

A New Social Contract For Sustainable Human Development

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*Empowered lives.
Resilient nations.*

The 2011 *Human Development Report* advances that principles of environmental sustainability and equity are inextricably linked through a common concern for distributive justice: “We value sustainability because future generations should have at least the same possibilities as people today. Similarly, all inequitable processes are unjust: people’s chances at better lives should not be constrained by factors outside their control. Inequalities are especially unjust when particular groups, whether because of gender, race or birthplace, are systematically disadvantaged.” The report presents ample evidence that the most deprived people are also the most exposed to environmental degradation and climate-change related hazards, demonstrating the interconnectedness between sustainability and equity. Acknowledging and understanding these links allows policy-making to put social justice at the centre of planning for human development progress.

While economic growth is a necessary condition for human development, it is not sufficient. Pursuing long-term economic growth without ensuring social justice, employment and environmental protection reduces social cohesion, and depletes human and natural capital, thereby perpetuating unsustainable and inequitable development.

Principles and policies for human development designed around sustainability within a distributive justice framework can: (1) support long-term sustainable and equitable human development; (2) protect the livelihoods and well-being of individuals as economies transition towards more sustainable production and consumption paths; and (3) protect those groups most vulnerable to environmental risks. Such principles and policies not only improve social justice, but are also compatible with long-term economic growth. They minimize risks of social unrest and environmental disasters that undermine growth, while building human and natural capital essential to growth.

International Commitment to Sustainable Human Development

The failure to attain equitable and sustainable human development can easily translate into social unrest, as in the case of the Arab Spring, which was a response to social inequalities and youth unemployment. Another example is Darfur, where desertification and water scarcity fueled conflict.¹ In both developed and developing countries, climate-related disasters usually disproportionately affect the socially disadvantaged and reinforce social divisions, as illustrated by Hurricane Katrina in the United States and the recent flooding in Bangkok.

Equity and sustainability are essential to fostering a healthy, educated, cohesive population that will sustain social and economic development. Principles of equity and sustainability can therefore be embraced as the basis for renewed social contracts to face today’s challenges.

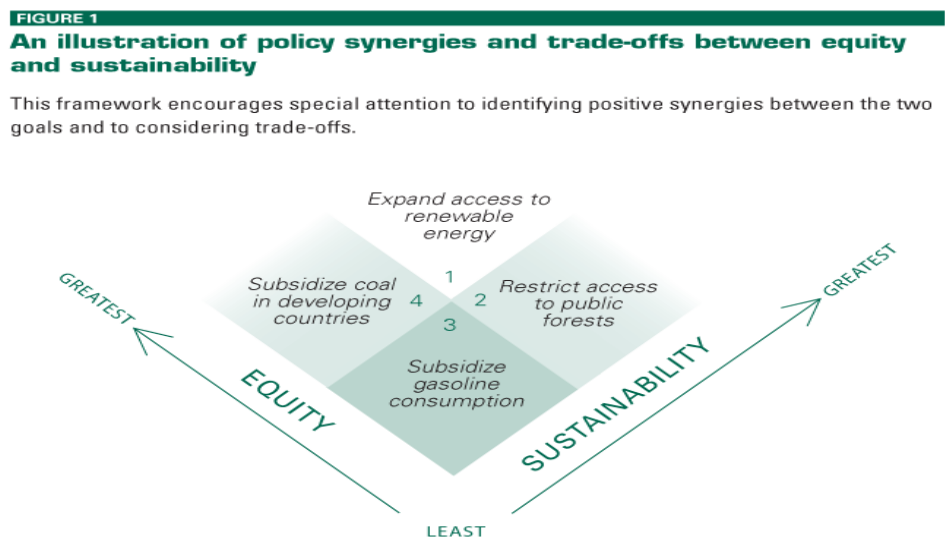
Consensus around these principles is demonstrated by international commitments that provide a common platform to foster dialogue and inform policies. The International Covenant on Economic, Social and Cultural Rights, adopted by the United Nations General Assembly on 16 December 1966, has been ratified by 160 state parties. These governments have committed to protecting labour rights, and the rights to health, education and an adequate standard of living. A healthy environment is essential to enjoy these rights, and is supported by the

This paper was written with contributions from Jennifer Colville, Sarah Lister and Ben Slay.

¹ UN Environment Programme, 2007, *Sudan Post-conflict Environmental Assessment*, Cambridge.

2010 General Assembly resolution recognizing access to clean water and sanitation as a human right. Principles of equity and sustainability were reflected in the Millennium Declaration, which affirmed equality, solidarity and sustainability among its fundamental values. These are partially reflected in the Millennium Development Goals (MDGs).

Rights-based principles and policies advancing and expanding these commitments can bind states to provide public goods and services such as basic social security, universal access to modern energy and universal employment, while also protecting scarce natural resources and reducing pollution. The path to sustainable and equitable human development requires a strong, accountable state, but the engagement of individual citizens and civil society is also necessary. A culture of rights must be established through media and cultural institutions, such that citizens learn to demand and protect their rights, while also respecting the rights of others, and bearing in mind the needs of future generations and the reality of living on a shared planet. Within this framework, the 2011 *Human Development Report* strongly affirms that development aspirations must go hand in hand with enhanced sustainability and equity, as illustrated in Figure 1.



Policies such as those to expand access to sustainable energy are the most desirable from a social justice perspective because they simultaneously support the goals of greater sustainability and equity. These types of policies should be highlighted in renewed social contracts. To focus the Global Human Development Forum discussion in that direction, five key areas can be considered:

- Establishing a culture of environmental rights;
- Protecting the right to clean water, clean air and sanitation;
- Minimizing vulnerability to natural disasters and climate change;
- Ensuring access to decent livelihoods; and
- Increasing social cohesion.

Establishing a culture of rights to a clean and safe environment

Constitutions represent the foundation of each country's social contract. They summarize shared key values and principles, establishing the boundaries of national policies and debates. The constitutional recognition of equal

rights to a healthy environment is most effective in embedding these rights in national legal frameworks, influencing government priorities and budgets, and therefore giving citizens incentives to exercise and protect such rights.

At least 120 countries have constitutions containing environmental norms. For example, Bhutan's Constitution stipulates that at least 60 percent of the country should remain forested in perpetuity. Kenya's 2010 Constitution grants the right to a clean and safe environment, and requires the government to maintain natural resources. These principles serve as the basis for the 2008 feed-in tariff adopted by Kenya's Ministry of Energy to supply and diversify electricity generation sources, generate income and employment, and reduce greenhouse gas emissions. The tariff covers biomass, geothermal, small hydroelectric, solar and wind power. It is equitable because it aims at lowering energy costs and stimulating employment, while promoting environmental sustainability.

In other countries, general provisions for individual rights can be interpreted in light of international agreements to include a fundamental right to a healthy environment. Specific legislation and enabling institutions can be derived accordingly.

A culture of rights demands both access to information—so that citizens are aware of their entitlements and have instruments to evaluate whether or not their rights are respected—and participatory decision-making. Empirical studies show that the participation of women in community decision-making often promotes resource conservation and regeneration, particularly for community forest management. But structural gender inequalities weaken women's abilities to participate. Governments are also increasingly acknowledging the special nature of indigenous peoples' relationships with their land and environment. The 2009 Bolivian Constitution recognizes the rights of indigenous peoples to their original communal lands, to guarantee the sustainable use and improvement of natural resources.

Protecting the right to clean water, clean air and sanitation

Universal access to quality public goods, such as clean water, clean air and improved sanitation, are pre-requisites for a healthy, educated population, and a strong and competitive labour force. Programmes that expand access should be viewed as investments in future prosperity rather than as financial burdens. As such, they can be justified in terms of the common interests of individuals, communities and the state. The 2011 *Human Development Report* shows strong links between access to clean water, improved sanitation facilities, electricity and modern cooking fuel, and improvements in health and education.²

Reliable electricity supplies increase productivity and employment, while simultaneously reducing environmental pressures. Worldwide, some 1.5 billion people lack access to electricity and some 2.6 billion cook with biomass-based fuels. This imposes a heavy cost on the poor in terms of time spent collecting fuel—usually by women and girls, which keeps girls out of schools and prevents women from participating in other productive economic activities—and in terms of health costs associated with indoor air pollution. There are large gains to be made in human development, and cost savings through lower rates of mortality and ill health. In South Africa, electrification is associated with a 13 percent greater likelihood of women participating in the labour market, while in Viet Nam, it is associated with increased income, consumption and schooling outcomes, according to the 2011 *Human Development Report*. Similarly, improved stoves have reduced fuel-wood

² All figures in this section come from the 2011 *Human Development Report*.

requirements some 40 percent in parts of Kenya, and dramatically cut pollution levels and improved child health in Guatemala.

Access to modern energy can be promoted at the national level in line with the UN-backed Universal Access to Energy Initiative. Electricity service could be provided to the 1.5 billion people now off the power grid without a significant rise in carbon emissions. This could be achieved with investments of about one-eighth of the amount currently spent on fossil fuel subsidies.

About 1 billion people globally lack safe drinking water, and 2.6 billion people lack improved sanitation. This imposes huge burdens on developing economies in terms of ill health, work and school hours lost, and mortality. Policies that improve access to clean water and sanitation can minimize water collection time, and reduce the health risks of diarrhea and other water-borne diseases. As one example, the Sanitation Marketing Pilot Project in Cambodia sought to enhance the adoption of latrines in the provinces of Kandal and Svay Rieng by demonstrating that selling them could be a profitable business enterprise. The ‘easy latrine’ was sold as a complete package that households could easily install themselves. The commercial viability of the product led private businesses to invest their own resources to address demand.

Minimizing vulnerability to natural disasters and climate change

Environmental degradation and climate change can amplify threats. The burden is not borne equally—statistically, the risk of injury and death from floods, high winds and landslides is higher among children, women and the elderly, especially among the poor. Planning and targeted responses can reduce disparities in capacities for adaptation to climate change, which would enhance resilience and lower vulnerability to risks. Inequality between developed and developing countries in the capacity to face natural disasters is alarming, however, reflecting economic and power relations at the local, national and global levels.

In the short-term, social compensation mechanisms can act as a first step towards minimizing the vulnerabilities of the poor and the disadvantaged, and providing them with the minimum conditions necessary to begin the process of development. But the ultimate goal should be to empower and enable vulnerable people to adapt to climate change by building resilience through combined investments in social protection, health, education and other measures.

Poor rural communities are disproportionately affected by ecosystem degradation. They also disproportionately benefit from environmental protection and restoration. Sometimes the most efficient and equitable ways to avoid and mitigate disasters are to manage, restore and protect ecosystems that buffer communities. For example, villages with healthy mangroves, coral reefs and lowland forests were better protected from the 2004 tsunami in India, Indonesia, Malaysia and Sri Lanka compared to villages with degraded ecosystems.

Structural inequalities are often embedded in patterns of infrastructure and social investments, a tendency reflected in disaster outcomes. Rebuilding after environmental disasters thus becomes an opportunity to address past biases, and other factors that perpetuate poverty and inequality. When Northern California was recovering from the 1989 Loma Prieta earthquake, communities opposed rebuilding the freeway along the original route, which divided neighbourhoods and exposed them to vehicular pollution. The freeway was rerouted through nearby industrial land, and agreements were reached to promote local hiring and contracting on reconstruction.

Protecting the right to decent livelihoods

Transitioning towards more environmentally friendly systems of production is key to safeguarding development opportunities for future generations. More environmentally sustainable approaches to development must not be achieved by de-emphasizing other aspects of human development, however, such as increased employment opportunities for the poor, or well-maintained and improved access to vital services.

One important avenue for promoting sustainable, decent livelihoods is through appropriate technologies. These can provide different outcomes in countries with varying levels of skilled and unskilled labour, and diverse endowments of natural and physical capital.³ Developing countries can therefore benefit from South-South trade in technologies that exploit comparative advantages, rather than transferring technologies from developed countries rich in capital and skilled labour. The UN Industrial Development Organization and the Global Environmental Facility, for instance, are helping to transfer ethanol production techniques using the perennial shrub cassava from Thailand, where the technology has been in use for over 10 years, to Viet Nam. The project is generating jobs and reducing fossil fuel consumption in the latter.

Governments can also promote employment guarantee schemes or basic living wages to protect individuals whose livelihoods are insecure due to changing technologies, climate variations and globalization. India's Rural Employment Guarantee Act, enacted in 2005, legally binds the government to provide employment for up to 100 days a year to those who demand it. The Act also generates demand for labour through stipulations for informing potential participants about their rights and the benefits of the programme. This fosters transparency as well.

There are possibilities for generating work through environmental protection schemes. In South Africa, the Working for Water initiative has increased job opportunities by employing the poor to restore stream-flows, and improved water availability by clearing invasive alien vegetation from waterways. The result has been better land productivity, increased employment and enhanced ecosystem services.

Increasing social cohesion

Advancing and adopting policies in each of the above areas as part of renewed social contracts requires the full commitment and engagement of all stakeholders: institutions, communities, civil society and private individuals. In this sense, countries with high levels of social cohesion are more likely to be successful in supporting policies for sustainable and equitable human development.

There are existing initiatives to increase social cohesion. The UN's Social Protection Floor initiative aims at encouraging it through social protection, to ensure that nobody in society is left behind. It calls for the integration of social insurance and social assistance activities with: social service provisions that target poor and excluded households; improvements in access to basic energy, water, sanitation and other social services; food security; and adaptive social protection to build resilient societies.

Generating broad awareness of the risks of unsustainable and inequitable development can galvanize public support for principles and policies focused on equity and sustainability. A Gallup World Poll in 150 countries reveals that despite overwhelming scientific evidence about the significance of climate risks, public knowledge

³ International Labour Organization, 2003, "The Impact of Technology Transfer on Employment and Income Distribution in Developing Countries," ILO Working Paper No. 15.

remains limited, especially in countries with lower levels of human development. Understanding of the fact that growth driven by fossil fuels may not lead to a better life in human development terms needs to be broadened.

Awareness of the inequitable and unsustainable nature of some current consumption patterns will also generate public support for new social contracts. Today there are more than 900 cars per 1,000 people of driving age in the United States, and more than 600 in Western Europe, but fewer than 10 in India. People in many developing countries are consuming more, including luxury goods, but global diversity is still striking. Consumption accounts for 79 percent of GDP in the United Kingdom compared to 34 percent in Singapore, for example. At the same time, the links between income, consumption and human development can be weaker than they seem, as was explored in the 1998 *Human Development Report*. Sellers of new products often target richer consumers, ignoring the needs of the poor in developing countries. Innovative investments aligned with the budgets and needs of low-income consumers, such as cheaper generic drugs, can greatly contribute to more equity in living standards.

Education can be fundamentally important in tempering excessive consumption and enhancing social cohesion by promoting values of equity, sustainability and solidarity. Such efforts have been promoted by the UN General Assembly's declaration of the UN Decade of Education for Sustainable Development (2005–2014), and United Nations Educational, Scientific and Cultural Organization activities geared at encouraging sustainable consumption.

Community management schemes can increase social cohesion and help local communities and disadvantaged groups to sustainably shepherd the resources upon which their livelihoods depend. Locally managed marine areas that employ seasonal fishing bans and temporary no-take areas can encourage sustainable fishing practices, for example. This approach is widely used in Pacific Island communities such as Fiji, and in the highly successful sustainable octopus fishing industry in Madagascar.

For Discussion

The examples presented in this paper show that it is possible to advance equity, sustainability and overall human development at the same time. Doing so, however, will require new social contracts at the community, national, regional and global levels, helping interests converge towards solidarity, and inter- and intra-generational equity.

A culture of environmental rights; a healthy, educated population with access to basic services; the minimization of vulnerabilities to environmental challenges and degraded environmental resources; job creation; and enhanced social cohesion are key areas to consider in designing policies to promote sustainable human development as part of a new social contract. As described in the 2011 *Human Development Report*, at the national level this means “policies that bring together social, economic and environmental concerns, coordination mechanisms, aligned budget frameworks, a culture of innovations, and strong institutions, alongside mechanisms to ensure accountability to the people.” For governments, this raises questions about how to design concrete policies that address such a range of issues. We invite forum participants to consider these questions in discussing how to renew social contracts in support of sustainable and equitable human development.