

United Nations
High Level Political Forum on Sustainable Development, July 2020
Preparatory process

Draft input to the session on Advancing human well-being

Introduction

Advancing human well-being is at the heart of sustainable development and is about upholding human rights and eradicating deprivations across multiple dimensions, closing opportunity gaps and expanding capabilities – including those needed to cope with the Covid-19 pandemic and its consequences. It is also about safeguarding the natural environment on which everyone depends to ensure the well-being of current and future generations. However, we are falling short on improving all people’s lives due to inequalities in opportunities; inadequate access to quality education; persistent gender inequality; unequal access to quality health care and exposure to disease, the consequences of which are laid bare by Covid-19; and insufficient resilience to recover from shocks. Many of the needed transformations to advance human well-being are demonstrably possible, but pathways forward during the decade of action require cooperation, collaboration and dialogue among multiple stakeholders, and employing many levers to ensure no one is left behind, including the most vulnerable.

1. ***Policies, actions and trade-offs:*** What are some promising actions to support progress toward advancing human well-being and building capabilities? How could these actions be designed to generate synergies with other Goals and Targets? What are some of the possible trade-offs from these actions and how can they be mitigated (see example below)? What are the most critical interventions that will be needed to strengthen human well-being over next 2 years, 5 years, 10 years? What are the interlinkages we can leverage to advance human well-being in the recovery phase of the COVID-19 pandemic? How can national and local systems be strengthened to provide integrated quality, sustainable health and social services to communities in all settings?

Advancing Human well-being should be construed and approached as actions and policies aimed at enlarging the adequate environment for people’s freedoms and opportunities to thrive. It is about the genuine essential freedom any Human being should enjoy deciding on their destiny, where and how to live their life. In general, with relative differences among countries, the socio-economic and political environment has not yet been able to unleash the full potentialities of Human beings and as such has rather limited the progress towards fulfilling full human well-being. The Agenda 2030 is a plan of action for people, planet and prosperity, which strives to strengthen universal peace while ensuring increased respect for the fundamental freedoms. There is no doubt that eradicating multi-dimensional poverty in all its forms, including extreme poverty, as well as structural inequalities and exclusion represent formidable challenges. Nevertheless, these are sine qua non conditions for advancing Human well-being.

The current escalating COVID19 pandemic has laid bare structural weaknesses in public institutions at the national, regional and global levels. Its economic effects will most likely unleash further contraction even as the health threat recedes, especially hitting the most vulnerable groups around the world. It is incumbent upon public institutions to provide a healthy and egalitarian environment for the society at large, for its members without discrimination or exclusion to fulfil their full potentialities through provision of equal socio-economic conditions and opportunities, good quality public education, inclusive and accountable

political governance setup that empowers people, and to care for the most vulnerable, through good quality healthcare and educational systems and targeted welfare programs. To strengthen national and local systems to provide integrated equality, decision-makers need to reconsider the socio-economic paradigm based on a number of economic assumptions which gave free reign to the market, profit-driven health care systems and education.

To achieve Human well-being, the SDGs offer the global community a compelling vision and universally agreed-upon framework for a sustainable and equitable future. Through carefully designed and adaptable policy mixes, it is possible to create synergetic effects and improve the global community's chances to advance Human well-being. Yet, identifying and quantifying these synergies warrants innovative and unorthodox approaches to policy analysis. These synergies should be widely applicable, while their patterns can vary according to the individual circumstances, specific conditions and capacities of countries. Synergies derived from interacting policies, whereby the aggregate effect is different from the sum of the individual ones, offer substantial opportunities for cost-effective development strategies. In fact, the present state of imbalance across the three dimensions of sustainable development arises from not having fully considered the complementarity between them. It is complementarity with the interlinkages between the goals and targets that can best guarantee a successful transformative change, when adequacy taken into account. The most effective way to make progress on a given target is to take advantage of potential synergies with other targets while striving to mitigate the negative trade-offs with others.

Given the COVID19 pandemic, and in terms of immediate actions to be taken to save lives and provide equal medical treatments to all, publicly-funded medicine and vaccines should be collectively-owned and made at disposal of people all over the world either free of charge or publicly-subsidized so it is affordable and available to all (ex. The polio vaccine) . In the long run, issues related to for-profit patented drugs should be discussed at the global level (UN, WHO) to reach an agreement on how these patents do not represent anymore an obstacle towards providing medical treatment to all.

Suggested recommendations:

- Strengthen public service provision systems through allocation of sufficient and adequate resources
- Expand publicly-funded healthcare resources and systems to fight off COVID19 and adequately prevent other looming crises.
- Provide emergency support for the unemployed and the most vulnerable households
- Reinforce unemployment insurance benefits, rent subsidies and moratorium of mortgage payments for those with financial difficulties, to avoid that increasing financial stress delays further economic recovery over the coming years.
- Significant well-designed and targeted supported to SMEs and the self-employed (access to working capital, bridge loans with preferential terms, and flexible repayment schedule...etc) to help them recover their livelihoods and avoid, inter alia, further business consolidation and concentration in even fewer giant companies.
- Reconsider large government privatisation schemes of public assets, in particular those affecting strategic sectors, such as education and healthcare systems and energy.
- In close collaboration with the private sector as relevant, Governments should promote people-centred and pro-poor policies and investments for decent, sustainable jobs, sustainable universal access to vital services such as water, transport, energy and sanitation, with effective management of all waste and pollutants. Local systems and communities can play a major role through increased engagement in advancing sustainable urban and rural development

2. *Leaving no-one behind:* Which groups are especially vulnerable to poverty and lack access to capability enhancing services like quality education, health care and clean water and sanitation and what are ways to ensure that actions leave no one behind? How can legal reforms, shifts in social norms, and changes in economic and social policies be applied to produce tangible shifts towards greater equality, particularly by prioritizing the rights of the poorest and most marginalized populations? How do we overcome barriers and allocate resources to unlock the potential of young people and women, and empower marginalized groups, including migrants and refugees? Is there new evidence from the impact of COVID-19 on vulnerable groups that can help inform tailored policy interventions?

As numerous recent studies and increasing number of experts have shown, income inequality has increased in almost all parts of the world in recent decades, though at different rates. The large disparity in the degree of inequality observed from one country to another, even when these countries have comparable levels of development, highlights the decisive role of public institutions and national public policies in the evolution of inequality. Income inequality varies greatly from region to region and from country to country; e.g. from Europe, where it is the weaker to the Middle East, where it is the most pronounced.

Increasingly, resources are unevenly distributed. income distributions are heavily skewed towards the top tiers of societies, public services existent in some districts and for some groups only, while large swaths of the population in the periphery especially, are left marginalized. Worse even, the power to decide over the distribution of public resources is monopolized to the benefit of the few to the detriment of the many. The situation is aggravated further for the most vulnerable groups, including women and even more so in times of crises and conflict as those deprived of social capital and symbolic power - are frequently the first victims because these various dimensions tend to be heavily correlated due to the way they are tied together in the social structure.

What is more, increasing empirical evidence is showing that the COVID-19 pandemic is exacerbating further structural poverty and inequalities. Besides those areas where the health infrastructure is weak and there is lack of sanitation and water, populations living in areas affected by protracted humanitarian crises and conflict, in which millions of people, migrants, refugees are on the move, are suffering the most. For example, for millions of refugees and IDPs in confined areas (Yemen, Syria, Libya, Rohingyas refugee camps...etc), self-quarantine and social distancing are not feasible options. Daily wage workers have lost their livelihoods due to the confinement and the closure of the economy. Also, women are among the vulnerable groups, as they do as much as 80% of the farming work in the world, and disruption in the food supply chain is having a negative effect on women's income

All told, there are several global lessons success stories to be evaluated for the nefarious effects of rising inequality in any given society and the overall empirical relationship between inequality and growth, and ultimately inclusive sustainable development. Given the necessity for institutional, legal, and socio-economic reforms, the private sector development and small-medium entrepreneurship as drivers for fighting poverty, and guaranteeing higher equality of opportunity and social justice, it is important to consider cases with global and regional significance that underscore lessons for the future of the global

order and offer success stories to be emulated by several developing countries, in particular Arab countries, where high levels of inequality still persist.

Fiscal policies targeting specifically vulnerable groups in terms of reduction of inequality and provision of good quality public services in terms of education and healthcare, to name a few, can help achieve that goal of leaving no one behind. Questions of equitable resource allocation and redistribution need to be put back into institutional performance agenda and the management of the economy. Governments should ensure equal access to opportunities, end legal and social discrimination and invest in building human capabilities so that all people are empowered and equipped to shape their lives freely and bring about collective change. Applying gender-mainstreaming to public institutions in order to promote more gender-egalitarian policies and laws as well as to provide conducive political and institutional environment for women's political and economic empowerment. Furthermore, enhancing and innovating in structures for participation: citizen and community participation in decision-making could be enhanced through developing skills of facilitation, debate and deliberation to enable community empowerment and community-led transformational resilience to manage change.

Concerning the situation in Arab region specifically and the possible policy interventions:

Arab countries have some of the highest levels of wealth inequality worldwide. The regional Gini coefficient of wealth is estimated at 83.9. Even limiting the attention to within-country inequality, the national wealth Gini is estimated to be 73.6 on average in Arab countries compared to 73.1 across other world countries. Two Arab countries are among the top 20 wealth-unequal countries.

The region's top 37 billionaires own as much wealth as the bottom half of the adult population. The Arab region holds \$5.8 trillion worth of household wealth according to our calculations from Credit Suisse data in 2019. The wealthiest 10% of adults account for \$4.4 trillion of that according to our calculations, and have an average wealth of \$182,939. The least wealthy 110 million adults (or 46% of the region's 294 million adults) have an average wealth of \$975. This means that the least wealthy half of the adult population held around 2% of the total wealth of the region in 2019. To put things in perspective, this 2% (\$108 billion) is also equivalent to the wealth of the region's top 37 billionaires (all men). The least wealthy are primarily nationals of LDCs, while the top 10% largely hail from GCC countries).

How does this compare with the cost of eradicating poverty? The cost of covering the poverty gap in 2019 using most recent nationally defined poverty lines was approximately \$38.9 billion for the 13 non-GCC middle and low-income countries whose population constitutes over 80% of the Arab population. Taking into account the impact of the COVID-19 crisis, the cost of closing the poverty gap may rise to \$46.7 billion in 2020. The total wealth of the top national decile in these countries in 2019, or 19.5 million adults, was estimated at \$1.5 trillion.

A 1.1% solidarity wealth tax can lift millions out of poverty in MICs. These numbers imply, if there was perfect targeting of the poor, an annual cash transfer of 2.6% in 2019 and 3.1% in 2020 could have sufficed to close the poverty gap in these countries. A solidarity tax of approximately appears to be a feasible policy option for eradicating poverty in MICs as the average tax required is around 1.1%.

For the LDCs, emergency regional support is needed: However, a solidarity wealth tax is not an adequate proposal to eradicate poverty in the vast majority of LDCs where the tax rate required could reach 42.6% of their estimated top decile wealth in 2020. For these countries, there simply isn't enough wealth at the top to cover the cost of eradicating poverty raising the need to resort to other fiscal and tax revenue generation policies and more importantly for foreign assistance as an essential requirement for poverty reduction. For these most vulnerable countries, as argued in the ESCWA Emergency National Policy

Response brief (ESCWA 2020), Arab Governments are called upon to establish a regional social solidarity fund to ensure a rapid response and address humanitarian needs and food shortages.

The good news is that wealth taxation is untapped in majority of Arab countries: The fiscal position in middle income countries was already fragile prior to the COVID-19 crisis, especially in oil-poor middle-income countries where tax buoyancy is low relative to other countries with similar income per capita. Efforts in mobilizing revenues in these countries have largely relied on regressive indirect taxation or broadening the tax base and, as argued in a recent ESCWA report, tax policies do not target wealth and tend to burden the poor and the middle class more than the richest part of population (ESCWA 2019). The potential contribution of wealth taxation is thus still largely untapped.

In all Arab countries, more transparency on income and wealth is needed: To enhance the collection of our proposed solidarity wealth tax for MICs, tax authorities should focus on expanding property taxes and mitigate rampant tax evasion. This would necessarily entail a range of institutional reforms including more transparency on income and wealth. This would also allow ministries of finance, social affairs and related domains to target their support systems with consideration for the subjects' accumulated wealth, not only income streams.

3. **Knowledge gaps:** Where are the science, knowledge and data gaps that need to be filled for better understanding of the interlinkages among SDGs in strengthening human well-being? Where are the knowledge gaps around identifying those who are most at risk of being left behind? What knowledge is lacking to identify and remove structural barriers to building human capabilities, including for the most vulnerable and marginalized? How can these be filled? How can we fully leverage and exploit existing knowledge and science to advance human well-being?

To identify and remove structural barriers to building human capabilities, in particular for the most vulnerable and marginalized populations, prevalent socio-economic policies should be reconsidered to broaden the horizon of the thinking about policy options to enable states to face the economic and societal challenges and eventually uplift their societies from the trap of inequality, exclusion, structural disempowerment and poverty. This notably involves the necessity of taking into account of new perspectives and the multiplication of spaces dedicated to a healthier debate on socio-economic policies for an inclusive sustainable development for all. To advance human well-being, humanity will need a new vision for the economy, once that goes beyond mere figures of growth and material consumption. A new economic vision should take into account the new realities, COVID-19, and related challenges we face. We need to have a genuine respect for the world around us.

The new economic paradigm should acknowledge that human well-being is dependent on fairness, equity and human solidarity. Economy cannot grow infinitely in a finite world. To support those most at risk and in order to leave no one behind, it is paramount to fight the disease and not only the symptoms. To eradicate poverty requires that we fight structural inequality and social injustice, through effective and human-centred socio-economic policies and governance systems. Sustainable human well-being should override the exclusive focalization on GDP growth. As a matter of fact, knowledge is not lacking in terms of identifying those who are most vulnerable or left behind and the reasons behind this chronic phenomenon. Rather, what lacks is the collective will to make the necessary policy trade-offs and adjustments to level the playing field and uplift the destitute and the marginalized, both within individual countries and across the world.

Economic growth has increased national incomes significantly, albeit unevenly, across countries. While that has contributed to advances in human, social and economic well-being, the effects on human societies

and the environment are currently unsustainable. Economic activity should be seen not as an end in itself, but rather as a means for sustainably advancing human capabilities. Development should be defined and measured in terms of sustainable human well-being, not in terms of increasingly conspicuous material consumption.

4. ***Relevant means of implementation and the global partnership for development (SDG 17):*** Achieving the 2030 Agenda relies on applying the means of implementation to harness synergies and/or reduce trade-offs. Are there examples of how the various means of implementation, including finance, partnerships, capacity building, and science and technology (also see below), are being brought together to accelerate and achieve these objectives at scale? Can these be replicated or adjusted to fit other contexts? How can multi-stakeholder partnerships that support integrated responses to the needs of marginalized populations be adopted for greatest impact? What are the most important partnerships that will be needed to enhance human wellbeing over the next 2 years, 5 years, 10 years?

- Promote more initiatives like the Carbone finance model, which aligns finance with projects for sustainable development outcomes in developing countries. It promotes collaboration between a multitude of stakeholders, fund-providing organizations and developing communities.
- Multi-stakeholder partnerships to assist heavily indebted countries to design effective strategies and debt sustainability management systems (upstream debt management). These partnerships can help strengthen capacity of countries to appropriately manage public debt and ensure borrowing in the interest of maintaining sustainable debt levels.
- Envisage debt relief programs and debt cancellation as measures to mitigate the COVID19 socio-economic devastating implications on developing countries.
- Create sustainability in the economic, social and environmental sectors; e.g. for developing countries to improve their sustainable energy use, transportation systems, and the layout of adequate infrastructure, partnerships can be established between society, governments and private organizations. These entail that involved stakeholders share common values and objectives to empower people.
- Improved access for developing countries and LDCs to innovation products, technical capacity-building, information and communication technologies to enhance their quality of lives
- Enhanced international cooperation initiatives; exchange of data and information; open source databases; sharing of infrastructure and exchange of technical know-how
- Enhanced support for projects that promote fair-trade exports from developing countries
- Establish wide multi-stakeholders and decision-makers networks to learn from peers and experts about investing for a thriving sustainable economy.
- Increased funding for global, national, and local initiatives to find the most strategic, effective, and feasible ways to approach investing in the context of 21st century sustainability challenges. This can provide effective opportunities for developing countries to promote entrepreneurship and incubate leadership in creating a healthy, just and sustainable economy and society.

5. ***Science, technology and innovation:*** The ways we eat, live and work are defined to various extents by science, technology and innovation, and achieving sustainability in all these areas will require STI-based solutions, which are applied in an ethical manner and respect human rights. How can we create and scale up STI solutions to strengthen human well-being in sustainable ways, and to promote improved capabilities and build resilience? What role will STI play in this transformation to a sustainable system of building human well-being? What are the most promising technological solutions? What are potential trade-offs and synergies to keep in mind in this context, including in terms of ensuring that technological applications, such as Artificial Intelligence, adhere to human rights and ethical standards? How can STI help improve capabilities and build resilience, in both developing and developed countries? How can (homegrown) community innovations be leveraged and shared to inspire and accelerate local creative solutions and action?

The world is at risk of irreversibly degrading the natural systems that sustain life on earth. More creative, and transformative, as well as increasingly integrated actions are urgently required. To unleash the full transformative potential of the SDGs, the indispensable role of science has become increasingly evident for ending hunger, mitigating climate change, reducing inequality and accelerating progress across the different component of Agenda 2030. Buttressing synergetic relations between science and policy-making, as well as advancing the knowledge base to inform targeted action require greater support and resources for scientific institutions and innovation.

Unprecedented technological advances in various fields, such as information communications technology; artificial intelligence, namely machine learning and robotics; nanotechnology; space technology; biotechnology; and quantum computing are holding tremendous hope for the benefit of humanity. These innovations allow humans for the first time to collect, process and analyze a gigantic amount of data emerging from the information sciences with promising implications for research and development. Significant social and economic benefits are expected from these scientific and technological advances, i.e. their implications in terms of economic benefits can be immense, in particular in terms of increased efficiency, and enhanced productivity across a wide array of activities and sectors. This is particularly true as the world is experiencing a severe economic downturn (e.g. €184.45 billion open data market size in 2019 in Europe). Sector-specific initiatives and collaboration in and across private and public sector can foster value creation. STI can further reshape the global energy system towards the implementation of Goal 7 by transitioning to net-zero CO₂ emissions by mid-century so as to meet the goals of the Paris Agreement.

Also, technological innovations can be leveraged to increase transparency, accountability, citizen engagement and have positive impact on economic growth. Open Government enhances decision making, quality of life and inclusiveness. Furthermore, it supports the achievement of the 2030 Development Agenda, especially Goal 16 (target 16.6, 16.7, 16.10) and supports the achievement of other SDGs such as SDG 3, 4, 8, 9, 10, 11 and 17. Open data can create value and return through information asymmetry, allocative efficiency and network effects. STI solutions allowed the development of some positive applications, which increasingly allow for example to save lives by faster emergency response; time-saving in public transport; protecting the environment by reducing household energy consumption; improving communication and language services with open data (by increasing machine translation); lower transaction

costs for public funds saving...etc. Innovative technologies have allowed humans to shift to decarbonized pathways. In 2016, nearly one fourth of electricity generation came from renewables, including solar PV and wind.

STI can provide solutions to many of the challenges facing the achievement of the Sustainable Development Goals, including those that involve difficult trade-offs. For example, technology can facilitate accessibility to built environments, transport and information and communication services, promote inclusion and help realize the full and equal participation in society of persons with disabilities. What is more, these technological innovations can help enhance governance reforms, such as in the creation of citizen-centric applications that support wellbeing of people. In the economic realm, these applications could be the origin for the creation of start-ups and support SMEs and individual entrepreneurship and thus stimulate job creation. Special models could be developed to maximize the benefits of open government initiatives and its various aspects.

Yet, these technological tools can also be extremely disruptive and result in major transformative shifts in human life, both at the personal level and the social relationships and interactions. Beyond fundamental privacy and human rights issues, there are increasing concerns surrounding the toll of technological usage, namely cyber operations that affect healthcare and industrial systems or those that can generate systemic effects, with detrimental effects on human wellbeing. Cybercrime represents increasing economic and societal costs, besides other related risks of online criminal activity. Furthermore, technological innovation is largely taking place in a legal and legislative vacuum. More often than not, the rate of innovation is outpacing states' ability to keep abreast of the latest developments and their potential societal impacts. There is an urgent need for a governmental and legislative oversight of the negative side effects and what could be pernicious implications of these new technologies on the individual fundamental rights and society in general.

So far, most of these new technologies are market-driven despite the fact that they have benefited from public-funding initially. They are increasingly designed exclusively for profit-making and their fast ascent is entirely dependent on market force. There is urgent need for effective policy-oriented and normative-focused fora to discuss these implications at the national and international levels, since the cross-border reach of the technologies in question, has surpassed the capacity of states to issue and enforce adequate and effective regulations. In order to protect human wellbeing, relevant public institutions have the duty to design a vision of the fundamental principles and values, including equality, inclusivity, responsibility, transparency, and accountability, threatened by certain technological advances and how those values can best be protected for the sake of the collective good and sustainable human wellbeing.

We still do not know much about the potential benefits and risks of AI in the future. Human polities will be faced by a series of multidimensional governance problems. Significant coordination and cooperation between public and private actors is necessary. As a matter of principle, scientific and technological progress should be put at the service of human welfare and wellbeing. Therefore, there is a necessity to design more secure ICT products and systems, so governments do not use vulnerabilities in the technology products and services that underpin people's daily lives against citizens. There are growing concerns about the potential human costs. There are looming governance challenges in the cyberspace, which the COVID-19 pandemic is already unveiling. Serious collective efforts need to be exerted to not only protect data, privacy, and human rights online but also to safeguard national and international peace and security. To this end, different adaptable measures can be envisaged: precautionary, preventive, or reactive, depending on the cases

As inequalities within and between states are growing, urgent need to bridge existing technological divide and move the digital transformation agenda towards serving human wellbeing, for a fairer distribution of technological benefits across societies and the world.