

BRIEF

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# Social Drivers of Sustainable Development

Persistent poverty, growing inequalities, shrinking environmental limits and market volatility threaten the social and economic gains made since the turn of the millennium.

A new development agenda will need to look behind the symptoms to tackle the structural causes or drivers of poverty, inequality, social injustice and environmental degradation in order to create conditions for an economically, environmentally and socially sustainable future.

### Pathways to sustainable development

Strategies for inclusive and green economic growth dominate current discussions about a sustainable development agenda. This

# Box 1: Defining social drivers of development

Social drivers are defined here as social structures, institutions and agency, grounded in social norms and values, that determine directions and processes of change.

**Social structures** are entrenched patterns of stratification and difference, related, for example, to class, gender, ethnicity, religion and location.

**Institutions** are the "rules of the game" formal (laws) and informal (norms)—that shape the behaviour of people and organizations in fairly predictable ways.

**Agency** is the capacity of individuals and groups to make their own choices and influence decision-making processes that affect their lives.

**Social norms and values**, which vary in different contexts, may include respect for human rights and dignity; meanings of identity and citizenship; commitment to social justice and equality; tolerance; and respect for diversity and the environment.

brief focuses on often neglected drivers of development in the social domain, highlighting their inseparability from economic, environmental and political change processes. It points to a number of policy areas that have been shown to underpin transformative social change, and identifies key social drivers that are essential for catalyzing progress towards sustainable development.

Sustainable development is necessarily "people-centred and planet-sensitive" (*Bali Communiqué of the High-Level Panel*, 28 March 2013), guided by values of equal rights and social justice, enabled by proactive states and well-functioning institutions, and shaped through the participation of empowered populations.

To be *socially* sustainable, development must deliver material well-being, including good health, education, and access to the goods and services necessary for decent living; and social, cultural and political achievements, such as a sense of security, dignity, and the ability to be part of a community through recognition and representation. All of these are inseparable from the environmental resources necessary to sustain life, health and well-being.

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## Box 2: Illustrating social drivers of sustainable development

This brief illustrates the social drivers of sustainable development by presenting six sets of issues that tend to be neglected or insufficiently addressed in contemporary debates about sustainable development. UNRISD research demonstrates how these factors have often been essential underpinnings of inclusive and sustainable development in different contexts.

- Social policy as a driver of transformation
- Social reproduction and the economy of care
- Equality of opportunity and of outcomes
- Employment-centred economic policy
- Social and solidarity economy
- Empowerment, effective participation and accountability

Looking at sustainable development through a social lens moves beyond a concern with social issues and problems, to an understanding of the social factors that drive or sustain all development outcomes.

an understanding of the social factors that drive or sustain all development outcomes. It focuses attention on the importance of social structures, institutions and agency in determining social, economic, political and environmental outcomes (box 1). It also highlights the complex interactions among multiple determinants of development, the synergies among policies and programmes in different domains, as well as the need for coherence and coordination across sectors, among different actors, and between the local, national and global levels.

#### Social policies can influence profound transformations across the social, economic and environmental domains

Social policies are interventions by governments that affect the welfare of individuals and communities. Universal social protection is now widely recognized as an essential contributor to development, with many countries committed to implementing national social protection floors. Beyond this protective function, social policies can influence profound transformations across the economic, environmental and social domains—supporting economic productivity, raising human capital, reducing inequalities and sharing the burden of social reproduction—driving development outcomes in a more sustainable direction (box 3).

These multiple functions demonstrate intrinsic linkages between social and economic policies. To be transformative, social policy cannot be limited to the residual role of assisting those at the margins of the economy, for example, through targeted transfers for poverty alleviation. Rather, integration among functions is necessary to provide security and opportunity for individuals across the life-course, to share the burdens and benefits of economic growth, and to redistribute the costs of care.

Inadequate attention to these broader functions of social policy can threaten progress towards other development goals—generating social tensions over scarce jobs or resources, undermining health and productivity, or disinvesting in future generations. At the extreme, such failures may lead to violent conflict or generate further environmental degradation.

Beyond the more traditional social policy functions, many countries are now designing social policy initiatives that also incorporate environmental concerns. These "eco-social policies" aim to shift behaviours or provide incentives for more sustainable environmental management or resource use, strengthening the resilience or adaptive capacities of individuals and communities while also achieving social goals. Examples include cash transfers to reduce exploitation of resources in environmentally sensitive zones or as payment for environmental services; employment schemes that rehabilitate environmentally degraded areas; energy efficient public transport or housing systems; and the use of fiscal savings from reduced energy subsidies to expand social programmes.

Social policies thus play an essential role not only in reducing poverty but also in fostering economic development and in creating socially inclusive societies. They can be equally critical in ensuring fair access to environmental goods, services and resources necessary for sustainable development.

#### Social reproduction and the "care economy" lay the foundations of sustainable development

Social reproduction is the bedrock of a viable and sustainable society and economy. It includes the (largely unpaid and invisible) work of caring for children, the sick and elderly; of ensuring a healthy and wellnourished labourforce; and of playing a range of community roles necessary for cohesive societies—burdens that fall predominantly on women within households. Yet it remains a persistently neglected issue despite significant attention to gender equity and the status of women in the global development agenda. The issue is also generally absent in national and global policy discussions

#### Box 3: Four key functions of transformative social policy

**Protection:** protecting people from the contingencies of life, the vagaries of the market or the changing circumstances of age.

**Production:** enhancing the productive potential of individuals, for example, through health, education and training, and through links with active labour policies.

**Distribution:** addressing gross disparities in income or well-being, ensuring a socially acceptable level of equality through direct social interventions or through managing the distributional impacts of other economic policies.

**Reproduction:** sharing the tasks of reproduction and care between households, the state and other institutions, and reconciling it with paid employment. around sustainable development. The costs of this neglect include unequal gender opportunities, including the marginalization of women in paid employment, and the poor quality of care or low human capital investments in many contexts. These in turn act as constraints on economic production.

A growing body of evidence shows that policies that are good for "care" are not a luxury affordable only in high-income countries, but rather an essential foundation of sustainable development outcomes. The burden of social reproduction needs to be shared: not just within the household (between men and women), but more importantly among the household, state, market and other institutions.

A wide range of public policies can influence the supply of care, from social protection and provisioning, including education and health services, to employment policies, public transport, housing, water and sanitation, and other infrastructure investment. The redistribution of the care burden can be supported by greater public recognition of the value of care work, through protecting the rights and needs of both care-givers and care-receivers, and by nurturing professional, decently paid and compassionate forms of care.

#### Both equality of opportunity and equality of outcome matter for sustainability

Evidence is accumulating of the ways inequality negatively impacts growth, poverty reduction, social cohesion and other development goals. The response of the development community currently tends to focus on enhancing equality of opportunity through measures that aim to level the initial conditions people or groups confront when attempting to secure their livelihoods or access essential services (health, education). Such an approach is particularly concerned with those at the lowest end of the income distribution, or considered vulnerable for other reasons.

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Addressing the accumulation of wealth at the top end of the distribution is essential for combating extreme and rising inequality. Continuing increases in inequality endanger potential progress towards sustainable development outcomes.

Reducing the problem of inequality to one of limited access to opportunities among the poor, however, ignores many structural conditions and constraints that determine individual opportunities, choices and outcomes. It also fails to address key drivers of inequality in the global, financialized economy. It thus runs the risk of sidelining important policy instruments for tackling disparities, such as:

- macroeconomic policies that prioritize employment creation;
- widely accessible and good-quality social provisions, infrastructure and care services;
- labour market regulations that protect workers' rights;
- policies and programmes that proactively support smallholder agriculture and rural populations; and
- policies to overcome all forms of discrimination.

Addressing the accumulation of wealth at the top end of the distribution, including through financial and tax regulations, is also essential for combating extreme and rising inequality.

Ultimately, reducing inequality of opportunity and of outcome matters—in terms of the intrinsic value of equity and for instrumental reasons. The current level and nature of inequality between and within countries constrains economic growth, undermines social cohesion and generates social conflict. Continuing increases in inequality endanger potential progress towards sustainable development outcomes.

#### Sustainable development requires economic policy that creates green and decent jobs

Wage or own-account employment constitutes the most important source of income for the majority of households around the world. The assumption that economic growth translates automatically into employment growth, let alone "decent" -fairly remunerated and protected—work, is increasingly challenged by reality. Job creation should be the central objective of economic development strategies, rather than treated as a secondary outcome.

An employment-centric approach to economic policy requires coordination across a range of macroeconomic, employment, sectoral and social policies. These include:

- active labour market policies and labour market regulations;
- counter-cyclical fiscal policies, including public investment and public works;
- industrial policies; and
- robust social provisions delivered and sustained through publicly regulated and locally appropriate revenue-harnessing systems.

Ensuring that jobs created are also decent jobs involves addressing the challenges of informality in many development contexts. Here a mix of policies including skills development, the extension of social protection, a favourable regulatory environment that promotes labour rights, support for entrepreneurship, and strengthened social dialogue can be helpful.

For sustainability, jobs-and economic policy more generally-must also be "green". "Green economy" has emerged as a possible win-win approach to sustainable development, simultaneously creating employment, stimulating growth and reducing negative environmental impacts. Relevant policies may involve support for environmentally efficient or cleaner energy and technology, both in industry and agriculture, and the expansion of low-carbon service sectors including public transport and retrofitting of housing stock. Community-based development, including drawing on the traditional knowledge and practices of, for example, small-scale farmers, fishing communities, indigenous peoples and forest dwellers may assist in generating jobs, improving livelihoods and protecting the environment.

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#### Social and solidarity economy approaches can foster more sustainable outcomes

The production of goods and services by organizations and enterprises that put social, and often environmental, objectives before profit; involve cooperative and associative relations and forms of democratic management; and espouse values of solidarity, sharing and caring, are gaining increasing attention in development circles.

Referred to as "social and solidarity economy", they often reflect concepts such as food sovereignty, Buen Vivir and happiness, and aim to uphold values and lifestyles associated with non-conspicuous consumption, living in harmony with both people and the environment, and enhancing people's sense of purpose and belonging.

The historical experience of cooperatives as a principle form of social economy organization provides the following lessons:

- organizing the production and exchange of goods and services collectively can be an effective way of dealing with market failures and building resilience;
- communities can play an important role in the provision of basic social services and social security, as well as the management of forests and other common pool resources;
- women's self-help groups can be key for both environmental protection and agricultural regeneration.

While regarded by many policy makers as primarily a tool for poverty reduction, a number of governments have recently adopted policies and laws to support forms of social and solidarity economy. Such support could strengthen its potential as a form of economic organizing that offers significant opportunities for integrating goals of economic, social and environmental sustainability, promoting environmental and social justice through economic and political empowerment.

#### **Empowerment, participation** and accountability are essential to ensure sustainable development

Social transformation that generates inclusive and sustainable outcomes depends on the agency of social actors-in particular, the extent to which those marginalized by processes of economic development are brought in. This requires mechanisms of participation and empowerment, as well as accountability of both public and private institutions.

Participation mechanisms must give disadvantaged groups a voice, empowering them to claim their rights, mobilize collectively and exercise influence over decisions that affect them. UNRISD research has highlighted three forms of participation or organized efforts that can be particularly relevant for sustainable development:

- resource mobilization at the local or community level, which often acts as a precondition for
- access and influence in decisionmaking and governance processes; and
- advocacy by social movements to reframe policy debates on development priorities and pathways.

Opportunities for empowered participation may challenge existing structures and relations of power, opening spaces for contestation and negotiation over policies and resources. Yet they are crucial for both procedural justice (fair decision making) and distributive justice (fair outcomes), and are thus central to achieving a fair, inclusive and sustainable development path.

Effective participation also requires accountable and responsive decision makers and power holders, and transparent institutions, whether in the public or private sphere. Both governments and corporations need to be accountable to citizens.

In the public sphere, accountability mechanisms are a key indicator of democratic governance as well as a key instrument to

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improve the performance of institutions and the delivery of services.

In relation to the corporate sector, managing the social and environmental challenges of growth requires:

- strengthening the regulatory capacities of states;
- increasing the effectiveness of environmental and social standards initiatives led by non-state actors;
- enhancing grievance procedures;
- improving measurement, monitoring and verification of social and environmental impacts; and
- reinforcing the role of international law and intergovernmental processes in setting and enforcing standards governing the behaviour of investors and enterprises.

#### Towards coherent policies for sustainable development

The social drivers and dimensions of sustainability discussed above offer insights into the wide range of actors, and the complex determinants of their behaviour, which will affect the achievement of any sustainable development goals. Structures of power and inequality, institutions and processes of governance, knowledge and belief systems, social norms and incentives for individual or group behaviour interact, often in unforeseeable ways.

Policy coherence and responsiveness, across the domains of economy, society and the environment, is thus essential for sustainable development outcomes. But policy coherence is not simply about better coordination in the design and implementation of interventions across different fields. It means ensuring that progress in one domain is not undermined by consequences or reactions in another; that the sharing of costs and benefits is perceived as equitable-between groups, countries or regions; that pro-growth policies and technological or efficiency gains do not crowd out welfare and sustainability objectives; and that environmental protection goals are balanced with human welfare considerations.

Development that is socially, environmentally and economically sustainable can only be built on such foundations. The United Nations Research Institute for Social Development (UNRISD) is an autonomous research institute within the UN system that undertakes multidisciplinary research and policy analysis on the social dimensions of contemporary development issues.

Through our work, we aim to ensure that social equity, inclusion and justice are central to development thinking, policy and practice.

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#### About Beyond 2015 Briefs

UNRISD's "Beyond 2015" Briefs contribute research-based insight and analysis to the dialogue around the post-MDG development agenda. They highlight key information in a concise format, with references to further in-depth reading, useful to policy makers, activists and academics alike.

This brief was prepared by Esuna Dugarova with inputs from Peter Utting and Sarah Cook, drawing primarily on UNRISD research. It is based on a longer background note prepared by UNRISD as an input to the Note by the Secretariat, *Emerging Issues: The Social Drivers of Sustainable Development* (E/CN.5/2014/8, for the 52nd session of the Commission for Social Development) which includes a full bibliography.

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Palais des Nations 1211 Geneva 10 Switzerland info@unrisd.org

