

Setting the stage (30 May 2016)

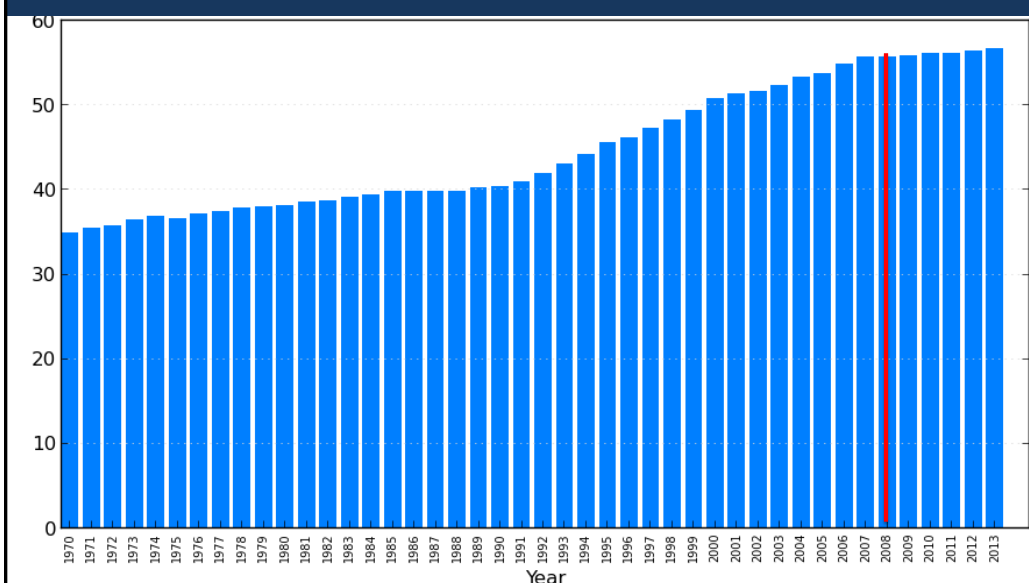
THE CHANGING GLOBAL CONTEXT

Iain Begg

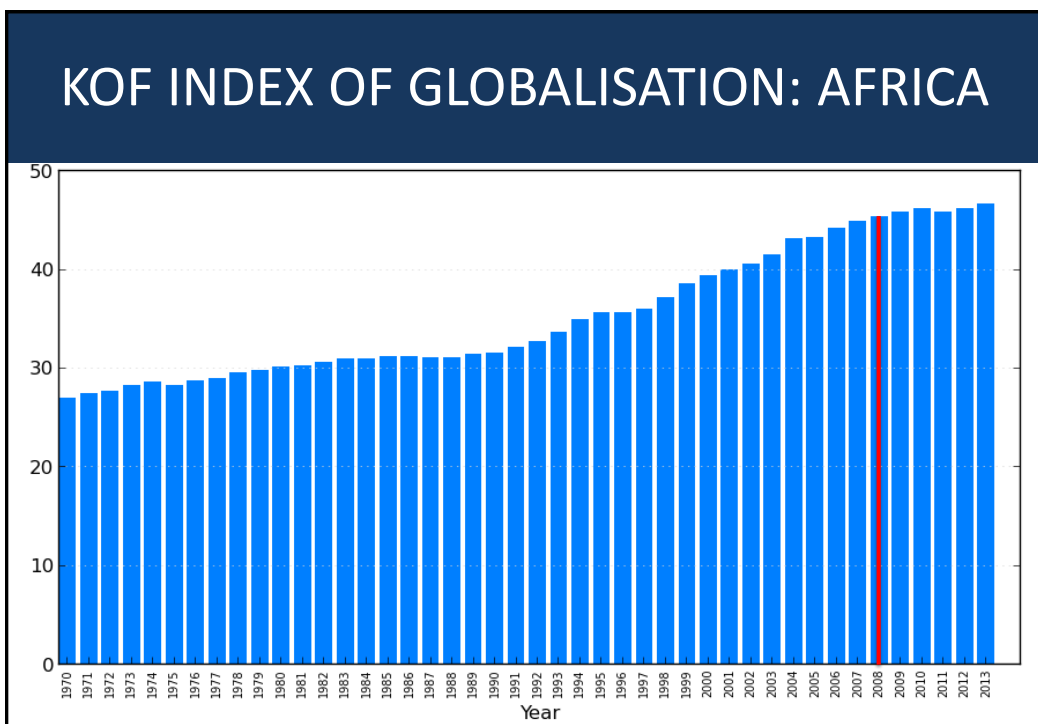
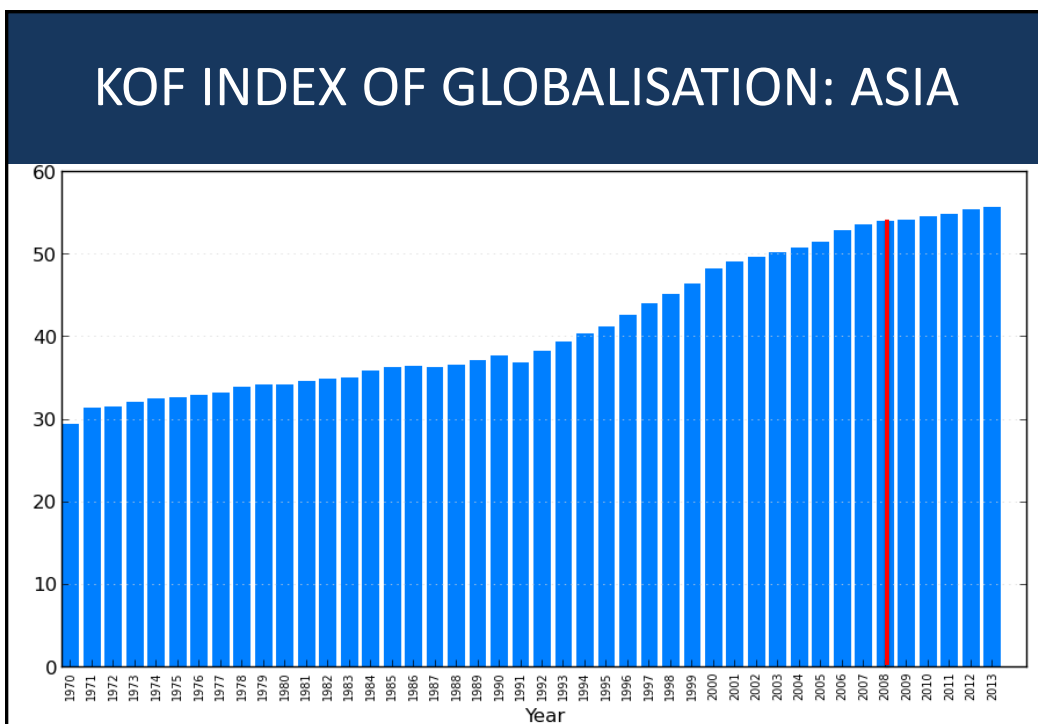
European Institute, London School of Economics

EVALUATION OF THE SOCIAL JUSTICE DECLARATION, GENEVA, 30.5.2015

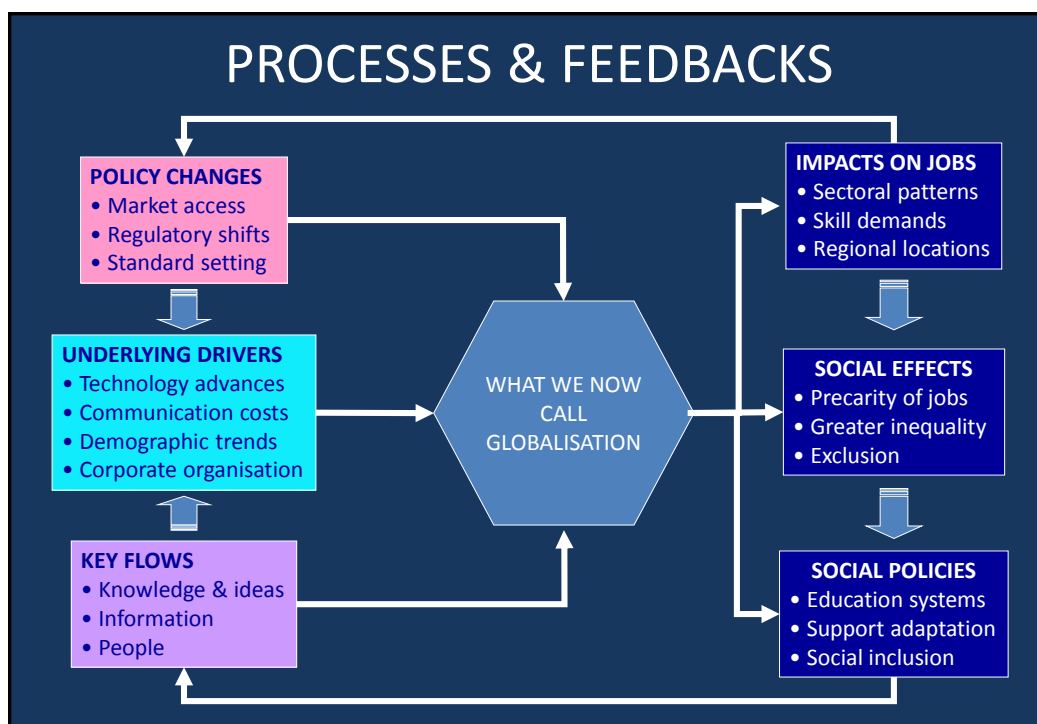
KOF INDEX OF GLOBALISATION: WORLD



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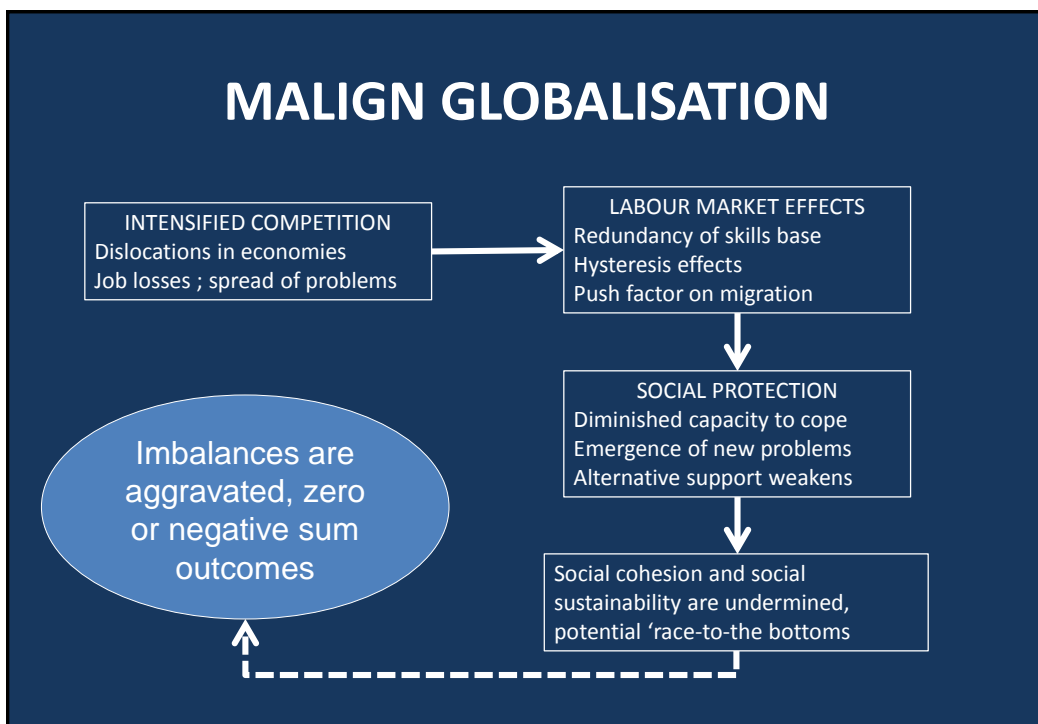
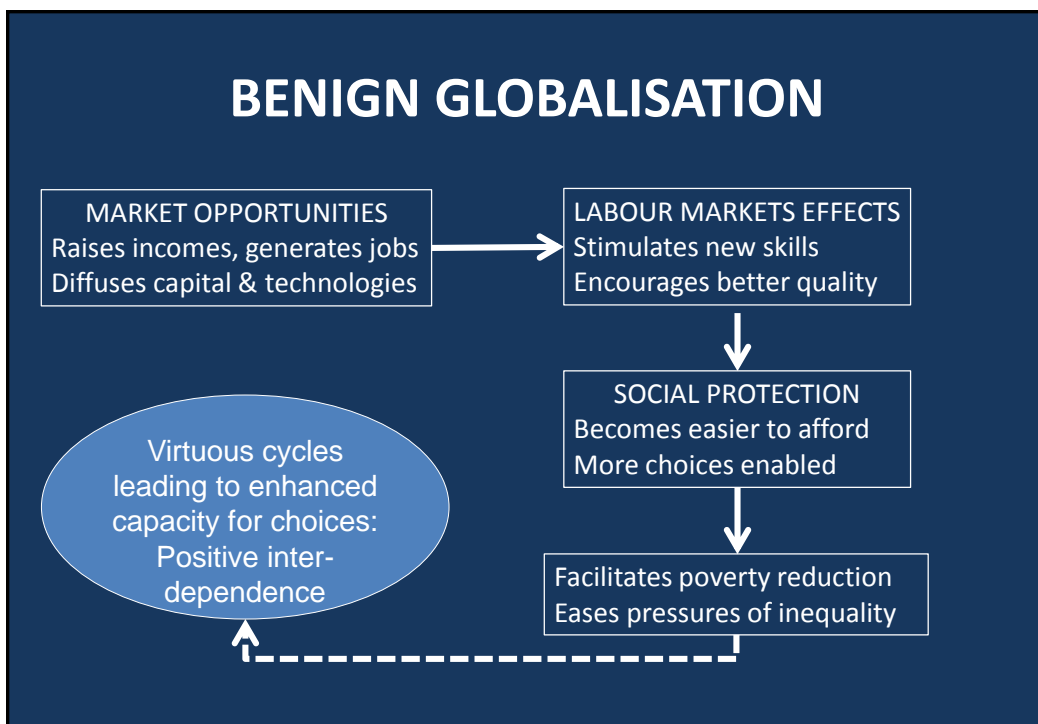
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TYRANNY OF THE 'AVERAGE'

- More prosperity overall
 - Higher output and jobs; more money for public services
 - But undeniable that there will be some who lose
 - Workers displaced by new competition
 - Social pressures from migrants (cf. today's Brexit dilemma)
 - Ensuing political economy of losers versus winners
 - The former object loudly, latter keep quiet
- >> In the end, not many of us are 'average'

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FROM PRINCIPLES TO PRACTICALITIES

4 strategic objectives of 'decent work'

- Promoting employment
 - Mix of human capital and fair reward
 - Allied to individual fulfilment
- Prompts questions on
 - Mechanisms for delivery, not least role of markets
 - Possible connection to enterprise creation
 - How public policy contributes
 - Burden-sharing on costs: internal and cross-border

FROM PRINCIPLES TO PRACTICALITIES

4 strategic objectives of 'decent work'

- Enhanced social protection – distinct but linked:
 - Labour market
 - Income security and basic social conditions
 - Tensions around affordability
 - But also around future welfare models
 - And their link to other means of protecting
 - Particularly the family in light of dispersion
- >> Needs new thinking on core of welfare state

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FROM PRINCIPLES TO PRACTICALITIES
4 strategic objectives of 'decent work'

- Social dialogue and industrial relations
 - Accommodating different national contexts
 - Ensuring adequate safeguards
- Embedding in wider governance framework vital
 - Subject to change and new pressures
 - Example of tax dodging
 - Risk of predication on outdated industry model
 - The global rise of service activities
 - And associated contractual models – only richer countries, or...

FROM PRINCIPLES TO PRACTICALITIES
4 strategic objectives of 'decent work'

- Rights at work and enabling conditions
 - Freedom of association
 - Curbing race-to-the-bottom dangers
 - Making sense of 'new economy' phenomena
 - The significance of knowledge and related activities
 - Its implications for human capital development
 - Can we make sense of 'social capital'?
- >> Trust as a value and how to foster it

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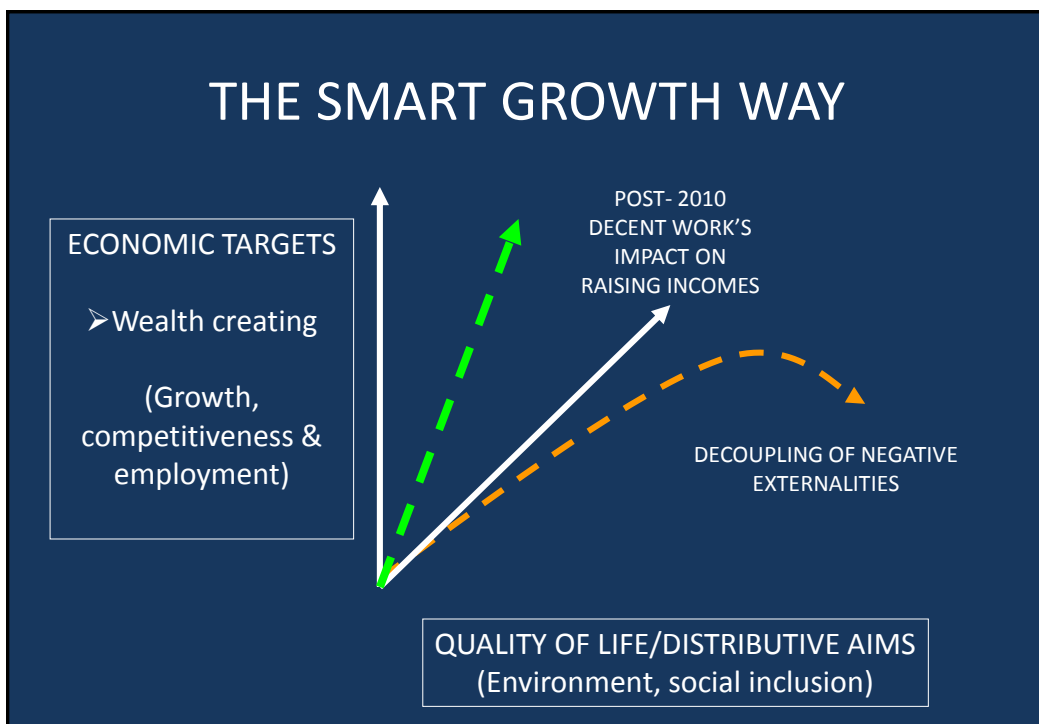
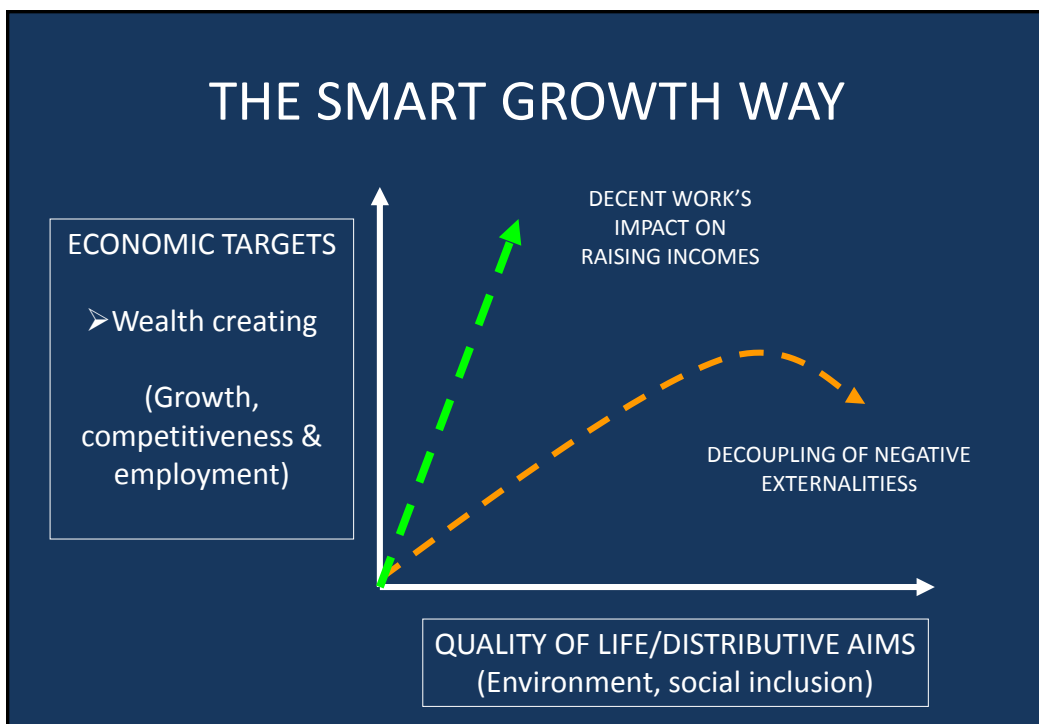
FRAGILITY OF PROGRESS

- Crisis in richer regions only just easing
 - Lingering vulnerabilities
 - Not just youth unemployment in, e.g. Greece
 - But also political tensions
- Downturn in several other global regions
 - Asia, Latin America, Arab countries
- WESO evidence of mixed record on poverty
 - Gender differences and child poverty
- Displaced persons
 - But also the ramifications for dependents

DIVERSE DEFINITIONS OF SD

- Well understood ecological dimension
 - Climate change/carbon emissions mitigation
 - Quality of 'built' and other ambient conditions
- Social sustainability more diffuse
 - Degradation of social conditions
 - Opportunity and mobility – attenuating exclusion
 - Inter-generational
- Sustainability of public finances (pensions)
- Macroeconomic sustainability (imbalances)
- What to measure (well-being) - Stiglitz et al.

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SOCIAL INVESTMENT AS ANSWER?

- Increasingly favoured in EU
 - Also visible elsewhere
- Links to Sen's notion of capacities
 - But parallels with physical investment
 - Targeted, though, at human and social capital
- Key element is early intervention
 - Future difficulties forestalled
- Empowerment through activation
 - The example of child-care

CONCLUDING REFLECTIONS

- Arriving at future logic(s) of intervention
 - What are the most pressing concerns of policy-makers?
- The potential of the social investment paradigm
 - How to avoid possible shortcomings
 - 'Capture' by relatively better-off; Crowding-out of basic protection
- Reconciling tensions in future social policies
 - Manifestly, social contracts have to change
 - Key directions known but politically tricky
- The winners and losers can probably be identified
- But "**how?**" to secure change is the real question

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“These are my principles, and if you
don’t like them.... well I have others”

Groucho Marx