Scoones, “Green grabbing: a new appropriation of nature?”, *Journal of Peasant Studies*, vol. 39, No. 2 (2012), pp. 237-261.

¹⁹ Cook, Utting and Smith, *Green Economy or Green Society? Contestation and Policies for a Fair Transition*.

²⁰ United Nations Research Institute for Social Development, “Social dimensions of green economy”.

policies, they also help to strengthen the capability of people to be agents of sustainable development and are necessary to promote good governance.

31. There is growing recognition that, in order to be effective, participation must go beyond narrow consultation or dialogue with selected stakeholders. Effective participation involves more than giving people a voice; it is also about strengthening their capacity to gain control over decision-making processes. Public policy to facilitate participation should focus on investment in social services as well as civil and political freedoms that enhance the capacity of disadvantaged groups and social movements to organize and mobilize. Trade unions and civil society organizations must be included in consultative processes.²¹ If effective, participation can be an important driver of sustainable development.

32. While greater attention is paid to the issue of the empowerment, for example, of women, smallholders and informal economy workers, there is often a narrow focus on the economic empowerment of individuals with the aim of promoting entrepreneurship and strengthening micro- and small enterprises. Microcredit and skills development have been important policy instruments in such efforts. More focus should be placed on the economic and political empowerment of such individuals through collective action.

F. Social and solidarity economy

33. It is widely recognized that there is a need for a shift from a policy approach that focuses on assisting people living in poverty to empowering them through productive activities and social organization. Important in this regard is the growing body of research on “social and solidarity economy”.²² This term refers to the production of goods and services by organizations and enterprises that place social and often environmental objectives before profit; that involve cooperative and associative relations and forms of democratic management; and espouse values of solidarity. Relevant in this regard are concepts, such as *buen vivir* (living well), voluntary simplicity and even happiness, that are gaining currency in international development discourse. Such perspectives uphold values and lifestyles associated with inconspicuous consumption, living in harmony with both people and the environment, and enhancing people’s sense of purpose and belonging.²³

34. Organizing the production and exchange of goods and services collectively can be an effective way of dealing with market failures and building resilience. Communities in some African countries play a key role in the provision of basic social services and forms of social security. Community forestry initiatives in South Asia suggest the importance of such approaches for the management of common pool resources. Over two million women’s self-help groups in India are seen as key both for environmental protection and agricultural regeneration. They demonstrate

²¹ *Combating Poverty and Inequality: Structural Change, Social Policy and Politics*.

²² Bénédicte Fonteneau and others, *The Reader 2011: Social and Solidarity Economy — Our Common Road towards Decent Work* (Turin, International Training Centre of the International Labour Organization, 2011); United Nations Research Institute for Social Development, “Potential and limits of social and solidarity economy”, Event Brief, No. 1, August 2013.

²³ Jackson, *Prosperity without Growth: Economics for a Finite Planet*; Eduardo Gudynas, “Buen vivir: today’s tomorrow”, *Development*, vol. 54, No. 4 (2011), pp. 441-447.

the importance of combining institutional innovation with cooperation in production, soil and water management and technological innovation.²⁴

35. The global financial and economic crisis and the resilience of the social and solidarity economy shown during the crisis have further boosted interest in this model of enterprise and consumption in recent years. This is reflected in the rise of fair trade and other social movements and networks of women producers, smallholders, informal economy workers and “ethical consumers”.

36. Research suggests that this approach to sustainable development needs to receive far more support from Governments and other stakeholders. While some countries are beginning to adopt policies and laws aimed at supporting social and solidarity economy, they often see the social and solidarity economy as a poverty reduction tool rather than an alternative approach to development that promotes environment and social justice.²⁵

III. Conclusion

37. The Secretary-General has called for a global development agenda beyond 2015 that integrates the social, economic and environmental pillars with a view to achieving sustainable development.

38. Achieving such sustainable development will require transformative and structural changes at the national, regional and international levels. The present note has illustrated how social policy measures can drive and contribute to sustainable development. The note suggests that, in order to enhance inclusive economic sustainability and promote a green and fair economy, the scope of social policy must widen and economic policy must be employment-centred.

39. The post-2015 agenda provides a unique opportunity to translate political commitment into concrete action. In order to fully seize this opportunity, the Commission for Social Development may wish to consider the following questions in its deliberations to lead the thinking on strengthening the social drivers in achieving sustainable development beyond 2015:

(a) **Which social policies should be enhanced to strengthen the linkages among the three pillars of sustainable development and thereby support the integration of the social, environmental and economic dimensions? What are examples of national good practices in this regard?**

(b) **How can national policies and programmes contribute to strengthening the social pillar of sustainable development and promote the social drivers of sustainable development? How can the international community contribute?**

²⁴ Binga Agarwal, *Gender and Green Governance: The Political Economy of Women's Presence Within and Beyond Community Forestry* (Oxford, Oxford University Press, 2010); see also presidential address at the International Society for Ecological Economics Conference, 2012, available from www.isecoeco.org.

²⁵ United Nations Research Institute for Social Development, “Potential and limits of social and solidarity economy”; United Nations Non-Governmental Liaison Service, *Advancing Regional Recommendations on the Post-2015 Development Agenda*.

(c) Creating employment and decent work for all is critical to sustainable development. **How can the international community address employment challenges and what can Governments do to promote employment in achieving sustainable development?**

(d) There is a broad consensus that social policy measures strongly contribute to inclusive development gains by improving the access of marginalized and excluded people to quality basic services, reducing inequality, and strengthening social protection systems. At the same time, there is growing recognition of the need for universal social protection and redistribution. **What measures can Governments take to broaden the scope of social policy and enhance universal social protection systems that contribute to structural transformation at the local, national, regional and international levels?**

(e) Social policies can assist in tackling structural causes of vulnerability to environmental change. By promoting adaptation and providing protection, social policy frameworks can help to reduce environmental risks. They can also play a key role in shifting social norms and values, change behaviours related to the management and use of natural resources, and support green production and consumption patterns. **How can green goals and environmental risk reduction measures be integrated into existing social policy priorities?**
