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## UN Summit of the Future: A unique opportunity in a generation

*The large-scale transformation of the present global order and the challenges humankind are currently facing have exposed the shortcomings of the existing global governance system. The UN Secretary-General has convened a Summit of the Future to reform global governance and adopt a Pact for the Future, which should also outline the policy goals and strategies to implement the sustainable development goals and create better life chances for the expanding world population. This chapter looks at the content that such a pact or, better, such a 'Global Deal', should be filled with to equip both developing and developed countries for a more sustainable future.*

The current global order is under a large-scale transformation: existential challenges emerging for the entire humankind; increasing inequalities within and between countries and generations; competing global strategies between great powers; fragilities of the multilateral system; and powerful disturbing triggers, such as the war in Ukraine.

There is a clear gap between the global challenges in front of us and the current global governance system. A Summit of the Future to reform global governance and to adopt a Pact for the Future, with commitments about policy goals and the solutions to deliver them, was convened by the UN Secretary-General to take place in September 2024. This was preceded by a Summit on Sustainable Development Goals in 2023 and will be followed by a Global Social Summit in 2025. All actors who want to change the global order for a better future should fully use this unique political sequence.

Triggered by the report "Our common agenda",<sup>1</sup> presented by the UN Secretary-General for his second mandate, the preparatory process for the Summit to the Future started with a High-Level Advisory Board on Effective Multilateralism<sup>2</sup> made up of personalities from all continents and is now underway with a plethora of contributions, which will come

1 "Our common agenda". United Nations website.

2 "A breakthrough for people and planet". High-Level Advisory Board on Effective Multilateralism website.

from UN member states, regional organisations such as the EU, civil society stakeholders, nongovernmental organisations, business, trade unions, think tanks and academia.

FEPS, as the central hub for European progressive thinking and holding UN ECOSOC status, is an active member of these different networks and wants to give a more specific contribution to the Pact for the Future and, more precisely, to the New Global Deal, which will enable many more countries to implement the sustainable development goals (SDGs) and all generations to improve their life chances. Let us underline that, as the last UNDP Report on Human Development shows, for the last four years, there has been general backsliding and increasing inequalities in the implementation of the SDGs.

To start with, some key questions can already be identified. A New Global Deal should be an agreement with give and take from all involved parties, with trade-offs and synergies, and with a general win-win outcome. Important questions to be addressed include:

- In which precise terms should such a deal be formulated?
- How should these terms be translated into key policy fields, notably climate, digital, access to knowledge, education and social welfare?
- How can these terms be translated into trade agreements and new financial and tax arrangements?
- What are the main changes to be introduced into the global economic governance system to deliver on this New Global Deal?
- How can foresight on long-term trends and possible scenarios lead to better choices to answer all these questions?

## First reflections for a New Global Deal

The first set of ideas can be drawn from the ongoing global debate.

- 1) There is an increasing gap between mounting global challenges and the current global governance system. There are increasing inequalities within countries, between countries and between generations in the possibilities to deal with these global challenges. There is also a new geopolitical game. The world is more multipolar: the US-China rivalry is visible on many fronts; the G7 is too limited to lead the world; but possible alternatives, such as BRICS, are not credible either. Most of the countries and the world's population do not want to be squeezed into this strategic rivalry and are looking for something else.
- 2) We have a weak, outdated and imbalanced global governance, and it is clear that the only way to repair it is via a more effective, inclusive and fairer multilateral system. To give a new and legitimate direction to global governance and create hope for future generations.
- 3) Development is one of three pillars of the multilateral system and is at the heart of this malaise. On the one hand, developing countries have reached different levels, but many feel – and rightly so – they are hindered in their possibilities to catch up with developed countries. On the other hand, developed countries are confronted with the

need to deeply change their way of development. A new development model is indeed becoming an imperative everywhere and new global public goods must be provided to make this possible. There is only one way out of this situation: a much higher level of cooperation between developed and developing countries.

- 4) This should be the main purpose of a New Global Deal, a deal to achieve a convergence towards a new development model. A more detailed discussion is necessary about the precise terms of this New Global Deal in different policy fields.
- 5) A frank talk is necessary, and a critical assessment of the current global order is urgent. The interactions at stake are increasingly complex, and it is important to recognise the contrast between the positive developments and the negative trends, which affect the relationship between developed countries and developing countries:
  - In times of an urgent green transition, the negative side is exporting carbon emissions to developing countries, and the positive one is cooperating with them for this green transition.
  - The negative side is focusing on the extraction of resources, and the positive one is supporting their upgrade in the global supply chain.
  - The negative side is exploiting cheap labour opportunities, and the positive one is building up new skills and improving workers' living standards.
  - The negative side is imposing unbalanced trade agreements, and the positive one is using them for win-win effects.
  - The negative side is blocking developing countries' industrial policy for the sake of free-market principles, and the positive one is accepting it, provided this is not just protectionism.
  - The negative side is imposing monopolistic digital solutions to manage data and design algorithms, and the positive one is accepting more tailor-made solutions.
  - The negative side is transferring the developing countries' tax resources via profits shifting, tax avoidance or evasion, and the positive one is coordinating global tax rules to prevent this from happening.
  - The negative side is triggering forced emigration only to block it afterwards, and the positive one is organising co-management of migration flows.
  - The negative side is giving in to failures in the rule of law and democracy, and the positive one is demanding improved governance standards.
- 6) Despite very different political views across the world, the SDG agenda remains one of the few officially agreed agendas that are broadly accepted by all UN member states, and it counts on quite a large support base among public opinion and different stakeholders. Nevertheless, all the reports show that the implementation of the SDG agenda is lagging behind and off track for reaching its 2030 objectives.
- 7) It is high time to change the SDG agenda's approach and move from a checklist of objectives towards a real commitment to implement a development strategy with policy priorities to be adopted in each national context and counting on a more powerful global support framework. The famous 17 top objectives should be better articulated. The interplay between the environmental, economic and social dimensions of sustainable

development must be supported by stronger means in terms of technology, trade and finance, and count on a more peaceful and democratic environment.

- 8) The main responsibility to tackle internal social inequalities with a New Social Contract remains at the national level, but if we ask whether all countries have similar chances to implement the SDGs, the answer is no. That is why we need a stronger global support framework, whereby developed countries will actively support developing countries in terms of technology, trade and finance, provided the former deliver on their commitments. This should be the central purpose of a New Global Deal. An upward convergence process of countries and generations towards better standards and higher targets of sustainable development must be organised at all levels of governance, local, national, macroregional and international. From a long-term perspective, the needs and interests of the developing countries coincide with the needs and interests of future generations. A New Global Deal requires a new social contract and vice versa.
- 9) Considering the new aspirations for well-being and respect for the planet, we need to fundamentally change the way we measure prosperity beyond GDP. This will have crucial implications across the board, notably on the way we set standards and attribute value, remunerate and tax activities, with general implications for income redistribution. For instance, care activities are increasingly necessary to meet the human needs of an expanding population; hence, their value should be recognised and remunerated accordingly. By contrast, polluting activities or biodiversity depletion reduce value and should be taxed. Sooner or later, our national accountancy systems must be adapted accordingly, and our entire economies will work in a very different way more aligned with a new Social Contract and a New Global Deal.
- 10) The political pressure in this direction will increase due to the new boundaries becoming more visible: the planetary; human; and technological ones. They should be called boundaries because they set absolute limits and are signalled by irreversible tipping points with existential threats to humankind. This is the current case for climate change; pandemics; large-scale hunger and migration; and nuclear and cyber weapons, including AI. This is even worse when different boundaries become contradictory, such as the one between fighting hunger on the one hand and fighting deforestation and climate change on the other – a dilemma that exists in many regions across the world.
- 11) In this context, the main reference for global fairness cannot be only ecological, but must also be social. This means that, in an international negotiation about climate change, what is to be compared is not only the national level of carbon emissions, but it is also the per capita carbon consumption and the carbon emissions of the global supply chains that underpin this consumption. The same should apply more generally for the per capita use of natural resources. This means that a sustainable living standard for humankind should be defined regularly to conduct an upward convergence towards a fairer world, taking into account these boundaries.
- 12) Nevertheless, the current post-modernist calls for a post-growth economy are not justified. Growth is necessary and possible but with a different quality. Growth is still

possible, provided it is less intensive in carbon and natural resources. Growth is also necessary to meet the human needs of an expanding population, and to create jobs and finance social protection. This will also create the kind of purchasing power that is one of the main engines for upward social mobility and fair transition for sustainable development.

- 13) The most powerful reform to drive this new trajectory for sustainable development, reducing social inequalities and building a new social contract is to connect all jobs, whatever their status – permanent, precarious or independent – and whatever the kind of company, sector or region, to a universal social protection system. This social protection system should be able to cover the main risks of ageing, health and unemployment and count on mandatory contributions from all those who have jobs. This is also the smartest way to formalise informal jobs, in developing countries as well as in developed ones, reducing their current share of 60% of the global number of jobs.
- 14) The most powerful investment to promote sustainable development and reduce social inequalities within countries and between countries remains education, because it promotes upward social mobility, accelerates the dissemination of knowledge and technologies and provides the basis for active citizenship and a more inclusive and democratic governance. The digital transformation should be channelled to create learning-platforms software and AI, which are tailor-made for different kinds of participants.
- 15) Women are not a specific social category: they are half of humankind. That is why their equal access to education and better-paid jobs would be the societal transformation with the highest implications on several fronts, not only to respect human rights and increase social fairness, but also to increase total productivity and human quality of products and services, as well as to strengthen social protection and to improve governance for sustainable development everywhere.
- 16) Most of the current economic activity is driven by global supply chains that need to be envisaged as key economic entities, being led very often by multinational corporations and involving a diverse network of companies and providers. These economic entities should not only be encouraged to contribute to SDGs, but should also be made accountable in terms of environmental, social and economic responsibility. As this is typically a matter of global governance, the multilateral system should upgrade its current environmental, social, technological, trade and financial frameworks to deal with these new economic entities.
- 17) The increasing role of digital platforms to organise and manage global supply chains also requires a special regulatory effort to define basic global standards regarding the security and quality of the devices interfacing with the customers, the ownership and management of data, and the basic principles to build up the algorithms underpinning new services and products. This is also relevant for general platforms, which are, in fact, the infrastructures of digitalised economies and societies. Setting global standards and accountability for these digital platforms will also help to prevent the risk of

decoupling, even if different alternative platforms should be allowed to meet different social or cultural preferences.

- 18) Economic decoupling between different economic poles would become a lose-lose game for all parties involved, but a balanced de-risking might be necessary to reduce some strategic dependencies. Provided that systemic protectionism is prevented, this might become a new reason for an active industrial policy adding to another compelling reason, which is building capacity by combining the relevant productive factors. This new shape of industrial policy, closer to innovation policy, should be part of a post-Washington consensus for all countries, not only for those that can afford it.
- 19) This is one of the reasons why fiscal space matters. Most of the big transformations underpinning the implementation of SDGs – the environmental, technological, digital, educational and social ones – require much larger-scale and longer-term investment. There is enough evidence from the recent past that imposing austerity for the sake of a fiscal rebalancing might become counterproductive because it reduces the growth potential and public revenue. Another approach for fiscal rebalancing is necessary to ensure a basic fiscal space for investments and reforms, which are crucial to increase this growth potential. This should also be the approach for international instruments of financial support, be it for debt reduction, for countering shocks or for long-term investment, and which should operate based on a positive conditionality: financial support can be given, provided the planned investments and reforms are delivered by the supported country.
- 20) The need for stronger international instruments of financial support is even clearer when there are global public goods, which can only be delivered with a higher global coordination, such as responses to climate change, pandemics and major natural disasters or protecting global commons. The toolbox for international finance must be updated: official development assistance should overcome its post-colonial approach; development banks should be reformed to better leverage private investment; new forms of investment partnerships with higher accountability should be introduced; special drawing rights (SDRs) should be redirected for the countries more in need; and global funds, such as the Green Climate one, should be funded not only by intergovernmental contributions but also by new forms of global taxation. All these instruments should also be used to promote technological co-creation between developed and developing countries at a much higher level. Nowadays, knowledge production and diffusion are critical factors for quicker upward convergence towards sustainable development.
- 21) Global tax coordination is emerging as a key pillar of a new financial architecture. Firstly, to counter tax avoidance and evasion, which are depleting national fiscal balances and increasing public indebtedness. Secondly, to strengthen the international financial support instruments for upward convergence in the SDG agenda. And thirdly, to finance the provision of global public goods and to protect global commons. The UN tax convention recently adopted is certainly a step in the right direction.

- 22) A new multilateralism requires not only to define updated global regulations for the big ongoing transformations – the ecological, the digital and the social – but also to recognise that states share common but differentiated responsibilities to advance global public goods and protect the global commons. This should be at the heart of a New Global Deal. This requires global public institutions that are accountable to their full membership, open to a diversity of viewpoints and new voices, and count on balanced and legitimate dispute resolution systems.
- 23) A new multilateralism must also be able to open real chances for all those who want to implement the SDG agenda. That is why the Summit of the Future’s main outcome should be not only a compelling declaration about a Pact for the Future, but also a point of departure for a more powerful process to change the way the multilateral system works and to better implement SDGs at all levels, committing all the relevant stakeholders. Rebalancing the world – people on the planet – will take time and will require a long-term and systematic process driven by a vision of the kind of global governance we need to mobilise women and men in full equality and meet future generations’ needs.

### For a common framework to prepare the sequence of UN Summits

The sequence of UN Summits offers a unique opportunity, but also the risk of failure. A common and single framework to implement SDGs and to prepare the sequence of these UN Summits should be based on a clear vision of how the global governance system should work from now on to accelerate the SDG agenda in all countries and for all generations.

This vision should be presented in three blocks:

- 1) national strategic plans to implement the SDGs;
- 2) global support conditions for these plans; and
- 3) global governance reforms.

Important inputs for this implementation process are real *national strategic plans for SDGs*, which should be considered not just a list of targets to be monitored in the same way in all countries. A strategic approach for SDGs should be based on a basic systemic model organising them as follows:

- in four blocks: the social; the economic; the environmental; and the governance ones;
- adding key policy levers, such as investment, trade, technology, taxation and finance; and
- taking into account the main demographic trends, such as ageing and migration.

It is after analysing the key trade-offs and synergies between all these factors that a national strategy to implement the SGDs can be better defined. It is particularly important to analyse the recent trends and identify the main impediments and trade-offs to explain the low SDG performance. It is also crucial to identify the critical factors to increase synergies.

Finally, it is important to identify which improvements depend particularly on the higher international cooperation – to be organised by a Pact for the Future.

A better implementation of the SDGs depends on national responsibilities, but also on *better global supporting conditions*, and they should be clearly identified for concrete decisions at each bi-annual Summit. The following global policy shifts should already be referenced:

- Access to knowledge, science and technology with more open systems and with an intellectual property rights regime, which enables stimulus for innovation but also for better diffusion of new technological solutions. New schemes for technological co-creation should also be introduced to enable new solutions adapted to each national context.
- A global framework for the digital transformation defining common standards for the next generation of the web; for the use of personal information when expanding big data; for ethical principles to develop artificial intelligence; for the business model of fundamental platforms organising access to knowledge, the markets and supply chains; and for logistic support and the social interactions to end democratic debate.
- Global trade standards for the development of global supply chains, enabling capacity building in all countries involved, promoting better economic environmental social and governance standards, limiting profit shifting and tax avoidance, and promoting technological co-creation.
- A global stimulus investment plan mobilising the various private and public components. This, on the one hand, would channel private investment, including from pension funds and foreign direct investment, to support the implementation of SDGs. On the other hand, it would strengthen the role of development aid and the regional development banks, as well as exploring new roles for the IMF, particularly by revising the framework to issue SDRs that are more targeted to the countries in real need. Debt management and restructuring in countries that are highly indebted or confronted with natural disasters should also be aligned with a better implementation of the SDGs. A global tax framework should underpin all this.

An international convention to update the terms to measure wealth creation is also becoming urgent. We need to go beyond the current convention based on GDP national accounts to recognise the added value of activities that are extremely useful, but often neglected, such as care activities of people and nature. On the other hand, there are economic activities that reduce wealth, such as activities that produce pollution, which should be targeted to be reduced and submitted to taxation, to finance real needs such as energy poverty or education.

The various policy shifts, which are identified above, are based on the recognition of spillover effects of the development paths in some countries (notably in the north) on others (notably in the south). Several spillover effects have been identified and confirmed by recent analysis, such as the higher footprint carbon print of production and consumption in the Global North, the poorer labour conditions in the developing countries involved in



global supply chains, the brain drain and the capital drain from the south to the north, or the specific advantages stemming from stronger reserve currencies.

These policy shifts should be introduced to reduce these spillover effects or to provide compensation for them in order to ensure a global governance framework that can better support the implementation of SDGs for all countries and all generations.

This recognition is the basis for the principle of common but differentiated responsibilities when tackling structural inequalities. Recognising different capabilities and the need for solidarity when confronting natural or civil disasters is an important complementary principle. Both these principles should also be taken into account when building up a global framework to protect global commons such as oceans, forests, cyberspace and outer space.

The third block of the common framework should be about *global governance reforms* and define:

- how to strengthen the UN development, environmental, digital and social systems;
- how the multilateral system should work with a multilevel and multistakeholder approach;
- the implications for international financial institutions and the WTO; and
- this process of more effective and inclusive implementation of the SDGs should count for a political engine, such as a bi-annual Summit, with all the relevant actors at national and global levels reporting on concrete outcomes and defining the next steps.