



Empowering people and ensuring inclusiveness and equality *

In order to address world inequality development models and processes that disempower people and communities, exclude the most vulnerable and concentrate wealth and power must be overturned.

Global economic integration and technological change, though important for development, are often sources of exclusion and inequality when they take place under unfettered market conditions and poor institutional frameworks. The dominant business model, which is centred on maximizing shareholder value, has produced unacceptable levels of inequality in multiple dimensions, in turn leading to the capture of institutions and legal systems by powerful interests. The space for the collective bargaining of workers, farmers, indigenous people and communities and their capacity to defend their interests continue to contract. While the benefits of economic activity are increasingly concentrated in a few hands, the economic, social and environmental costs are borne by the most vulnerable.

Environmental degradation, further exacerbated by climate-related risks, is an additional factor in the disempowerment of communities because of its impact on livelihoods, public health and access to nutrition, energy and water, often leading to displacement. It is also disempowering in that it places an additional burden on the resources of the poorest Governments, further restricting their capacity to move ahead in achieving the Sustainable Development Goals. This combination of factors not only conflicts with the ideals of social justice, equity and sustainability, but also fuels conflict and insecurity.

In order to overturn these processes of disempowerment, public and private policies, regulations and institutions must be redesigned based on a comprehensive vision of

Stakeholders, thereby redirecting economic, social, environmental and technological trends, including production and consumption patterns, towards greater inclusiveness. Inclusion in the productive system is fundamental, but it must not be under underpaid, exploitative and vulnerable conditions. Productive systems should be based on the engagement of all stakeholders in the creation, management and sharing of value and accompanied by universal social policies. There must be safeguards, accountability mechanisms and effective access to justice to ensure the empowerment of people and communities to defend their interests.

Well into the implementation period of the 2030 Agenda for Sustainable Development, progress on the Sustainable Development Goals is insufficient. In order to achieve the Goals an immediate change in course is called for, in which the pledge to leave no one behind is fulfilled on the basis of internationally agreed principles and standards of human rights; elements of the multilateral system that are holding back implementation are addressed; there is concerted action to improve the mobilization of national and international financing to achieve the Goals; the distribution of resources and capacities reflects the need for local implementation of the Goals; there is broad and meaningful participation in decision-making regarding the implementation of the Goals at all levels, as well as in the mechanisms for follow-up and review of the progress of implementation and for accountability, in line with the innovative processes for consultation and participation that were introduced in elaborating the 2030 Agenda and the Sustainable Development Goals; and additional resources are invested in strengthening the capacity of national statistical offices to develop their national data for monitoring the implementation of the Goals.

* Excerpt from Committee for Development Policy, Report on the twenty-first session, See Official Records of the Economic and Social Council, 2019, Supplement No. 13 (E/2019/33)

At the request of the Economic and Social Council and in fulfilment of its mandate, the Committee examined the annual theme of the 2019 session of the Council. The

Disempowerment at the heart of an inherently unequal system

In the economic system that has dominated the world economy, finance, production and innovation have been oriented towards the maximization of monetary gains for a limited base of shareholders, with shrinking spaces for the representation of other stakeholders, such as workers, farmers, indigenous peoples and communities, and with disregard for the environment. Under unfettered market conditions and poor institutional frameworks, global integration and technological change, which can be powerful motors to improve peoples' lives, have also created further sources of exclusion and inequality.

In a vicious circle, the inequality generated by this system, which has reached unacceptable and unsustainable levels, has enabled institutional and regulatory capture by powerful interests, perpetuating the inability of many to exercise their rights and limiting the capacity of Governments to implement policies and

The case for innovative action by States

The role of States in ensuring sustainable and equitable development has progressively weakened. The scale of global challenges, the ambition of the 2030 Agenda and the fast and continuous pace of economic, technological, social and environmental change require a new and empowered vision of the role of States in shaping the way public and private spheres interact.

New governance structures can shape markets and ensure that business and the public sector come together on mutually beneficial terms to produce outcomes in line with the Goals and system of values embedded in the 2030 Agenda. States can and should take innovative approaches to rule-setting and policy-making, including in the design of

The importance of productive inclusion

A central element of inclusiveness concerns the terms under which people are incorporated into productive systems. Participation in productive systems as workers in underpaid, vulnerable and unsafe conditions, with no safety nets or legal protection, or through consumption financed by unsustainable levels of indebtedness, exacerbates vulnerability and disempowerment. Unpaid work keeps people, especially women, out of formal labour markets. Access to decent employment is both a dimension and one of the key conditions of empowerment.

following present chapter should be read in conjunction with chapter I, on matters brought to the attention of the Council.

direct investments to deliver on their obligation to secure the well-being of all.

The entrenchment of interests has led to paralysis in the face of environmental degradation and the climate crisis, which constitute further elements of disempowerment through their effects on health, access to food, water, energy and sanitation, and livelihoods, caused both by extreme events and disasters and by long-term cumulative effects.

Inequality and economic and environmental vulnerability not only conflict with the ideas of social justice, equity and sustainability, but are generators of conflict and insecurity.

There is an urgent need for a transformation grounded on equality, inclusion, human rights and sustainability that addresses the disempowerment of those being left or pushed behind and the mechanisms that enable the concentration of wealth and power at the top.

tax systems, models for the delivery of public services, industrial policies and intellectual property rights regimes.

Development strategies, policies, legal frameworks and public institutions need to acknowledge and be responsive to the severe degrees and multiple dimensions of inequality. Policies and institutions designed on the assumption of equality among players are likely to exacerbate inequalities when applied in the context of multiple and severe inequalities.

There is no one-size-fits-all model. Each country needs to find the right configuration of policies, regulations, incentives and institutions to meet its own needs. However, models of growth that push people behind and thrive on their vulnerability must be delegitimized.

Equality and inclusion should be central to strategies for the development of productive capacity, and productive capacity should be central to strategies to overcome inequality and exclusion. They must all acknowledge, measure and address the wide disparities in skills, capacities and access to formal job markets; the ways in which incomes are generated; and how factors of production are remunerated and how this affects the distribution of income. Pre-, in- and post-market mechanisms need to be combined in order to effectively curb inequalities. Strategies for expanding productive

capacity should also take into consideration the wide disparities among firms in terms of capacities and access to finance and technology. Failure to do so may mean that

Universal social protection and mechanisms for participation and the exercise of rights as central to empowerment

Empowerment requires universal social protection and effective mechanisms for the exercise of rights and for meaningful participation. Universal social protection policies are essential to shield individuals and households from the disempowering effects of the loss of jobs and livelihoods. People and communities must be able to effectively use, under equitable terms, formal instruments to ensure the exercise of their rights at national and local levels. Effective access to justice and meaningful participation in economic, social and political decisions

A strong multilateral system is fundamental to ensuring equitable and inclusive development

The international system is under strain, as the commitment to global aid, trade and financial and environmental multilateralism wavers. While the current system needs reform in order to respond to a changing global landscape, it is important to defend the principle of multilateralism, and in particular the commitment to the concept of common but differentiated responsibilities enshrined in the 2030 Agenda. Multilateralism is vital in defending the rights and interests of the poorest and most vulnerable people and nations.

To ensure that sustainable development proceeds in a mutually beneficial way, multilateral rules and institutions

A change in course is urgent for the implementation of the 2030 Agenda

It is urgent that there be a change in course, in line with the principles outlined above, to accelerate implementation of the 2030 Agenda and ensure that the pledge to leave no one behind is fulfilled on the basis of internationally agreed principles and standards of human rights. Leading up to the assessment of progress in the implementation of the 2030 Agenda at the 2019 meeting of the high-level political forum on sustainable development under the auspices of the General Assembly, the Committee stressed the need for concerted action to mobilize additional national and international financing and to ensure that funding reaches the actors, including local governments, that are responsible for action on the Sustainable Development Goals. Mechanisms for broad and meaningful participation must be instituted, both for the implementation of the Sustainable Development Goals at all levels and for the review of progress, building on the innovative processes for

innovation and technological development could create further gaps.

requires a combination of formal rules and mechanisms with enabling factors (skills, technical support and access to the relevant services) that ensure that, in particular, those groups typically left behind are aware and able to use the instruments that they have a formal right to. Social protection systems can help ensure that the capacity to exercise rights and to participate in decision-making is not undermined by the imperative of meeting basic needs in crisis situations.

must safeguard policy space and provide a commitment to building sound tax systems. They must also ensure that borrowing and lending are sustainable and equitable and that the poorest people and countries benefit from trade and finance. A functional system requires adequate representation of countries at all levels of development. Official development assistance and South-South cooperation must address not only immediate challenges, but also long-term social, environmental and financial sustainability and human rights.

consultation and participation that were introduced in elaborating the 2030 Agenda and the Sustainable Development Goals. The governance of global data must be improved, taking into account new sources of data, and the capacity of national statistical systems must be strengthened.

The Committee notes that the indicators for the Sustainable Development Goal targets are important instruments for policy-making, but must be interpreted in the spirit of the 2030 Agenda and the Goals. There is a risk that a narrow focus on indicators could lead to a reinterpretation of the Goals that does not reflect the fundamental concepts and spirit behind the Agenda. In particular, measurements of inequality that do not reflect the concentration of wealth at the very top are not sufficient to effectively inform policy-making to overcome inequality.