CHAPTER

5

Expanding agency for collective action

Expanding agency for collective action

Enhancing human development—including agency—expands possibilities for people to act as "agents who can do effective things." So, how best to expand agency to foster collective action to address global challenges?

Narrowing agency gaps can support establishing and pursuing common goals, such as providing global public goods, even when differences in preferences, beliefs and interests persist. Expanding agency can thus enhance collective action. Institutions can link human agency and collective action at scale by being people-centred, co-owned and future-oriented.

The toll of mismanaged global interdependence on human development (chapter 1) reflects inadequate or slow collective action on global challenges ranging from climate change to pandemics. Not for a lack of knowledge on what to do. Technologies to power an energy transition or vaccines to save lives either are already in place or have been developed quickly—but our ability to act collectively at scale is falling short (chapter 2).

Institutions and behaviour are intimately interlinked (chapter 4). Policy has long focused on institutional design and interventions premised on a set of fixed and universal assumptions about human behaviour, downplaying broader social contexts and how they change over time. Expanding assumptions about human behaviour with insights from behavioural science and the role of culture can widen the set of options to enhance collective action to provide global public goods (chapter 4). To do so, it is critical to recognize the role of human agency: people's ability to hold values, set goals and make commitments that may, or may not, advance their wellbeing.[1]

Enhancing human development—including agency—expands possibilities for people to act as "agents who can do effective things."[2] So how to expand agency to foster collective action to address global challenges?

The question motivates this chapter. Advances in wellbeing can support agency—knowledge, health and material means enhance the possibilities for people to act as agents—but the relationship is far from automatic. Indeed, the chapter documents agency gaps—people's inability to be, or to believe they can be, agents for change—that persist or are widening, even as the world is reaching peak levels of income, as well as of health and education outcomes, along with unprecedented technological achievements. The focus is on how agency gaps hinder collective action and how they are connected with, for example, intensified perceptions of insecurity and distress in parallel with massive increases in standards of living. For example, only about half of people in the world today feel they have high control over their own lives, a proxy for agency. And the share of people feeling in control drops even more when it comes to influencing collective decisionmaking, since only 31 percent of people feel they have a say in the decisions of their government.[3]

These agency gaps parallel deficits in the collective action needed to address shared challenges on a shared planet. Mismanagement of global interdependence may in turn further erode human development (chapter 1) and open space for polarization, resulting in gridlock on collective action (chapter 2). To break free from this gridlock, the chapter explores how narrowing agency gaps can support establishing and pursuing common goals, such as providing global public goods, even when differences in preferences, beliefs and interests persist. In this way it argues that narrowing agency gaps can enhance collective action. It further argues that expanding agency needs to be a complementary policy objective alongside advancing wellbeing achievements and that institutions can link human agency and collective action at scale by being people-centred, co-owned and future-oriented.

How agency gaps hinder collective action

Despite the dip in Human Development Index (HDI) values in 2020–2021 and the unequal recovery since then (chapter 1), there has been notable progress in the wellbeing aspects of human development: in expanding the achievements and freedoms to live a better life. At the same time, the agency aspects of human development[4]—people's ability to hold values, set goals and make commitments,[5] which imply the ability to lead a life with purpose—have been relatively neglected as policymaking objectives, particularly those required to pursue collective outcomes.[6] Agency enhances people's capabilities and is positively correlated with mental wellbeing.[7] It is also key to transforming our world towards sustainability and equity, an aspiration codified in the 2030 Agenda for Sustainable Development.[8]

> "Agency gaps are opening at multiple levels, limiting people's ability to act as agents of change to support collective action

Agency gaps are opening at multiple levels, limiting people's ability to act as agents of change to support collective action. It is curtailed by inequalities and power imbalances that hinder collective decisionmaking.[9]

Shortcomings in collective action: Limits to cooperation, despite unprecedented coordination

Interdependence stems in part from human ultrasociality,[10] reflected in coordinated actions involving individuals around the world. Markets, which involve interactions between participants who, for the most part, may never meet, have become globalized (chapter 2). Governments have implemented extensive social insurance programmes, with 3.7 billion people covered by at least one social protection benefit.[11] Education systems provide schooling for 1.6 billion children worldwide.[12] While still insufficient, these numbers represent massive achievements.

Multilateral institutions, particularly the United Nations, strive to uphold human rights, advance development and promote peace. The United Nations convenes parties to international treaties, enabling agreements such as the establishment of a loss and damage fund at the 28th meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change, from which more than 3 billion people are set to benefit.[13] Civil society has rallied behind the 2030 Agenda for Sustainable Development,[14] bolstered by social movements that have expanded the realm of possibilities, championing the rights of women; individuals who identify as lesbian, gay, bisexual, transgender, queer, intersex or other sexuality minority; Indigenous peoples; individuals living with disabilities; and more. Social networks facilitate the instantaneous exchange of information among some 5.4 billion internet users.[15]

Despite these achievements, which often reflect advances in addressing coordination challenges, international collective action is falling short. For instance, in the case of climate change, the following shortcomings reflect less progress with cooperation:

- Markets fail to account for externalities, but some externalities are now at planetary scale. For example, carbon prices hugely undervalue the costs associated with greenhouse gas emissions,[16] exacerbating global inequalities.[17]
- Governments have mobilized substantial investment to facilitate the energy transition—but not at the scale required. In 2023 governments allocated an estimated $1.34 trillion for clean energy investment, a 25 percent increase since 2021.[18] But this effort pales next to subsidies to fossil fuels: $7 trillion in 2022, up from $4.5 trillion in 2015 (when the Paris Agreement was adopted).[19] Increased political polarization, which affects more than two of every three countries, makes government action even more difficult (chapter 6).[20] Financing constraints are another impediment to government action, exacerbated by tax avoidance and evasion: globally, multinationals have shifted 36 percent of their profits to tax havens.[21]
- Multilateral arrangements have not marshalled the pooling of resources required to meet the aspirations of the 2030 Agenda for Sustainable Development and the Paris Agreement. The annual target of $100 billion in finance to support the mitigation of climate change in low- and middle-income countries has been missed, even though it represents just 0.1 percent of the global economy (about $100 trillion).[22] And the loss and damage fund has received annual pledges totalling more than $600 million, but the annual loss and damage associated with climate change are estimated to be as high as $400 billion a year.[23]
- Civil society has expanded but is also facing headwinds.[24] When people do mobilize, they are often constrained in their efforts to occupy civic space and exercise their rights.[25] In several countries environmental activists face violent crackdowns and persecution; nearly 2,000 environmental activists were killed between 2012 and 2022.[26]

> “Agency gaps are both a cause and an effect of the mismanagement of interdependence, in a vicious cycle where shortcomings in collective action to deal with interdependence lead to costly losses in people’s lives

Agency gaps are undermining collective action

Agency gaps are both a cause and an effect of the mismanagement of interdependence, in a vicious cycle where shortcomings in collective action to deal with interdependence lead to costly losses in people’s lives (chapter 1), as well as to feelings of unsettledness[27] and human insecurity. Human insecurity fuels

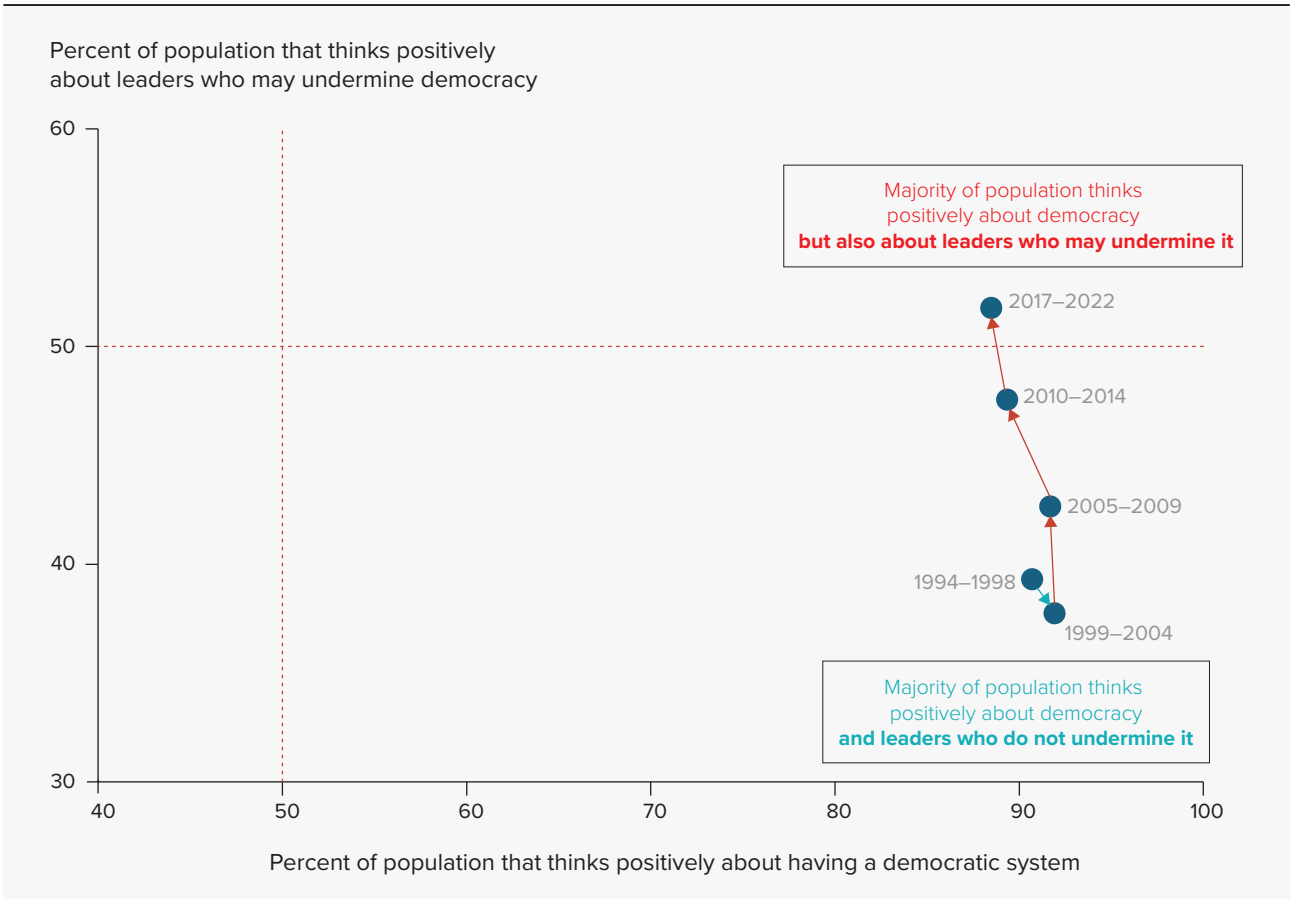
polarization, with many people gravitating towards populism (chapter 2).[28] The protectionist stance often associated with populism[29] further complicates collective action in addressing global challenges.

The consequences of this vicious cycle affect democratic norms and practices, as reflected in the decline in indicators tracking people's ability to shape collective outcomes (chapter 1).[30]

The erosion of democratic norms and practices is associated not so much with a crisis of support for democracy as an ideal but with a crisis in institutions perceived as not delivering on that ideal.[31] There is an emerging democracy paradox: nearly 9 in 10 people believe that democracy is a fundamental pillar of political systems. But support for leaders who may bypass the fundamental rules of the democratic process has markedly increased (figure 5.1). Today, more than half of those polled express support for such leaders.

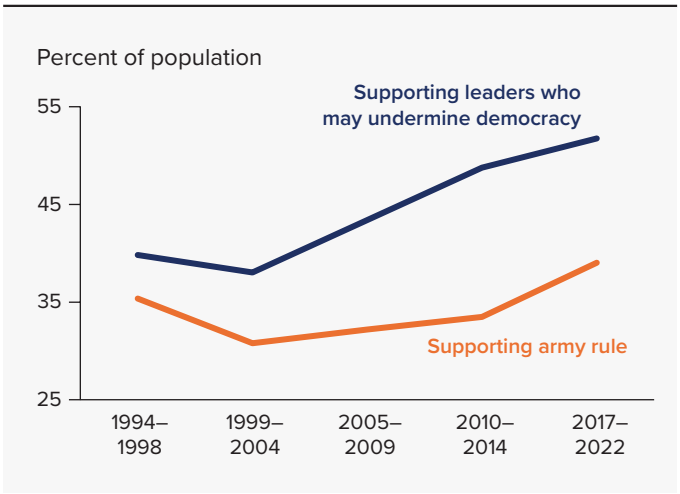
People are questioning some core principles of collective action. The increase in support for leaders who might undermine democratic norms and practices has been accompanied by a rise in preferences for military rule, which today reaches 39 percent of the population (figure 5.2).[32] This apparent paradox (commitment to democracy along with increasing support for leaders who undermine it) mirrors the gridlock in adjusting current institutions—not fit for purpose amid shifting patterns of interdependence—to the evolving demands from people around the world.

Figure 5.1 The democracy paradox? Unwavering support for democracy along with increasing suport for leaders who may undermine it



Note: Data are population-weighted averages for a panel of countries representing 76 percent of the global population. Percent of population on the vertical axis refers to people who responded that having a strong leader who does not have to bother with parliament and elections is "very good" or "fairly good." Percent of population on the horizontal axis refers to people who responded that having a democratic political system is "very good" or "fairly good."
Source: Human Development Report Office based on data from multiple waves of the World Values Survey (Inglehart and others 2022).

Figure 5.2 Large and increasing shares of the population support leaders who may bypass democratic norms and practices, 1994–2022



Note: Data are population-weighted averages of a balanced panel of countries representing 76 percent of the global population. Percent of population supporting leaders who may undermine democracy refers to people who responded that having a strong leader who does not have to bother with parliament and elections is "very good" or "fairly good." Percent of population supporting army rule refers to people who responded that having an army rule is "very good" or "fairly good."
Source: Human Development Report Office based on data from multiple waves of the World Values Survey (Inglehart and others 2022).

Narrowing agency gaps can strengthen and legitimize institutions that enhance collective action

Narrowing agency gaps can enhance collective outcomes by improving the perceived legitimacy of institutions (see box 4.7 in chapter 4). Narrowing agency gaps allows people to have more opportunities to participate in public reasoning and decisionmaking through institutions they have confidence in. That confidence is in turn rooted in people's beliefs that institutions deliver on the collective action outcomes they are meant to support. Low confidence in institutions reflects shortcomings in delivering on those collective action outcomes. While economic shocks (such as increased unemployment) do not affect generalized trust or the belief that people are helpful, they are strongly associated with a decline in trust in institutions such as national parliaments (including the European Parliament in countries that are members of the European Union) and in politicians. Trust in the United Nations is less affected, suggesting a strong association between negative economic shocks and a decline in trust in institutions and individuals that people expect to more directly look after the common interest (figure 5.3).

Based on this reasoning, we assess agency gaps using two proxy variables. First, agency gaps are measured by the percentage of people who report having no or limited control over their lives. Second, agency gaps are measured as the percentage of people who report that their voices are not considered in the political system.[33] About half the world's people report not being in control of their own lives. And the agency gap in influencing collective outcomes is much higher, with more than two-thirds of people worldwide perceiving that they have little influence in the decisions of their government (figure 5.4).[34]

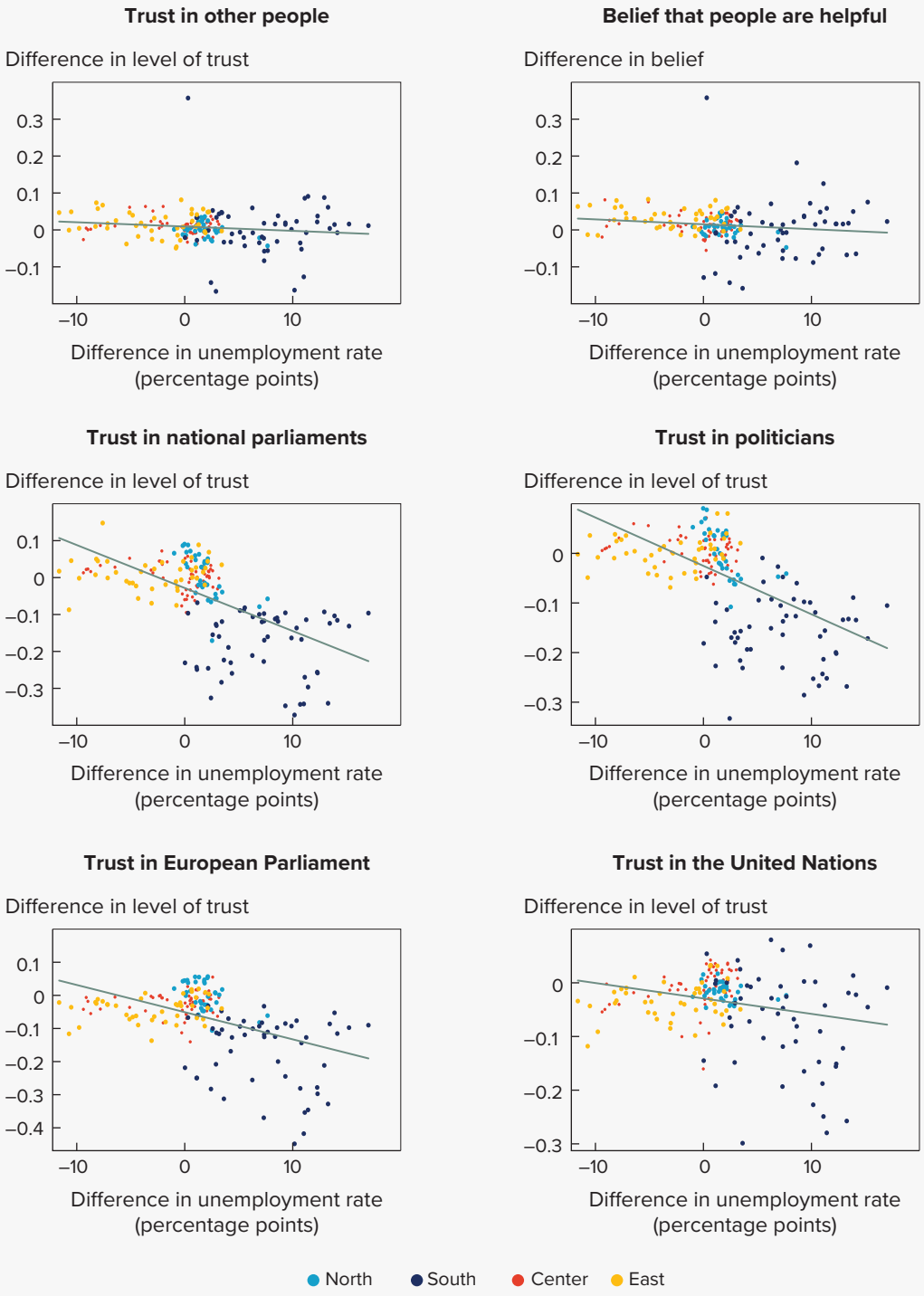
The less that people feel their voice is heard in government, the less confidence they have in government, regardless of how corrupt they perceive authorities to be (figure 5.5). In turn, higher perceptions of corruption are associated with reduced confidence in government. So, while addressing corruption is central to enhancing confidence in government (as widely recognized), confidence in government can also be increased at each level of perceived corruption by giving people more agency (as measured by their perception of having voice in government decisions).[35]

Narrowing agency gaps to foster collective action

Narrowing agency gaps can enhance collective action, particularly when cooperation is required. Indeed, agency opens space for cooperation beyond self-interest.[36] If "the concern for others directly affects one's own welfare,"[37] it pertains to advancing one's own wellbeing. But when cooperation follows from commitments that go beyond advancing one's own wellbeing,[38] we are in the realm of agency.[39]

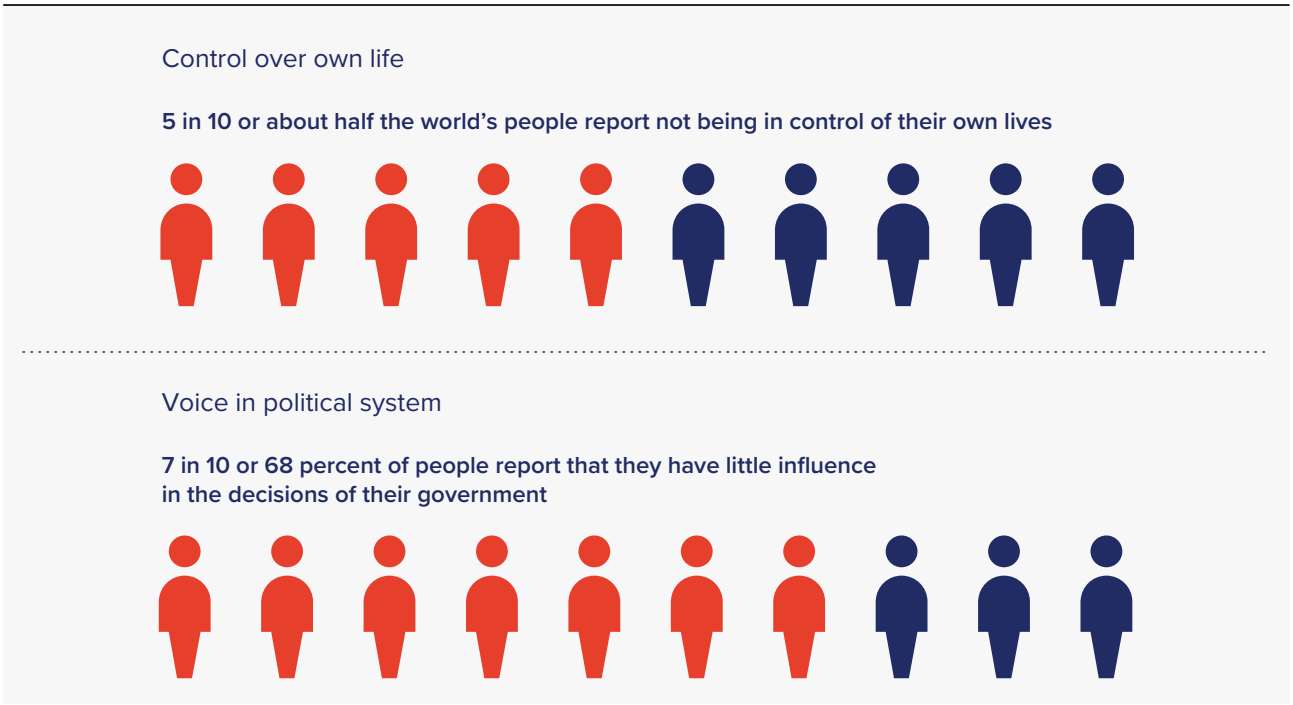
When agency includes the pursuit of commitments associated with collective outcomes, narrowing agency gaps can foster cooperation, but it is important to understand the mechanisms that may facilitate or hinder that link. Over the past several decades the association between agency (as measured by the belief that one is in control of one's life) and generalized trust (important for cooperation) has weakened; among people reporting high levels of control over their lives, there has been a large increase in those who do not trust others. A third of the

Figure 5.3 Economic shocks are associated with lower trust in institutions—but the relationship is weaker for trust in the United Nations and in one another



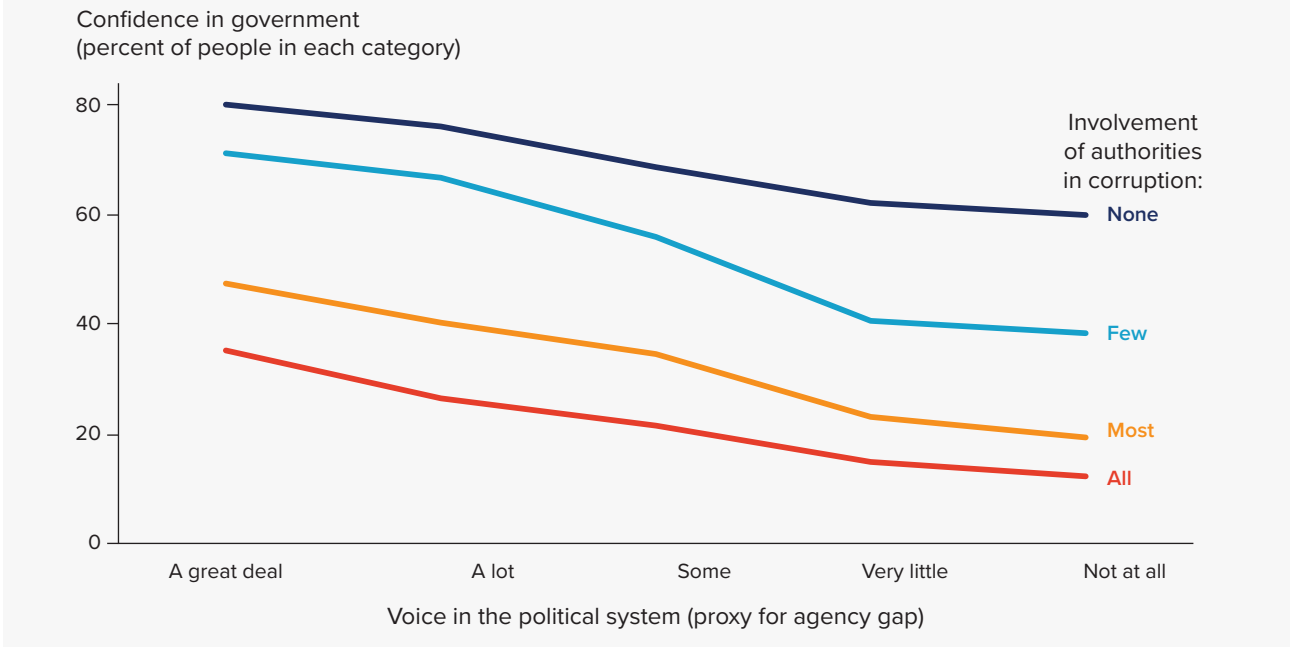
Note: Each figure plots subnational regions of 24 European countries at the Nomenclature of Territorial Units for Statistics level of aggregation. Levels of trust are based on responses to the European Social Survey. Differences are between observations pooled before the European debt crisis (2004, 2006 and 2008) and after the crisis (2010, 2012 and 2014).
Source: Algan and others 2017.

Figure 5.4 Agency gaps in collective action are higher than those in control over one's own life



Note: Agency is the ability of people to act as agents who can do effective things based on their commitments (Sen 2013). It is proxied by two indicators: the share of the population that reported feeling in control over their lives (measured on a scale of 1–10, where 1–3 indicates an acute agency gap, 4–7 indicates a moderate agency gap and 8–10 indicates no agency gap) and the share of the population that reported feeling that their voice is heard in the political system (those who responded "A great deal" or "A lot"). Data are computed using microdata and equal weights across countries.
Source: Human Development Report Office based on data from wave 7 (2017–2022) of the World Values Survey (Inglehart and others 2022).

Figure 5.5 Reducing corruption increases confidence in government but so does narrowing agency gaps



Note: Computed using microdata and equal weights across countries. Confidence in the national government implies reporting "a great deal" or "quite a lot" of confidence (other options: "not very much" or "none at all"). Voice in institution is captured by responses to the question, "How much would you say the political system in your country allows people like you to have a say in what the government does?" Perception of corruption is captured by responses to the question, among state authorities, "How many do you believe are involved in corruption?"
Source: Human Development Report Office based on data from wave 7 of the World Values Survey (Inglehart and others 2022).

global population reports control over their lives and no trust (figure 5.6). In turn, the share of the world's people with a high level of agency and trust in others has declined substantially.

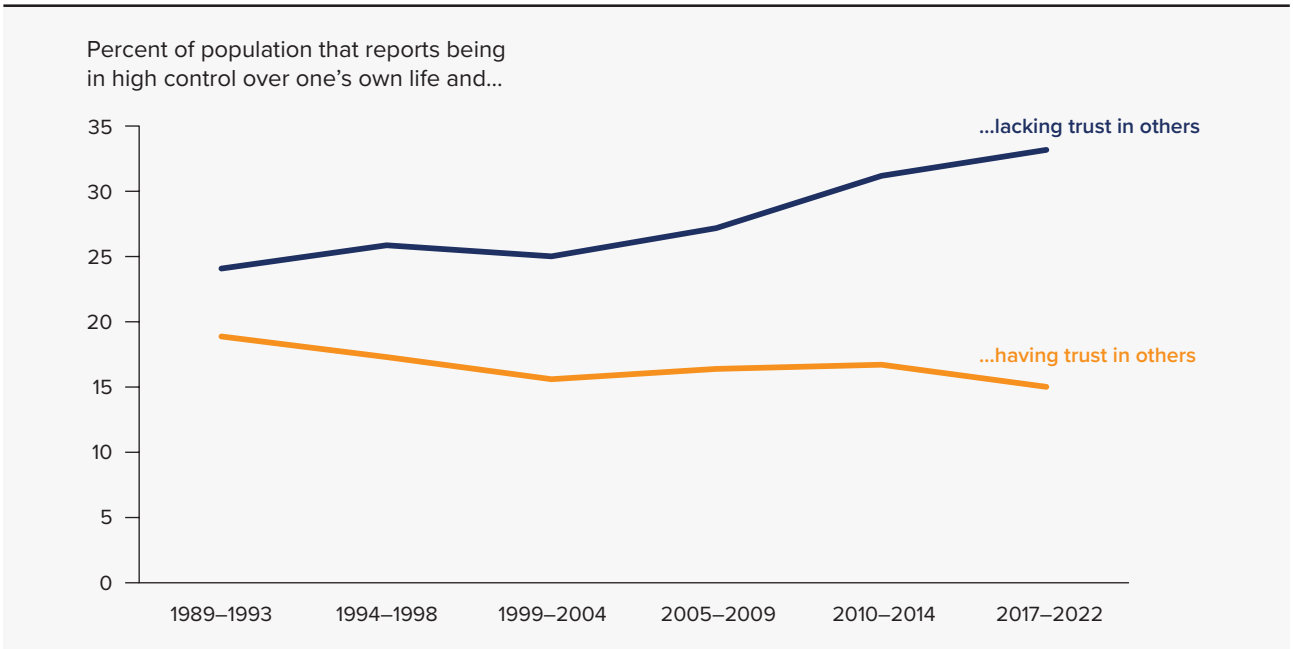
Thus, it matters to understand the factors that may account for the link between agency gaps and collective action. Factors that may mediate the relationship between narrowing agency gaps and prospects for cooperation include inequalities, power imbalances, human insecurity, a lack of space for deliberation and social norms biased against cooperation. Overcoming these challenges can make narrowing agency gaps more likely to enhance cooperation.[40]

Inequalities and power imbalances shape agency

Inequalities affect different agency gaps. There is a steep decline in the share of people reporting having very low control over their lives for the bottom 50 percent of the income distribution (figure 5.7). That is, agency increases as income grows for the bottom 50 percent of the distribution. At the very bottom lack of agency is particularly heightened (agency gaps are three times greater among people in the lowest income decile than in decile 6 and above). So, basic capabilities, such as being healthy or acquiring basic writing and numeracy skills, may be a binding constraint for agency (in addition to the well-established implications of people being deprived in wellbeing).[41] Moreover, the share of people reporting having very high control over their lives is low and fairly equal for the bottom 50 percent of the population but rises with income for deciles 6 and above. Thus, income inequalities, which often intersect and are associated with other inequalities in human development, shape agency.

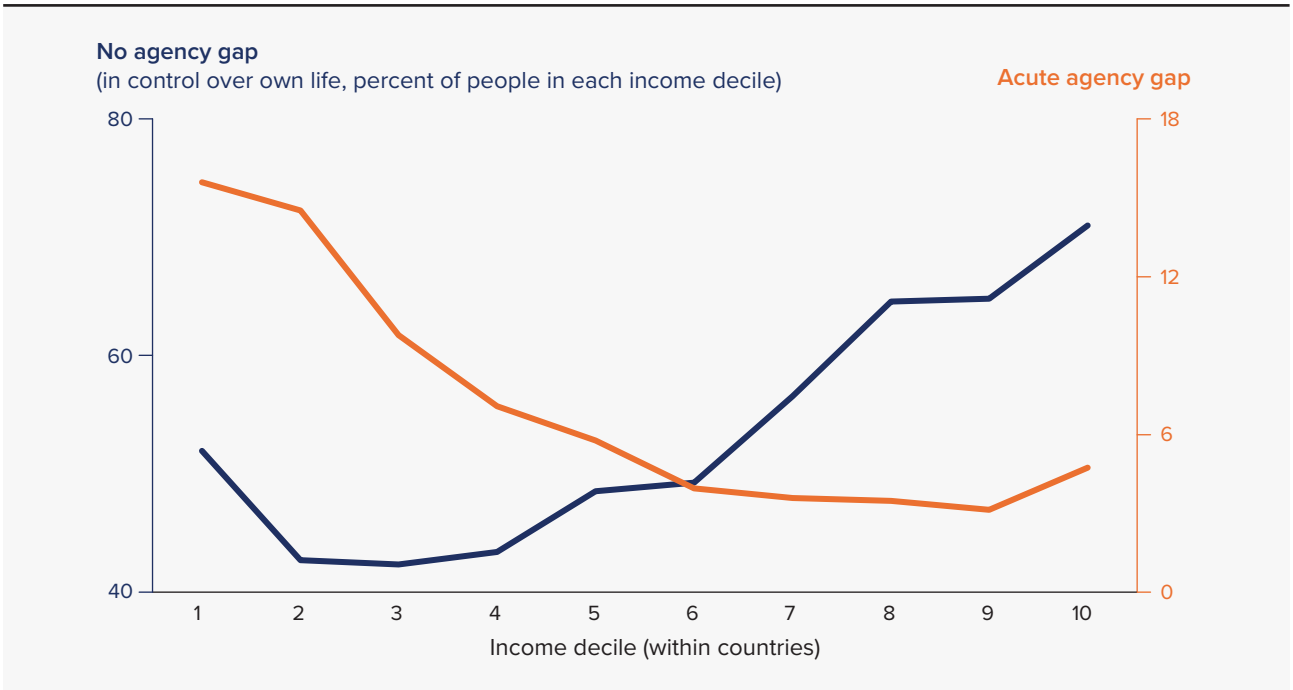
In turn, inequalities in both income and education are associated with inequalities in having an interest in politics, linking inequalities and processes that matter to shape collective action outcomes. The lower the income, the less interested people are in politics and the more likely they are to report never voting (figure 5.8). The relationship with education inequalities is even steeper: the lower the education level, the lower the interest in politics and the higher the likelihood of reporting never voting (figure 5.9).

Figure 5.6 Agency in control over one's own life and trust



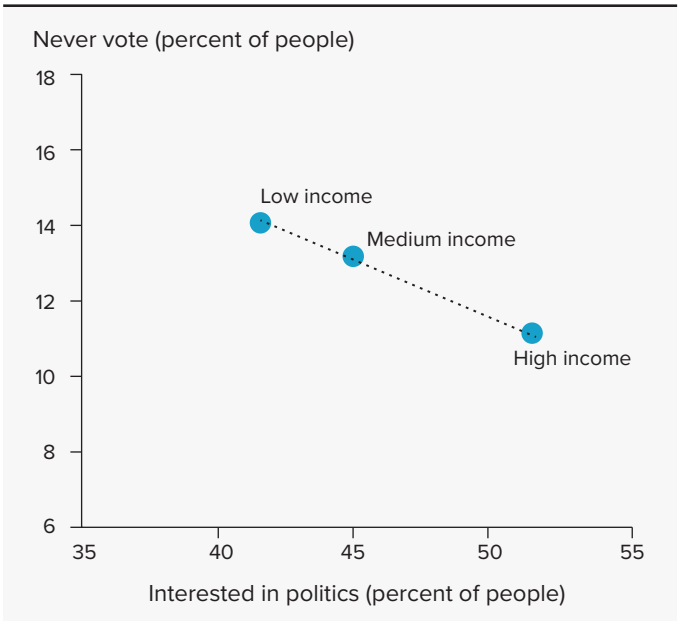
Note: Data are population-weighted averages for a balanced planel of countries representing 76 percent of the global population. Agency in control over one's own life is measured by those reporting high control (8–10 on a 1–10 scale). Trust in others is measured using responses to the question, "Generally speaking, would you say that most people can be trusted or that you need to be very careful in dealing with people?" Figures are based on individual-level data, intersecting both conditions (agency in control over one's own life and trust or no trust in others).
Source: Human Development Report Office based on data from the World Values Survey (Inglehart and others 2022).

Figure 5.7 The perception of agency (control over one's own life) is shaped by income



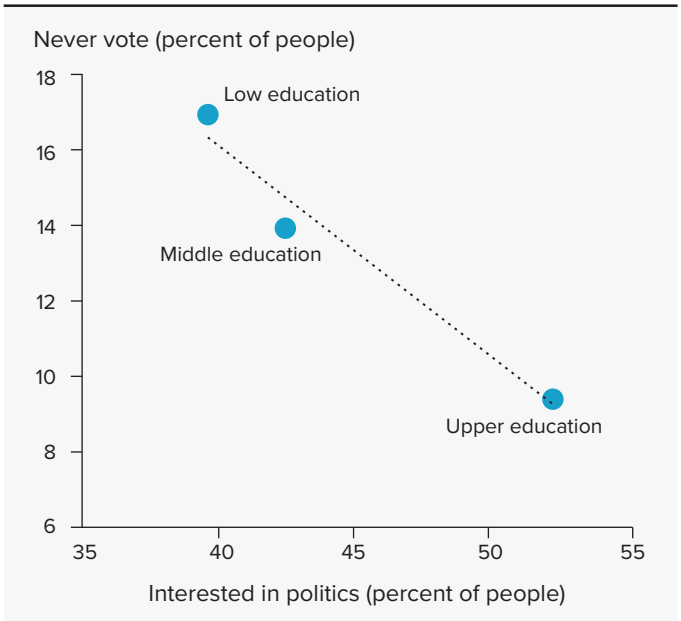
Note: Computed using microdata and equal weights across countries. No agency gap measures the share of the population reporting feeling in control over their lives (options 8–10 on a 1–10 scale). Acute agency gap measures the share of the population reporting feeling no or very low control over their lives (options 1–3 on a 1–10 scale).
Source: Human Development Report Office based on data from wave 7 of the World Values Survey (Inglehart and others 2022).

Figure 5.8 The higher the income, the more likely people are to report being interested in politics and voting



Note: Computed using microdata and equal weights across countries. "Never vote" refers to reported voting behaviour in national elections. Income reflects the subjective income level and is measured on a 1–10 scale, which is then recoded into three groups: low (1–3), medium (4–7) and high (8–10).
Source: Human Development Report Office based on data from wave 7 of the World Values Survey (Inglehart and others 2022).

Figure 5.9 The higher the education level, the more likely people are to report being interested in politics and voting



Note: Computed using microdata and equal weights across countries. "Never vote" refers to reported voting behaviour in national elections. Education is categorized based on the highest education level attained: lower education (up to lower secondary education), middle education (upper secondary education and postsecondary nontertiary education) and upper education (tertiary education and above)
Source: Human Development Report Office based on data from wave 7 of the World Values Survey (Inglehart and others 2022).

These inequalities in political participation by income and education achievements can exacerbate the biases in collective outcomes shaped by power imbalances that drive political decisions towards the interests of the more powerful.[42]

Human insecurity reduces agency

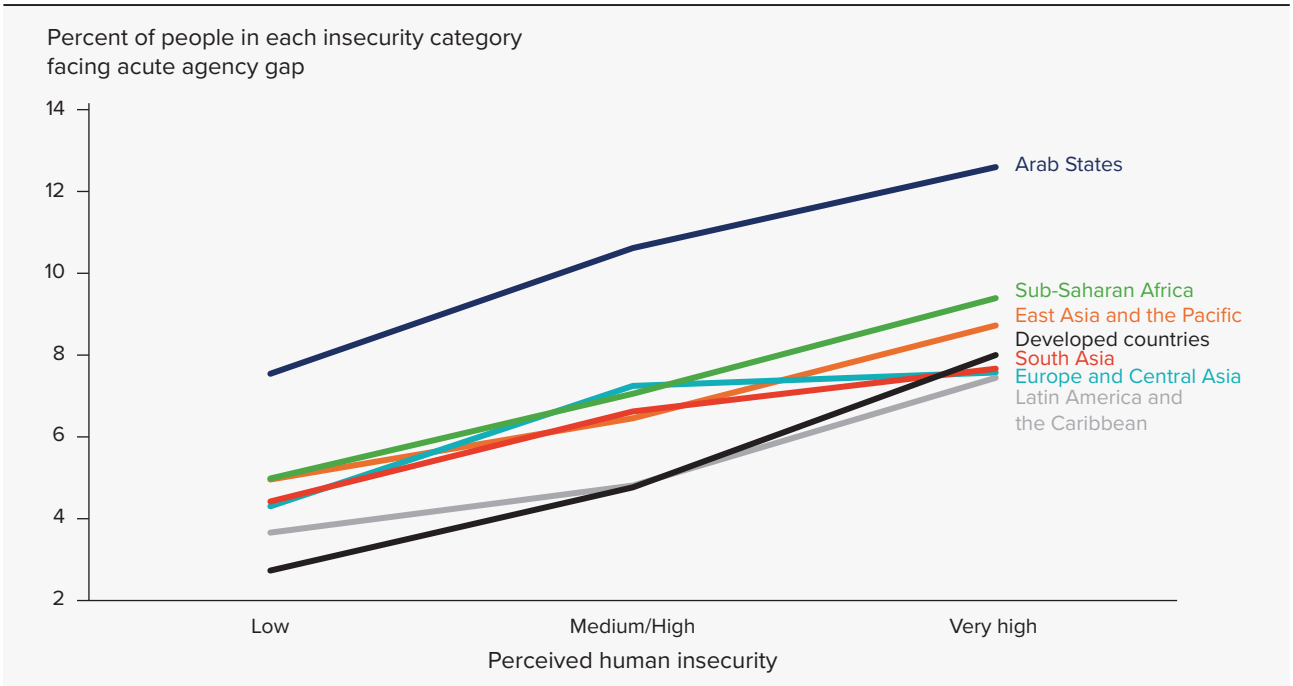
People who report feeling more insecure about some aspects of their lives also report feeling less in control of their lives. The decline of agency with the increase in perception of human insecurity holds across all world regions (figure 5.10). Human security is a multidimensional concept that pertains to people being free from fear, want and indignity.[43] Human insecurity constrains agency when people fear participating in social life or using public spaces and deliberation mechanisms without shame.[44]

Perception of human insecurity also affects generalized trust, key for cooperation. The higher the perceived insecurity, the lower the share of people reporting generalized trust, with this relationship stronger at higher HDI levels (figure 5.11). Moreover, among people in very high HDI countries, perceived human insecurity is associated with lower support for democracy and greater tolerance of violence as a means of political action.[45]

Higher perceived human insecurity is also associated with less confidence in institutions across the three branches of government—executive, legislative and judiciary (figure 5.12). The association gets stronger as the HDI level declines. Moving from association to causality between perceived human insecurity and confidence in institutions is difficult. Causality may be mediated by perceived human insecurity; if so, the association reflects shortcomings in the ability of institutions to deliver human security. And if that is so, addressing human security concerns directly can not only restore trust but also improve confidence in institutions. Both channels can enhance collective action.

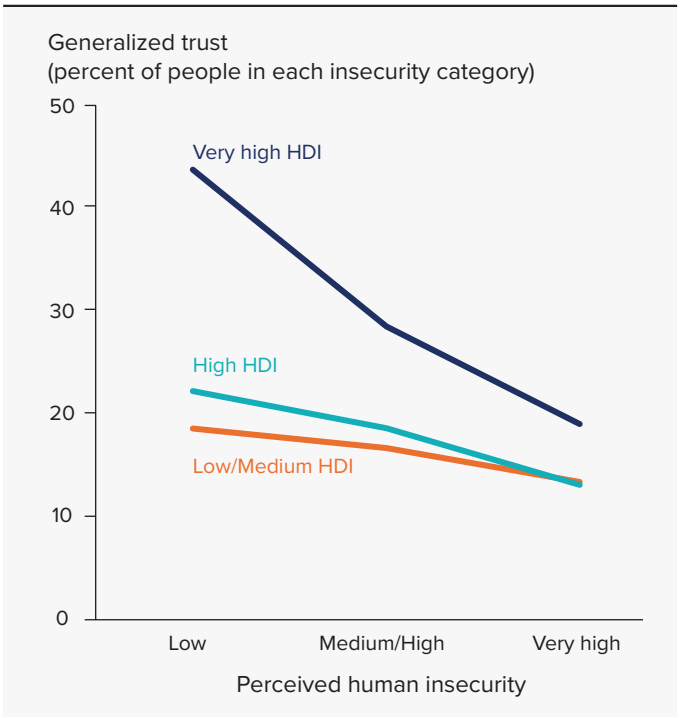
A human security lens can integrate policy goals and agendas, taking into consideration issues ranging from concerns with social cohesion (spotlight 5.1) to people's embeddedness in nature.[46]

Figure 5.10 The higher the perceived human insecurity, the lower the sense of control over one's own life



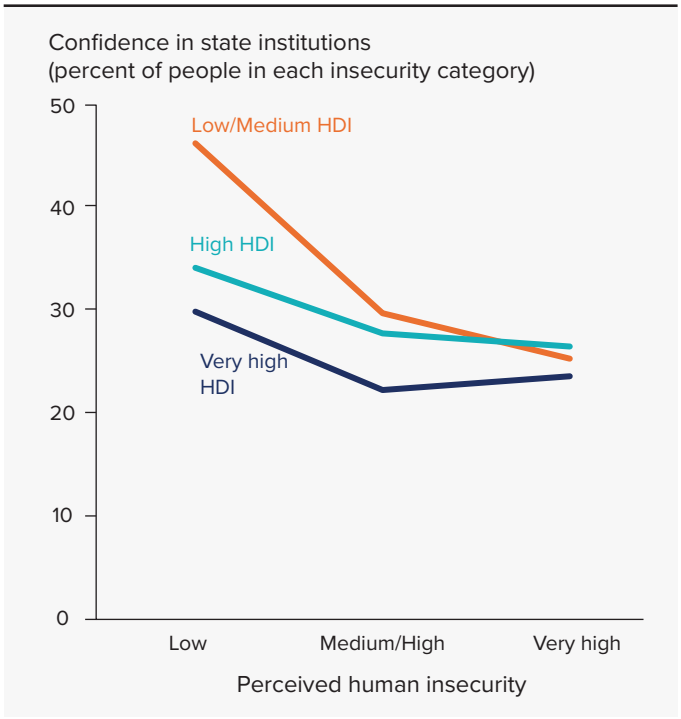
Note: Perceived human insecurity is measured as "low," "medium and high" and "very high," using microdata and equal weights across countries, and is based on the index described in annex 1.2 of UNDP (2022d). Acute agency gap measures the share of the population reporting feeling no or very little control over their lives (options 1–3 on a 1–10 scale).
Source: Human Development Report Office based on the latest available data from wave 6 (2010–2014) and wave 7 (2017–2022) of the World Values Survey (Inglehart and others 2022).

Figure 5.11 Perceived human insecurity is related to generalized trust, especially for higher Human Development Index (HDI) groups



Note: Perceived human insecurity is computed using microdata and equal weights across countries and is based on the index described in annex 1.2 of UNDP (2022d). Generalized trust implies reporting that "most people can be trusted" (other option: "need to be very careful").
Source: Human Development Report Office based on data from wave 7 of the World Values Survey (Inglehart and others 2022).

Figure 5.12 Perceived human insecurity is related to confidence in state institutions



HDI is Human Development Index.
Note: Perceived human insecurity is computed using microdata and equal weights across countries and is based on the index described in annex 1.2 of UNDP (2022d). Confidence in state institutions reflects combined confidence in the national government, the parliament and the justice system. Confidence implies reporting "a great deal" or "quite a lot" of confidence (other options: "not very much" or "none at all").
Source: Human Development Report Office based on data from wave 7 of the World Values Survey (Inglehart and others 2022).

Fostering the conditions for agency to enhance collective action through public reasoning and deliberation

Fostering the conditions that enable the formation of collective beliefs that transcend group boundaries can narrow agency gaps to enhance collective action. Promoting meaningful civic engagement in public decisionmaking implies that people feel their voices are heard and considered—not only as an expression of interests but also as a broader process of public input reasoning that scrutinizes beliefs, particularly those associated with polarization (chapter 6). One way to achieve this is through deliberative assemblies that some countries and communities are experimenting with (box 5.1).

Processes of public reasoning and deliberation are also used to enhance collective action at lower scales, as in the world of work, where there is growing recognition of the need for dialogue (box 5.2). Over the past few decades changes in the world of work—fragmenting global production through global value chains and de-unionizing workers—have reduced some of the established institutions that facilitate collective bargaining. With continuing rapid technological change, the demand for spaces for social dialogue among workers, firms and governments is likely to persist.

Social norms can support or limit collective action

Social norms, shared by many and socially enforced in a decentralized way, affect people's beliefs and agency and thus shape social behaviours and can support collective action (chapter 4).

Not all social norms are conducive to express human agency in cooperative outcomes. For example,

Box 5.1 Promoting more deliberative forms of citizen participation

UNDP Governance Team

Recent years have seen a surge of interest in deliberative democracy—which has been described as a deliberative wave.[1] Researchers and practitioners see these approaches as having the potential to address the crisis of democracy[2] by enabling new forms of citizen participation that are truly inclusive and grounded in evidence, informed by thoughtful analysis and conducive to consensus building.

Deliberative minipublics, such as citizen assemblies, are one way to operationalize deliberative democracy ideals. In Ireland a citizen assembly was established in 2016 to review aspects of the Irish constitution. Its recommendations resulted in two constitutional referendums, which led to substantial policy change on same-sex marriage and abortion. Voting patterns differed between voters familiar with the assembly and those not, suggesting an impact on the deliberative nature of the referendum in the wider community.[3]

Deliberative minipublics face challenges. One is the ethical and methodological difficulty of addressing the impact of inequality on minipublic dynamics.[4] A second is the complexity of embedding minipublics into broader systems of participation and political representation.[5] And a third is the risk of minipublics being used as a strategy to displace civic organizing and other forms of activism.[6] Even so, integrating deliberative standards into citizen engagement processes can overcome polarization and help elaborate high-quality public input.[7] So, there seems to be great merit in continuing to explore this field.

Notes
1. OECD 2020. **2.** Dryzek and others 2019. **3.** Elkink and others 2017. **4.** Lupia and Norton 2017. **5.** Lafont 2017. **6.** Young 2001. **7.** Curato and others 2017.

Box 5.2 Social dialogue in the world of work

International Labour Organization

Collective action and the representation of workers and employers through social dialogue, essential for democracy and good governance, hold potential for advancing human development. Social dialogue encompasses all types of negotiations, consultations and exchanges of information among representatives, governments, employers and workers. These interactions revolve around issues of common interest related to economic and social policies and include collective bargaining, workplace consultation and cooperation, and bipartite and tripartite social dialogue at the national and sectoral levels.

Social dialogue embodies a fundamental democratic principle: involving those most affected by decisions in shaping policies that directly affect them. Employer and worker organizations are crucial in this process. They act as agents and provide a collective voice for enterprises and workers. By broadening the scope of decisionmaking, social dialogue improves the quality, legitimacy and ownership of decisions, fostering a stronger commitment to their implementation. Consequently, this enhances the adaptability, agility and resilience of economies. Social dialogue—enabled through independent, strong and representative employer and worker organizations—provides space for cooperation and can advance economic and social progress, including by addressing inequality and inclusiveness in labour markets.

However, social dialogue must be based on two fundamental principles and rights at work: freedom of association and the effective recognition of right to collective bargaining. These core labour rights, coupled with effective institutions of work, underpin sustainable economic development and social justice. They empower both workers and employers to engage in meaningful dialogue, ensure that their voices are heard and lay the foundation for decent work and inclusive labour market outcomes.

Throughout the Covid-19 pandemic governments and social partners joined forces to create short-term strategies while formulating comprehensive, forward-looking policies and measures to shape an inclusive, sustainable and resilient recovery. In countries where active engagement between employer and worker representatives was integrated into the response, social dialogue not only was crucial in addressing the immediate challenges but also emerged as a vital part of the medium- and long-term solutions. Social dialogue is expected to play an even more important role in helping governments, working hand in hand with employer and worker organizations, to frame the appropriate policies for managing the deep and rapid transformations

(continued)

Box 5.2 Social dialogue in the world of work *(continued)*

at play today in the world of work and ensure a just transition towards more sustainable economies and societies, in line with the 2030 Agenda for Sustainable Development.

In this regard social dialogue and collective action by social partners are not just important tools for supporting human development; they are also foundational pillars for revitalizing the social contract, as laid out by the UN Secretary-General in Our Common Agenda.[1] By boosting confidence in democratic governance, promoting equality in opportunities and outcomes and ensuring social peace and prosperity, social dialogue contributes to rebuilding trust in public policies and institutions of work. It stands as an inclusive process for engaging diverse stakeholders, enabling participation in decisionmaking and guaranteeing fundamental rights at work, while extending protections to all.

Note
1. United Nations Secretary-General 2021.

social norms that are biased against the rights of and opportunities for groups of people hinder collective outcomes and hurt human dignity. Social norms biased against women and girls are an example. They are also threats to human security, not allowing some to live lives of dignity, representing an instance of what Amartya Sen would call "clearly remediable injustices."[47] Injustice can also be determined against widely agreed consensuses, such as the 1948 Universal Declaration of Human Rights or in the UN Charter and the corpus of international law, including "soft law" (agreements such as the 2030 Agenda for Sustainable Development).

Still, despite these normative and aspirational consensuses, social norms—along with policies and institutions—matter in how they are implemented and pursued. For example, gender social norms can either advance or curtail agency.[48] To see how, note how at the beginning of the 20th century, women in most countries were officially prohibited from participating in various societal roles, ranging from owning property and attending universities to engaging in politics. Women's agency gaps were stark and widespread. Throughout the 20th century extensive reforms worldwide recognized the equal legal, social, economic and political rights of women and men.[49] Although women in many countries still face legal restrictions affecting their agency, the progress in institutional reforms has been remarkable. Agency gaps encoded in formal laws have tended to disappear. The legal right to vote in elections—a basic expression of political agency—serves as a visible example of this evolution.

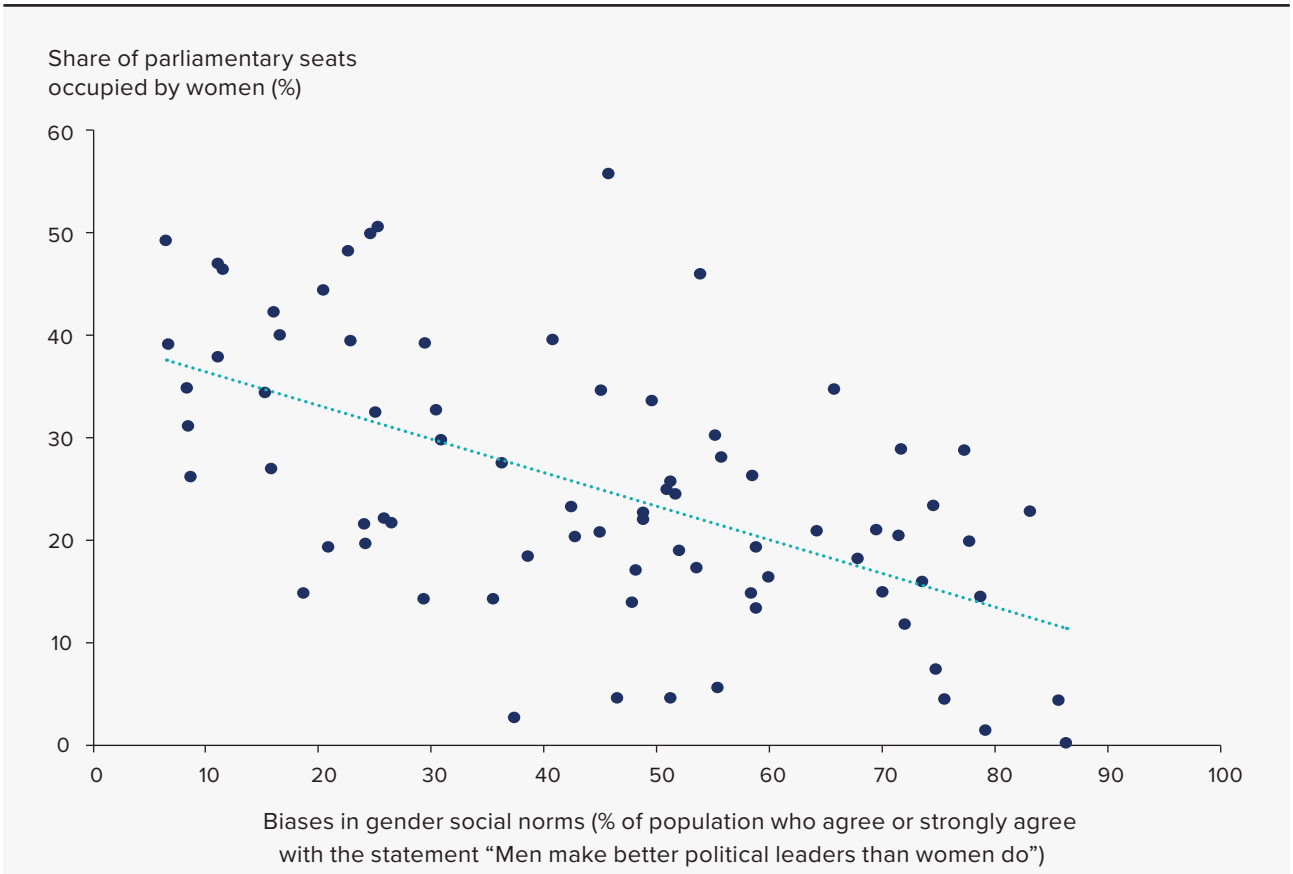
However, the effective agency of women remains restricted in many areas. A notable example is women's access to top political office—the pinnacle of political agency. Women serve as heads of state or heads of government in only about 10 percent of countries, a share little changed in recent decades.[50]

The 2023 Gender Social Norms Index, which treats biases as deviations from global shared standards of gender equality, shows that gender equality is being constrained by social norms biased against women.[51] Almost half of people believe men make better political leaders than women.[52] And biased norms might be so entrenched that women who occupy high political offices are judged more harshly. These biases permeate voting booths, interview panels, board meetings and more, limiting women's agency (figure 5.13). Simultaneously, they diminish our collective potential by perpetuating inequalities, excluding a diverse range of perspectives and experiences from public discourse and fostering further misperceptions and divisions.

When social norms suppress agency, they hinder broader processes of collective action by obstructing participation and cooperation—and exacerbating inequalities and divisions. Biased gender social norms can limit the effectiveness of policies[53] and curb women's agency—even when policies for gender equality are in place.[54] Fostering more equitable gender norms, where women are seen not just as beneficiaries of development interventions but as active agents of change and contributors to addressing shared challenges, allows for tapping into women's creative potential and boosts the diversity of ideas that can enhance collective action.[55]

Achieving equal rights and opportunities for women and men and dismantling harmful gender stereotypes advances the wellbeing and agency of everyone,

Figure 5.13 Biased gender social norms limit women's political agency



Source: Human Development Report Office based on data from wave 7 (2017–2022) of the World Values Survey (for biases in social norms) and data from the Inter-Parliamentary Union (for the share of parliamentary seats occupied by women in 2021). See also UNDP (2023a).

regardless of gender identity and expression. Redressing biased gender social norms can generate collective outcomes that go beyond directly improving the conditions of those excluded.[56] For example, peace processes that explicitly include women not only uphold women's human rights and strengthen their agency but also are more likely to result in comprehensive and durable peace agreements.[57] Close links between female peace agreement signatories and civil society groups, grassroots movements and other networks facilitate more bottom-up influence and local ownership over peace agreements and can enable inclusion of agreement provisions that address inequalities and power imbalances[58]—which are often among the root causes of violent conflicts.[59] Because women, still today, remain largely absent from formal peace processes,[60] advancing gender equality and opening spaces for more women to participate in these processes represent a huge potential peace dividend for societies at large.

A gender lens can help identify opportunities to advance collective action. Consider pandemic prevention and response, which require collective action at scale. Applying a gender lens implies recognizing and addressing gender differences in the global burden of diseases, as well as potential gendered impacts of response measures. For example, while men were at higher risk of dying from Covid-19,[61] the measures to contain the Covid-19 pandemic in many cases hit women harder, as they generally suffered higher job and income losses,[62] increases in domestic violence[63] and declines in mental wellbeing.[64]

While social norms are often contrasted with formal institutions and laws, they are always interacting with formal institutions, sometimes in mutually supportive ways and in other cases in tension. Recognizing how social norms may be curtailing agency, and identifying the mechanisms that can trigger norm changes towards enhanced agency, can inform

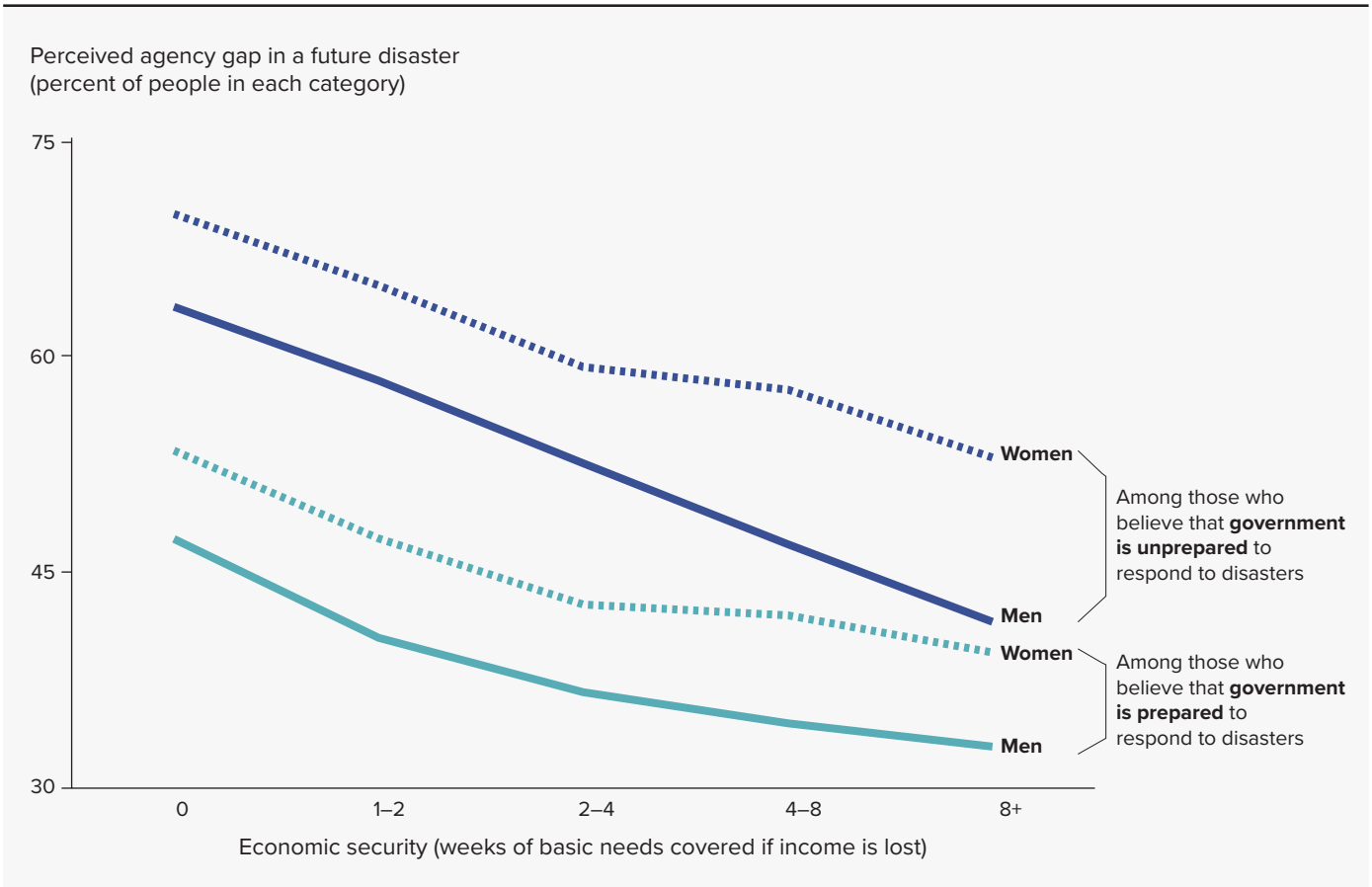
options to advance collective action. As the discussion on gender social norms shows, pinning all hope on formal institutions can be ineffective and even backfire if social norms are ignored.[65]

Women also feel less able than men to protect themselves or their families in the face of a future disaster. This can be interpreted as another agency gap, affecting 53 percent of women and 44 percent of men globally.[66] In addition to the fact that this agency gap is higher for women than for men, other patterns identified in this chapter emerge again: the higher the level of (economic, in this case) insecurity, the higher the agency gap, and belief that the government is unprepared to respond to disasters is associated with higher agency gaps (figure 5.14). This points directly to ways of narrowing agency gaps: eliminating gender inequality, strengthening national institutions' preparedness to respond to disasters and redressing insecurity. The discussion on disasters, specifically, also has relevance as we go deeper into the Anthropocene, given that unfolding processes of dangerous planetary change are likely to make disaster preparedness and response all the more relevant.[67]

Institutions to bring collective action to scale—people-centred, co-owned and future-oriented

Institutions can link agency with collective action at scale. With global interdependence being reshaped, narrowing agency gaps would be a way to pursue enhanced collective action. Narrowing those gaps involves promoting human security, redressing

Figure 5.14 Gender inequalities in agency gaps in facing future disasters are pervasive



Note: Perceived agency gap in a future disaster is measured as people not responding affirmatively to the question, "Could protect yourself or family in a future disaster?" Government preparedness is measured by the response to the question, "Is the national government well prepared to deal with a disaster?" Economic security is proxied through the number of weeks that a household could cover basic needs if income was lost.
Source: Human Development Report Office, based on data from Lloyd's Register Foundation and Gallup (2022).

inequalities, promoting social norms for cooperation and widening and strengthening spaces for deliberation.

> "Institutions would be better placed to support collective action at scale if they were people-centred, co-owned and future-oriented

To this end, institutions would be better placed to support collective action at scale if they were able to fulfil three core functions: being people-centred, co-owned and future-oriented.

- People-centred is about placing the enhancement of human development (including wellbeing and agency) as the ultimate goal, which includes also advancing human security.
- Co-owned is about the real and perceived fair distribution of the power to set collective goals, of responsibilities to pursue them and of the resulting outcomes.
- Future-oriented is about not only ensuring that future generations will have the ability to advance their human development but also putting in place mechanisms that are more predictable in enabling people to navigate an uncertain and volatile world (spotlight 5.2).[68]

These functions match the framing of beyond income, beyond averages, beyond today put forward in the 2019 Human Development Report.[69]

To illustrate what pursuing these functions would mean in practice, the chapter concludes by analysing what might be missing to support the provision of global public goods—and a perspective on ongoing and perennial debates about the evolution of multilateral institutions.

Building an institutional architecture to enhance the provision of global public goods

Development cooperation is premised on a dichotomy of so-called developed and developing countries, reflecting the aspiration to narrow the great divergence that emerged in the aftermath of the Industrial Revolution and has framed development thinking and practice since the middle of the 20th century.[70] Development finance evolved to support developing countries in converging, with finance channelled though both bilateral and multilateral means and comprising both capital and transfers from or guaranteed by developed countries. Development finance —such as official development assistance, including humanitarian funding—remains essential and insufficient. But it is clear, as expressed in the 2030 Agenda for Sustainable Development, that there is a need to look at universal aspirations beyond this dichotomy. One way of giving expression to those aspirations is recognizing the need, in an interdependent world, to enhance the provision of global public goods. And that implies building an institutional architecture to support the endeavour.

Providing global public goods is consistent with the three institutional functions proposed in this chapter. Their pursuit is people-centred, given the losses in human development and exacerbation of inequalities associated with their underprovision.

Given that global public goods are nonrival and nonexcludable at the global scale, institutions geared to support their provision are consistent with being co-owned. Outcomes matter, but so does the process of provision. And global public goods leave legacies well into the future, as with the eradication of smallpox, the mitigation of climate change and the introduction of a novel technology. So, their pursuit is often intrinsically future-oriented.

To elaborate further on how the three functions interplay with providing global public goods, consider how enhancing the capabilities of different countries or groups to contribute to global public goods is both an outcome and a process that matters intrinsically.

They matter because perceptions of fairness, or lack thereof, can stand in the way of providing global public goods (chapter 3).

Often, fairness and the expansion of capabilities work together. Indeed, one way of demonstrating that efforts to enhance the provision of global public goods can also advance equity is by showing that transferring resources and technologies to enhance the provision of global public goods often has national and local benefits in the recipient country.[71] For instance, international assistance to fund a renewable energy project in a low-income country with the aim of mitigating climate change can reduce local pollution and generate jobs.[72] These ancillary national benefits not only enhance equity—they also enhance efficiency by increasing the aggregate benefits of

enhanced global public good provision.[73] They are, however, typically neglected in policymaking associated with global public good provision, such as climate change mitigation,[74] for which the policy debate often emphasizes costs of mitigation.[75]

At the same time it is important to recognize that supportive policies in high-income countries for outcomes that seek to advance global public goods can have globally beneficial outcomes. In the mid-2000s both Germany's Energiewende and the California Solar Initiative in the United States provided generous benefits for solar installations at substantial short-term cost.[76] These subsidies led firms around the world, including those outside high-income countries, to innovate more, reducing prices and increasing adoption of solar panels elsewhere.[77] In addition to this induced innovation effect, subsidies also led to cost reductions through learning by doing and economies of scale.[78] While learning by doing and economies of scale can largely be appropriated by firms,[79] the subsidies were key because (in the absence of carbon prices that internalize the externalities of greenhouse gas emissions) they stimulated production that likely would not have happened otherwise due to underpriced fossil fuels.[80] These examples illustrate how subsidies for technologies in a few high-income countries can result in global spillovers, reaching low- and middle-income countries.

"Co-ownership can considerably enhance the social valuation of global public goods, recognizing them as shared achievements worldwide

Co-ownership can considerably enhance the social valuation of global public goods, recognizing them as shared achievements worldwide. The value and sustainability of global public goods may hinge on their impact and on mechanisms that foster public participation in their provision. If these mechanisms are co-owned, they are more likely to empower people to both contribute to and celebrate these achievements. As Martha Nussbaum points out, the social room for deliberation should be not only a safe space for criticisms and dissenting voices but also a nurturing ground for devotion to ideas that embody an overlapping consensus, which the pursuit of providing global public goods can be mobilized to deliver (chapters 4 and 6).[81]

Recognizing that global public goods have both domestic and global benefits has important implications for institutional design, including the support of international cooperation. For example, in climate change mitigation acknowledging the co-benefits of global public goods tends to bolster domestic support for participating in international agreements. Such participation generates benefits at the global and national scales[82] and may increase the likelihood of forming a robust coalition to combat climate change.[83] Providing support to countries in health-related weakest-link or best-shot global public good initiatives can yield substantial national and regional benefits.[84] Moreover, there can be synergy in flows aimed at advancing local or national public goods that cumulatively contribute to a global public good. International efforts to support biodiversity in African countries, for instance, can complement tourism revenue. Both revenue streams support local conservation efforts, generating biodiversity benefits nationally and globally.[85]

The flip side of co-benefits is that if domestic investment is motivated exclusively by benefits that accrue within borders, there may be underinvestment from a global perspective. At the same time it might not be reasonable to expect low- and middle-income countries, which are more likely to be resource constrained than high-income countries, to incur the additional cost that may be needed for global benefits to emerge. The economics from the national perspective may be such that it is not feasible for a country to invest in renewable energy. So, the international community could provide the funding for the incremental cost that results in generating global benefits. This is one way of interpreting existing financing arrangements that support the provision of global public goods, such as the Global Environment Facility.[86] The logic of financing this incremental cost could be extended to the support of global public goods beyond the environment, in most cases in the form of fully concessional financing.[87]

Several of the most promising opportunities for global public goods might be in low- and medium-income countries, where some mitigation projects (with global benefits) might be privately profitable. But even in those cases the projects are rarely implemented, because of regulatory challenges, a lack of capital or volatility (real or perceived).[88] So projects

with global positive externalities face the prospect of underinvestment.

Being future-oriented implies thinking about financing that addresses volatility, which can both attract private financing and make public finance countercyclical. In fact, in a volatile world countries are subject to shocks not of their own making, such as climate-related disasters, pandemics or global financial crises. These shocks often reflect the underprovision of global public goods and leave low- and middle-income countries on the receiving end of having to deal not only with the immediate costs but also with servicing the debt incurred to finance, for instance, infrastructure that may have been wiped out in a tropical cyclone. As the ongoing experience with high debt burdens in low-income countries in the aftermath of the Covid-19 pandemic illustrates, there is no predictable way for countries to collectively agree on how to deal with the challenge.

"Being future-oriented implies thinking about financing that addresses volatility, which can both attract private financing and make public finance countercyclical

One way to have a future-oriented approach is to provide financing through instruments that include state-contingent clauses that pause or defer debt service payments when countries face of shocks resulting from climate change or pandemics (spotlight 5.3).[89] This would increase the ability of low- and middle-income countries to contribute to providing global public goods even in the aftermath of external crises—to the benefit of all. These measures require coordination (if these financing options that carry an insurance element are more expensive than "plan vanilla" options) and enhanced capacity to allocate resources that may include a large share of concessional financing.[90]

Identifying gaps in existing multilateral institutions

Multilateral institutions have supported international cooperation and advanced welfare in several other ways.[91] But there is perennial debate about the need to have these institutions evolve.[92] How can they be designed to meet the three functional goals of being people centred, co-owned and future-oriented?

While nominally people-centred, multilateral institutions often have a limited or partial recognition of the pursuit of human development as an explicit goal. International financial institutions and parts of the UN system continue to invest considerable resources in estimating and projecting indicators associated with economic performance. This is very important and needed, but it sometimes is used and interpreted as defining the whole of development prospects and aspirations of people. Thus, the UN Secretary-General's emphasis on moving "Beyond GDP" aims at restoring a balance on how development progress and policies are assessed, beyond averages at the country level.[93] For instance, from the perspective of multidimensional poverty, nearly two-thirds of people in acute multidimensional poverty (730 million) live in middle-income countries.[94] This agenda offers the prospect of enhancing policymaking to address the multidimensional nature of human development as advocated in Human Development Reports over the years.[95]

Gaps in co-ownership are manifest in the continuation of the governance arrangements through written and unwritten rules that reflect a legacy of the distribution of power in the immediate aftermath of World War II. This extends from international financial institutions to the United Nations, with several proposals over the years to redress the lack of representative governance arrangements.[96]

Co-ownership implies a fair distribution of the burden of government action, avoiding inequalities resulting from tax avoidance and evasion. Over the past decade there has been progress in controlling tax evasion, mainly through increased information and transparency around the world.[97] And there has been extensive cooperation through the Organisation for Economic Co-operation and Development/Group of 20 Inclusive Framework on base erosion and profit shifting, with the participation of 140 countries and jurisdictions. A recent international tax reform changes the rules for tax jurisdiction and imposes a global 15 percent minimum effective corporate income tax, which is expected to collect $150–$200 billion a year.[98] To facilitate policy coordination on these issues, the UN General Assembly has started the process for a Framework Convention

on International Tax Cooperation.[99] Global minimum tax rates do not have to be very large to raise substantial sums if they are well enforced.[100] Enforcement is largely a policy choice and hinges on international coordination. For example, leveraging new technologies and advancing regulation that allowed automatic information sharing between banks and financial institutions helped speed progress against tax evasion.[101]

Trust and social norms also determine tax compliance, and policies that target these aspects can complement incentives and enforcement, such as taxpayer education and information programmes and stronger public services (see spotlight 4.4 in chapter 4). A future-oriented approach can contribute to a process of reform and effectiveness. The United Nations and the international financial institutions were created cognizant of the need to manage global interdependence (see spotlight 2.1 in chapter 2), objectives still valid today. But there is now greater recognition of the challenges of a planet undergoing dangerous changes and of interdependence being reshaped as we go farther into the Anthropocene.[102] An explicit focus on providing and financing global public goods could also strengthen a future-oriented focus of multilateral institutions —facilitating a push for investment, insurance and innovation.

SPOTLIGHT 5.1

Strengthening social cohesion to mitigate human insecurity: Promise and peril

Julia Leininger, Armin von Schiller and **Charlotte Fiedler,** *German Institute of Development and Sustainability*

With growing human insecurity and polarization, policymakers have shifted attention to the resilience of societies. The United Nations Development Programme (UNDP), for example, emphasizes solidarity as an essential building block for addressing universal challenges.[1] "Social cohesion" stands out as a buzzword in these discussions and is often suggested as a cure for many development problems and for the unintended consequences of development efforts.

In particular, social cohesion is praised for its alleged role in mitigating tensions, dealing with shocks and enabling productive cooperation for the common good. As such, social cohesion, understood as the glue that holds societies together, has been declared in policy and academic discussions as a precondition for sustainable and inclusive development. Fostering but also protecting it are now high priority goals in policy documents and in international cooperation. The Covid-19 pandemic accelerated this trend.

But is social cohesion a cure for the apparent dichotomy of human development with human insecurity?[2] As many governments and international organizations launch or scale up campaigns to promote social cohesion in societies—among groups or between citizens and public institutions—it is time to ask what we know about the relevance of social cohesion for supporting human development and reducing human insecurity. Also, what are the leverage points for policy action, and what is the effectiveness of currently applied measures?

Social cohesion for human development

Social cohesion is not a panacea, but there is proof of its relevance for human development and, thus, human security. One of the most important yet barely recognized values of social cohesion is as the foundation for societies to reach agreement on what a common good is in a particular context and who gets a share of it. Where polarization divides societies, opposing groups develop unbridgeable disagreements over issue-oriented questions such as the right pandemic measures (for example, Covid-19 vaccines) and over shared values such as the right to live.

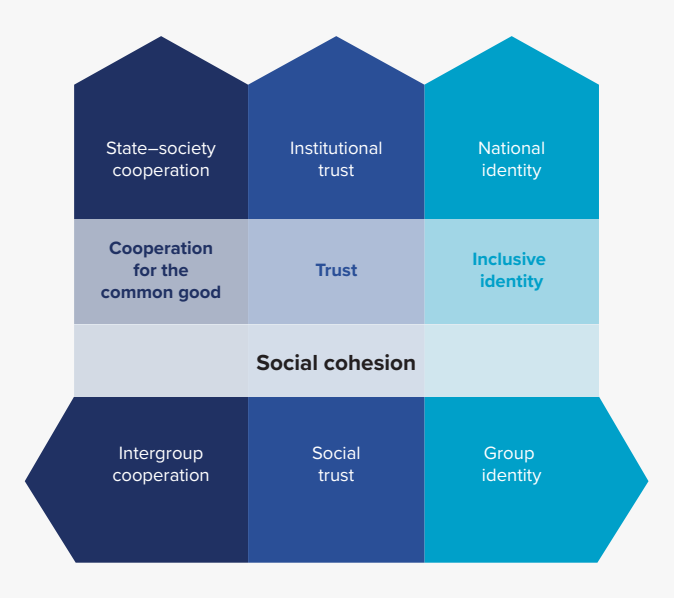
Evidence on development outcomes indicates positive effects of social cohesion on a variety of indicators. Overall, social cohesion correlates positively with human development, as measured by the Human Development Index, in Organisation for Economic Co-operation and Development members[3] and in Asian countries.[4] However, such macroanalyses also indicate that human development affects social cohesion more than vice versa. Interestingly, social cohesion's effect on human development increases further when mediated through state legitimacy.[5] This underlines that social cohesion is independent of a country's income level.

One of the richest pools of evidence for the relevance of social cohesion for human development is its relationship with health. Evidence for 39 US states indicates that social cohesion, measured as social trust and membership in voluntary organizations, fosters mental as well as physical health, even moderating the effect of income inequality on increased mortality.[6] Most studies focus, however, on individual elements of social cohesion and their relationship with health. For example, social trust has a positive impact on health, but the intensity of the impact varies considerably with a country's socioeconomic development: the impact is much stronger in developed countries than in developing countries.[7] Also related to social cohesion, disinvestment in social capital is related to higher mortality rates.[8] Social cohesion also matters for effective decisionmaking and people's solidarity.[9] This mechanism is key in times of crisis: where societies are cohesive, governments can assume that their policies enjoy public confidence[10] and that individuals show unity with each other when facing collective problems.[11]

Social cohesion has a direct positive effect on GDP, particularly in western and Asian countries.[12] Less comprehensive analyses of social cohesion suggest that it has a positive effect on GDP because of the huge economic costs of interracial conflict and war or because it facilitates the emergence of better institutions such as a strong judicial system and freedom of expression.[13] However, these insights are based on broader measures of social cohesion that include indicators such as ethnic fractionalization. Overall, there is very little cross-country evidence on the relationship between social cohesion and economic development.[14]

More cohesive societies—particularly societies where citizens trust and are willing to cooperate with state institutions—could be expected to be better positioned to more effectively deliver basic services such as education. But most attention has been drawn to the opposite direction of the relationship: from education to social cohesion. In particular, universal education can contribute to social cohesion by reducing inequality and by creating "strong social bonds among different groups in a society."[15]

Figure S5.1.1 Proposed elements of social cohesion



Source: Leininger and others 2021.

Strengthening social cohesion for cooperation

To some degree the salience of the concept of social cohesion and its proven relevance for development masks conceptual and empirical challenges. Social cohesion is to many an elusive concept, and indeed, how it is defined, used and measured varies widely among those using it. That makes it essential to specify what social cohesion is if it is to feature prominently in policy discussion and design. In particular, conceptual clarity is essential to enable exchange on strategies to foster this key foundation of the social fabric in every society and aggregate existing knowledge on how best to do that. A useful and usable concept of social cohesion enables a global exchange, structures policy thinking and aggregates existing knowledge.

The following understanding of social cohesion builds on common denominators in research (figure S5.1.1). The starting point is the consensus that social cohesion is multidimensional. Furthermore, we need a concept that travels across levels and contexts and is therefore as effective in characterizing small communities in all regions as characterizing transnational contexts. While the concept needs to be capable of traveling across world regions, its measurement might vary with the context. In any case such an aggregated measure does not substitute for an analysis of the particularities of social cohesion in specific contexts.

In addition, it is essential to keep the concept lean if it is to be instrumental in analysing relationships with other development outcomes, such as human development or inequality. Based on this reasoning, we propose the following definition:

> "Social cohesion refers to the vertical and horizontal relations among members of society and the state that hold society together. Social cohesion is characterised by a set of attitudes and behavioural manifestations that includes trust, an inclusive identity and cooperation for the common good."[16]

Trust often appears in conceptualizations of social cohesion. Used here, it includes social and institutional trust and thereby captures both the horizontal and the vertical dimensions of trust.[17] Inclusive identity reflects that individuals can feel that they belong to multiple groups and thus have several identities (religion, ethnicity and gender, for example). A socially cohesive society implies that individuals with

different identities tolerate these differences and can coexist peacefully, so particular identities do not dominate the overall collective identity. Cooperation for the common good means that many people and groups cooperate for public interests that go beyond —and sometimes even conflict with—those of the individuals involved.

Although there is a common sense that social cohesion is more than the sum of its parts, scholars often study its parts individually, and policymakers address discrete parts of it. Most often the focus lies on trust. The concept of social cohesion proposed by the German Institute of Development and Sustainability[18] enables focusing on particular elements and identifying specific weak spots to concentrate on, but structurally it demands conceptualizing these analyses within the broader concept and phenomenon of social cohesion. In this approach trust is important, but it is only one part of the whole. It is important to analyse the other attributes as well as the interactions and synergies between them. But more important, to determine how socially cohesive a society is at a given (measured) time and how social cohesion evolves over time, it is necessary to analyse all of its parts, understanding that not all dimensions will develop in parallel.

Behind the bright light is a dark side of social cohesion

It is also necessary to acknowledge that despite its relevance, social cohesion does not necessarily adhere to the simplistic claim that more is always better. Knowing how social cohesion interacts at different levels, how it is used and how it is constructed is essential to avoid highly cohesive subgroups instrumentalizing social cohesion as a platform for exclusion. Social cohesion does not have only a rosy side.

Social cohesion as fuel for polarization

Social cohesion can be easily interpreted as an equalizer, forcing homogeneity on societies. This is a particularly salient issue in the context of the recent global trend towards autocracy. Nationalist political elites have been using polarization strategies to divide societies and increase their own power. These attempts—often successful—pursue an us-versus-them rhetoric, which defines criteria for "good citizens" and sets them apart from other groups who are "out." While this has created cohesive groups, it has also fostered unbridgeable divides over certain issues. Strengthening social cohesion requires understanding that the social fabric is sustainable only if it tolerates differences.

And this brings us back to the idea of solidarity as presented in UNDP's 2022 Special Report on Human Security.[19] It is about our capacities as human beings who constantly act collectively at different levels to face shared challenges together, such as the effects of climate change or health crises.

Disregard for scale and space can lead to unintended effects

Social cohesion suggests a peaceful social togetherness. Although it can be seen as a function of peace, it has an important discrete meaning. Conceptual distinctions are important because they have critical policy implications. For example, strengthening social cohesion within local groups might increase their togetherness. At the same time fostering bonds within a particular group can have countereffects if the within-group togetherness makes it difficult to bridge conflicts between that group and others.

There are risks to enhancing social cohesion for the sake of cohesion without identifying the basis for the common identity, trust and cooperation, as well as its goals. Social cohesion manifests on different interacting levels (from local to global) and in various spaces (communities in different locations or online spaces). Connecting levels and spaces is thus key for allowing the bright side of social cohesion to shine.

Looking at the bright side

With its potentials and its risks, social cohesion is rightly on national and international agendas. Increased attention to social cohesion comes at a time when polarization has been eroding it and human insecurity has intensified in all parts of the world. Recovering and rebuilding social cohesion are difficult once it has been damaged or lost. In this way it is not different from other positive types of human relationships: we often become aware of them only after they have been substantially weakened.

Using the concept of social cohesion to carefully think through how best to foster cohesive societies and limit polarization is a good starting point for international cooperation and policymaking at a time of increasing challenges. Social cohesion is both an explicit goal and a precondition for effective cooperation at all levels. In this sense it is wise to ensure that discussions are conceptually sound and that our still-fragmented knowledge is properly and efficiently aggregated to enable governments and international organizations to effectively engage on this topic. At all levels we face problems and crisis that must be addressed, navigated and solved collectively. Social cohesion explicitly addresses this collective dimension that so far has been highly underestimated.

NOTES

1. UNDP 2022b.
2. UNDP 2022a, 2022b.
3. Dragolov and others 2013.
4. Delhey and others 2018.
5. Seyoum 2021.
6. Kawachi and Berkman 2001; Kawachi and others 1997.
7. Hamamura, Li and Chan 2017.
8. Kawachi and Kennedy 1997.
9. Leininger and others 2021.
10. Abrams and others 2020; Wilkinson and others 2017.
11. Green and Janmaat 2011.
12. Delhey and others 2018.
13. Easterly, Ritzen and Woolcock 2006; Foa 2011.
14. Sommer 2019.
15. Uslaner 2019, p. 4.
16. Leininger and others 2021, p. 3.
17. Mattes and Moreno 2018.
18. Leininger and others 2021; Leininger and others 2023.
19. UNDP 2022b.

SPOTLIGHT 5.2

Solidarity and creative resolve

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How can we respond to the challenges of our times? This spotlight argues that solidarity and creative resolve can help overcome the threats to human development associated with mismanagement of interdependence and underprovision of global public goods.[1] Solidarity is "a sympathetic and imaginative enactment of collaborative measures to enhance our given or acquired relatedness so that together we fare well enough."[2] It requires empathizing with others and recognizing the ways in which we are interdependent and related.[3] Often solidarity also requires creative resolve: a fundamental commitment to overcoming apparent tragedy together.[4] More precisely, creative resolve requires us to question, imagine and act to promote human development insofar as necessary, possible and otherwise permissible.

Consider each component of this resolve in turn. First, creative resolve requires questioning limits to the possibility of promoting human development. We must question the claim that we cannot promote human development, as well as our background beliefs about what we can do. What questions we must raise will depend on the nature of the claims—we might question their reliability, source or implications. Second, this resolve requires seeking out creative ways of promoting human development, even when we do not yet know how to do so. It is not enough to consider existing options; we must often put new options on the table.[5] Finally, creative resolve requires acting on plans to promote human development, often through social movements or by helping change policies or institutions.[6] At least, we must strive to promote human development in this way as long as that does not require sacrificing anything more significant.

Solidarity and creative resolve can help in responding well to shared challenges together. Unlike mere teamwork, solidarity connects those on opposite sides of the planet in recognition of the fact that we are all vulnerable and interdependent and engages us in building the valuable relationships that promote development.[7] Unlike mere perseverance, creative resolve helps people think outside the box and reveals opportunities for addressing some of the most difficult, and seemingly tragic, problems of our time. Unlike mere problem solving, solidarity and creative resolve require us to put our commitment and cooperation into action to address difficult problems.[8]

Reflecting on how solidarity and creative resolve have helped people address major challenges to human development in the past may help us overcome substantial threats in the future. Consider the smallpox eradication campaign (chapter 3). The campaign was creative and resolute. When traditional vaccinations did not work, the global smallpox eradication programme tried ring vaccination—vaccinating all the people around those who were infected—which eventually helped conquer the disease.[9] The fact that smallpox was eradicated globally during the Cold War shows that solidarity and creative resolve can spur international cooperation to overcome some of the greatest threats to human development, even when countries face disparate interests and resources.

Contrast the global fight against smallpox with the international response to the Covid-19 pandemic (chapter 3). When the pandemic first swept across the globe, the World Health Organization (WHO) issued a solidarity call to action to realize equitable global access to Covid-19 health technologies through pooling of knowledge, intellectual property and data.[10] The Access to Covid-19 Tools Accelerator—a platform for international support for addressing the disease—helped coordinate the global response. The platform supported diagnostics, vaccines, therapeutics, equitable access and basic health systems development.[11] Although the COVID-19 Vaccines Global Access facility (better known as COVAX)—or vaccine arm of the global response—was the best funded, it failed in its aim to vaccinate 20 percent of the world

by the end of 2021.[12] Vaccine nationalism in high-income countries and profit-driven neglect of global equity stymied this effort.[13]

Consider how we might better prepare for, and respond to, future pandemic threats with solidarity and creative resolve. First, the international community should come together and create new funding mechanisms for vaccines and other essential countermeasures. But this funding should be conditional on companies sharing the knowledge, data and intellectual property rights needed to produce resulting products. So, when supply is limited, manufacturers can produce the technologies at low cost and distribute them widely.[14] Moreover, funding should be tied to the health impacts of resulting technologies. While there is considerable development of new drugs for affluent patients, inadequate treatments exist for several of the world's worst killers, and often the global poor cannot access the treatments that do exist in a timely manner.[15] Paying for essential countermeasures based on health impact could incentivize the provision of more impactful technologies. The incentives might consist of advance market commitments for companies with sufficient manufacturing capacity or prize funds for those without such capacity. They should be sufficient to cover the costs of research and development and ensure equitable access to the resulting products for all. Second, the international community should facilitate transparent, accountable, collective procurement and differentially price the resulting innovations, charging market prices in rich countries to recoup investment costs while subsidizing distribution in low- and middle-income countries.[16]

Collective procurement and differential pricing may also help us acquire the resources to implement other measures to ensure equitable access to resulting products. The international community must, for example, invest in improved manufacturing, distribution and basic health systems, including monitoring and response capacity, healthcare workers, and transparency, communication and community engagement activities.[17] Moreover, the international community must support other technology transfer initiatives. For instance, countries should exercise flexibilities in the Agreement on Trade-Related Intellectual Property Rights and support much more extensive patent waivers in future pandemics if companies are unwilling to make existing essential technologies needed to combat these threats available to all on reasonable terms.[18]

Some argue that solidarity and creative resolve cannot help the international community promote human development and that proposals along the above lines simply are not feasible, but what we can achieve together is up to us.[19] We should refuse to accept the claim that determining our collective fortunes and promoting human development for all is impossible.[20]

Solidarity and creative resolve can help us come up with and implement effective responses to a variety of threats beyond global pandemics—including climate change, financial crises and war. Moreover, when good ways to address threats to human development exist, solidarity and creative resolve can help the international community cultivate the political will needed to implement them. To address existential threats such as climate change, we do not just need to create incentives for making the green energy transition, to implement better land and water use policies and so forth.[21] We need ways of getting people to think differently about their moral obligations.[22] If people think that they do not have to act in environmentally sustainable ways because their individual action will not make a difference, humanity holds little hope of overcoming the kind of collective action problems we need to overcome to combat climate change. So, we may have to focus our creative efforts on making the case that we should see ourselves as bound to promote human development for all whenever we can achieve positive change together. Solidarity and creative resolve can give us hope and help us make meaningful progress in addressing the shared global challenges we must overcome to flourish on a changing planet.

NOTES

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1. Ba and others 2021, pp. 391–392.
2. Atuire and Hassoun 2023, p. 4.
3. Atuire and Hassoun 2023; Hassoun 2021c, 2022. This is compatible with using market mechanisms to achieve positive change, but solidaristic efforts might also employ other methods that require changing the ways markets function. For other interpretations of solidarity, see Davies and Savulescu (2019) and Gould (2018).
4. Hassoun 2020.
5. Those who fail to have creative resolve may believe that the status quo is acceptable or think that it is impossible to change. However, there is substantial psychological evidence that people do not consider enough alternatives in decisionmaking and that when we imagine ourselves succeeding in tasks, we are more likely to do so (Bearden, Murphy and Rapoport 2005; Braithwaite 2004; Snyder 1995, 2000). It is important not to take too narrow a view of feasibility or possibility, assuming tight time frames or financial constraints (Brennan and Pettit 2004; Goodin 1995). Many other virtues and capabilities are necessary for creative resolve, and cultivating it may require practice in favourable conditions. For further discussion, see Hassoun (2022) and Hassoun, Friedman and Cosler (2022).
6. Gould 2018; Hassoun 2020. Creative resolve can also help us secure other essential moral goods; for further discussion, see Hassoun (2020) and Hassoun, Friedman and Cosler (2022).
7. Hassoun forthcoming.
8. Hassoun 2022.
9. Hassoun 2020, 2022.
10. WHO 2021b.
11. WHO 2021a.
12. Berkley 2020.
13. Hassoun 2021a.
14. Atuire and Hassoun 2023; Basu, Gostin and Hassoun 2021; Conrad and Lutter 2019; Hassoun 2021b; Miller 2020; Saxena and others 2022.
15. Hassoun 2020; Hassoun, Friedman and Cosler 2022.
16. Basu, Gostin and Hassoun 2021; Moon and others 2011; Saxena and others 2022. Companies and international organizations sometimes use tiered pricing, but here the idea is to provide rich as well as poor countries access to medicines at reasonable costs for their contexts through a global procurement mechanism. Moreover, doing so has the potential to save companies and countries money (as pharmaceutical pricing, even for the public sector, is complex, with many intermediaries).
17. Hassoun 2020, 2021b. We must also do many other things to address the problems with our current global response plans. For instance, we must address the structural and social determinants of health to limit vulnerability and ensure adequate social protection during pandemics (Basu, Gostin and Hassoun 2021; Saxena and others 2022).
18. Basu, Gostin and Hassoun 2021; Saxena and others 2022. Any further health dividend the international community can reap from cooperating to prevent and address major pandemics might be fruitfully redirected towards promoting other aspects of human development. This proposal's novel contribution is to combine delinkage with collective procurement, differential pricing and other measures to ensure access to essential technologies during pandemics to ensure that the mechanism is self-sustaining.
19. McAdams and others 2020; Moon, Alonso Ruiz and Vieira 2021. Drawing together the overarching recommendations on addressing health threats articulated above, we might parallel the World Social Charter's suggestions in creating new, innovative institutional structures to address major global threats; creating a multilateral fund to support these structures; and enhancing efforts to set targets and evaluate performance in addressing these threats.
20. Unless, of course, doing so is impossible or will produce worse results. These limits are part of creative resolve's definition.
21. UNDP 2020a, 2020b.
22. Sen 2008.

SPOTLIGHT 5.3

The role of multilateral development banks in the provision of global public goods

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There is broad-based agreement among the United Nations and the Group of 20 (G20) and in the proposed Evolution Roadmap of the World Bank that multilateral development banks should provide financing to support developing countries' contribution to global public goods. Multilateral development banks have increased their financing for climate change mitigation and adaptation and to a lesser extent for combating pandemics and supporting biodiversity. However, the resources provided are still very small relative to what is needed. To enhance such financing, the institutions mentioned above share three recommendations.

- Increase financing to support the provision of global public goods by developing countries.
- Include contingency clauses to respond to the vulnerability of countries associated with climatological and health issues and to manage the effects of international economic crises on these countries. These clauses should allow the suspension of debt service with these institutions and even, eventually, a reduction in associated liabilities.
- Work more closely with the private sector to support its contribution to global public goods.

An essential theme of all these proposals is the need to channel concessional credits or donations through multilateral development banks. Furthermore, these benefits must also favour middle-income countries and create mechanisms that allow partial subsidies for credits to the private sector to leverage their investment in providing public goods. To make this possible, official development assistance must be greatly increased, an important challenge given the limited funds now available. Aside from concessional resources, the proposals call for longer-term multilateral development bank loans (30–50 years), with longer grace periods and lower interest rates. To manage exchange rate volatility, multilateral development banks must lend more in the national currencies of borrowing countries, based on the resources they raise, with the placement of bonds in these currencies, which would also support the development of national capital markets.

Various other financial management proposals would enhance the relationship between the financing of multilateral development banks and their capital, while maintaining the standards that allow these institutions to maintain high investment grades in bond markets. Innovative financial mechanisms are needed to leverage private investment, including guarantees and public–private partnerships.

To expand available resources, the Special Drawing Rights (SDRs) issued by the International Monetary Fund (IMF) that have not been used by developed countries could be channelled through multilateral development banks, which are already authorized to hold such assets. This will require developing a new instrument that preserves the role of SDRs as reserve assets, based on the experiences of IMF funds that have already developed such mechanisms.

One of those funds is the Resilience and Sustainability Trust, which operates as a loan-based trust. Approximately three-quarters of IMF member countries—all low-income countries, developing and vulnerable small states and lower-middle-income countries—are eligible for extended affordable financing from the trust.[1] It is strategically oriented to address prolonged structural challenges, notably those related to climate change and pandemic preparedness. Since becoming operational in October 2022, it has approved 11 arrangements through its Resilience and Sustainability Facility.

For multilateral development banks to fulfil all these functions, as well as their traditional ones, the most important element is their capitalization. Capitalizations of the World Bank in 2018 and of all multilateral development banks after the 2007–2008 global financial crisis responded to this demand. A source of uncertainty, however, is whether some

major shareholders are willing to capitalize the World Bank and regional banks again.

The proposals differ considerably in the magnitude of the capitalizations required. The independent experts organized by the G20 proposed increasing the annual financing of these institutions to $500 billion by 2030, a third of which would be in official development assistance or concessional credits and the rest in nonconcessional credits.[2] Given the amount of bank approvals by multilateral development banks to developing countries, this means approximately tripling the value of their loans. UN estimates of the stimulus needed to achieve the Sustainable Development Goals (SDGs) are much more ambitious. In February 2023 the UN Secretary-General highlighted how the relationship between multilateral development bank financing and the size of the world economy was substantially reduced in the 1960s and 1970s, particularly for the International Bank for Reconstruction and Development of the World Bank Group.[3] For this reason the United Nations has suggested that a return to 1960 levels would imply a threefold increase in capitalization, enabling an increase in loans of nearly $2 trillion, an amount closer to the SDG financing gap.

Finally, it is important that multilateral development banks constitute a service network. In the case of the World Bank, this includes participating in regional projects alongside regional partners.[4] Added to this is the need for all multilateral development banks to work with national development banks and other public institutions.[5] Public development banks finance 10–12 percent of investment worldwide,[6] although with considerable differences across countries. This collaboration would allow national banks to become executors of global public goods programmes, as well as channels of information on the related financing needs of their countries.

NOTES

1. IMF 2023.
2. G20 2023a.
3. UN 2023a.
4. World Bank, 2023.
5. Griffith-Jones and Ocampo 2018.
6. UN 2023a.