



A New Eco-Social Contract

VITAL TO DELIVER THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

The 20th century social contract—an implicit bargain between economic imperatives of growth and productivity, and social imperatives of redistribution and social protection—has broken down and cannot sustain the transformative vision of the 2030 Agenda. The breakdown of the social contract manifests itself in multiple global crises and the deep divisions in our societies. Inequalities in many dimensions have grown, particularly in the last 40 years, and people feel left out and left behind. The failure of our economic model to account for the natural boundaries of our planet has led to environmental destruction and human precarity because of climate change, extreme weather events and health pandemics such as Covid-19.

For the 21st century, UNRISD believes, the contract is in need of a fundamental overhaul. First, it must ensure human rights for all—importantly, this means bringing in those not fully benefitting from previous social contracts, such as women, informal workers and migrants. Second, it must ensure larger freedom for all in a fast-changing world, including security and protection as new challenges emerge. Third, it must spur the transformation of economies and societies to halt climate change and environmental destruction.

What do we mean by the old social contract?

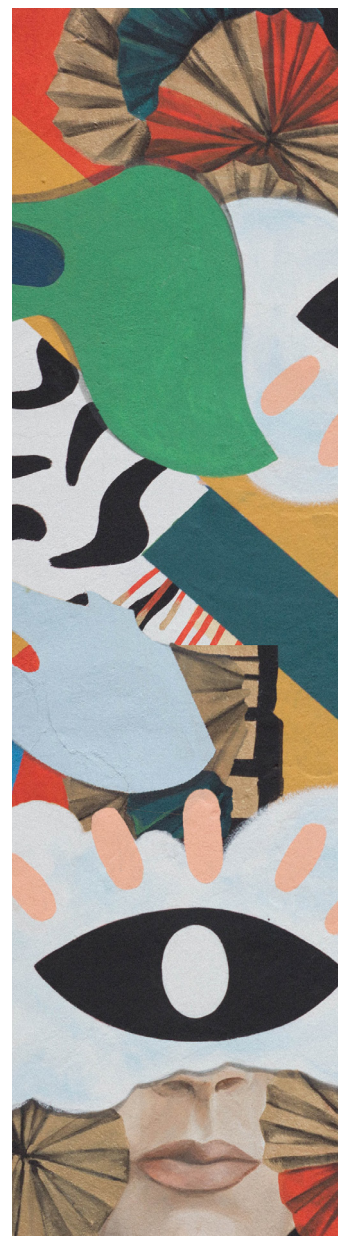
The 20th century social contract, commonly understood as more equalized relations between capital and labour, underpinned social policy in industrialized welfare states during the golden age of capitalism. Bargaining processes between employers, workers and governments (what the ILO calls social dialogue) set out to combine productivity-led growth with enhanced well-being of workers and their families. The expansion of social security coverage and access to public services led to greater equality, opportunities and trust of citizens in their governments, with positive impacts on tax compliance and state revenues (Hujo and Bangura 2020). This social contract was part of the post-war multilateral order of peace, security and development, with the United Nations spearheading the fight for human rights, freedom from want, and social justice.

The 20th century social contracts associated with welfare capitalism proved useful in creating substantive institutionalized social rights for many citizens in the global North, and for some groups in the global South. However, these contracts have not been an “unproblematically progressive force” (Hickey 2011:9), despite the fact that they were grounded in universal values stipulated by the Universal Declaration of Human Rights (1948) and the United Nations Charter (1945). Real-world

social contracts, reflecting power asymmetries and financial constraints, created insiders and outsiders between formal and informal workers, for example—often due to the greater bargaining power

Box 1. The origins of the idea

The social contract idea goes back to fundamental questions of political philosophy, reflected among others in Islamic, African and indigenous communitarian thinking. It is, however, most often associated with European enlightenment philosophy as represented by Hobbes, Locke and Rousseau, deliberating about political authority, state legitimacy and social order. The moral and political obligations that free individuals accept voluntarily among themselves and vis-à-vis their government in order to escape the state of nature was described as a social contract. An influential contemporary representative is John Rawls, arguing in his *Theory of Justice* (1971) that citizens who, under a “veil of ignorance”, do not know about their position in society agree to basic standards of freedom and equality in order to guarantee a level playing field for all. Scholars distinguish between the social or rights-based variant of social contract theory associated with Rousseau and Rawls, and liberal or interest-based contracts going back to Hobbes and Locke (Hickey 2011), with the former moving beyond concerns of creating social order towards actively promoting social justice.



Box 2. Not one but many social contracts

Beyond the social contract associated with Western welfare capitalism, different types of social contracts can be identified across the non-Western world, for example in Africa, from communitarian approaches dedicated to the common good such as Ubuntu—"I am because we are"—(Chemhuru 2017), to post-colonial social contracts concerned with nation-building, state legitimacy and social cohesion. These social contracts took different shapes, with the more developmental ones being actively dismantled by structural adjustment policies in the 1980s and 1990s (Mkandawire 2009; Nugent 2010).

Different manifestations of corporatist social contracts or social pacts can be found in countries with important agricultural sectors. These may link producer organizations, politicians and bureaucrats for policy formulation, or bring farmers into rural-based political parties. A result is more universal, tax-financed benefits as seen in the Nordic countries (Sheingate 2008; Palme and Kangas 2005).

A social contract of sorts also evolved in some resource-rich countries with mineral rents owned and distributed by the state. Resource bargains in mineral-rich countries are frequently characterized by elite capture and distributional conflicts; this was the focus of civil society contestation during the Arab Spring. However, there are also examples of marginalized groups being brought into social contracts through the broad distribution of the benefits of resource extraction, as in the case of the indigenous majority population in Bolivia (Paz Arauco 2020), or migrant workers in the Republican regimes in the MENA region (Löwe 2014).

of organized workers, with less powerful unions and non-organized workers remaining excluded (Mesa-Lago 1978). These social contracts also reinforced gender inequalities—between men as breadwinners and women as dependents.

Starting in the late 1970s, the 20th century social contracts began unravelling as a consequence of the neoliberal paradigm shift and hyper-globalization. They were increasingly replaced by new types of contracts that emphasized individuals' responsibilities for their own well-being and social protection. While state retrenchment was less pronounced in the global North, the developmental social contracts in the global South were hollowed out as a result of debt crises and austerity (Nugent 2010). State-citizen relations and political legitimacy worsened as a result of shrinking fiscal resources, deteriorating public services and the social costs of structural adjustment. Donor bargains bypassed citizens and shifted accountability related to development outcomes from national populations to external actors (Hujo and Bangura 2020). Around the world, persisting poverty and an unprecedented increase in inequalities, job-less growth, conflicts, crime and insecurity, as well as multiple crises including the climate crisis, were manifestations of broken and outdated social contracts less and less able to fulfil their promises.

A common characteristic of most 20th century social contracts was their failure to guarantee respect for planetary boundaries, biodiversity and the sustainable use of natural resources. All too often traditional farmers, fishers or indigenous communities with livelihoods based on sustainable use of forests, land and water resources were deprived of traditional land rights by big corporations or predatory rulers, or saw their livelihoods based on natural resources destroyed as a result of pollution and commercialized resource exploitation. Now, in the face of the devastating effects of the climate crisis, citizens around the world are questioning their governments' capacities to provide protection, security and well-being (Willis 2020).

Against this backdrop, the 2030 Agenda for Sustainable Development set out to eradicate poverty, reduce inequality, and promote sustainable development, peaceful, inclusive societies and accountable institutions. It constitutes a roadmap towards a new ecological and social contract for people and planet, involving governments, citizens, businesses and other relevant stakeholders. In signing on to the 2030 Agenda, governments committed to creating inclusive social contracts which leave no one behind and safeguard nature. How can this promise be realized? How must an eco-social contract for the 21st century differ from previous models? What actions must be taken to get us there?

How would a new eco-social contract be different?

The **vision of a new eco-social contract** differs fundamentally from the 20th century social contract in many ways, including the following:

1. Human rights for all

A new eco-social contract must surpass the post-war welfare state settlements by ensuring human rights for all, including those excluded from previous social contracts or relegated to a secondary role, such as women; informal workers; ethnic, racial and religious minorities; migrants; and LGBTQIA+ persons. This requires a human rights-based approach that goes beyond formal-employment-dependent social benefits.

2. A progressive fiscal contract

A new eco-social contract must go hand in hand with a new fiscal contract that raises sufficient resources for climate action and SDG implementation, and fairly distributes the financing burden.

3. Transforming economies and societies

A new eco-social contract must be based on the common understanding that we need to transform economies and societies to halt climate change and environmental destruction and promote social inclusion and equality.

4. A contract with nature

A new eco-social contract must recognize that humans are part of a global ecosystem. It must protect essential ecological processes, life support systems and the diversity of life forms, and pursue harmony with nature.

5. Addressing historical injustices

A new eco-social contract must be decolonized, informed by indigenous knowledge, social values and capacities from the global South. It must remedy historical injustices, and combat the climate crisis fairly through just transitions.

6. A contract for gender justice

A new eco-social contract must recognize that previous social contracts have been built upon an unequal sexual contract. It must go hand in hand with a contract for gender justice in which activities of production and reproduction are equally shared by women and men and different genders, and where sexual orientations and expressions of gender identity are granted equal respect and rights.

7. New forms of solidarity

A new eco-social contract requires new bottom-up approaches to transformative

change for development, bringing together social movements and progressive alliances between science, policy makers and activists. It must overcome the mindset of “us against them”, fostering instead a spirit of “all united against” global challenges such as climate change, inequalities and social fractures.

A 21st century eco-social contract, in terms of process and outcome, will reflect a reconfiguration of a range of relationships that have become sharply imbalanced—those between state and citizen, between capital and labour, between the global North and the global South, between humans and the natural environment. It will be based on rebalancing hegemonic gender roles, resetting dominant discourses, and uprooting relations grounded in patriarchy and cultural norms. It will help define rights and obligations, promote greater equality and solidarity, and provide legitimacy, credibility, trust and buy-in for reforms underpinning transformative change. It will serve to reduce inequalities in all their dimensions, help us to recover from Covid-19 in an equitable and transformative way, and improve our resilience for shocks and crises yet to come.

How do we get there?

Building a new eco-social contract is a way to give substance to the vision of the 2030 Agenda for Sustainable Development. It will be better understood and have more traction if grounded in broad participation, dialogue and consensus building, while containing clear accountability mechanisms. It will need to reflect the realities of people’s lives. It will be constructed—and indeed, is already being constructed—incrementally, step by step across sectors and issues, and at different levels, from local to national, regional and global.

A 21st century eco-social contract must be fostered through a raft of changes to policies and institutions so that they are democratic, inclusive and promote gender and environmental justice, coupled with alternative economies and transformative social policies.

How will UNRISD contribute?

UNRISD put forward the idea of an eco-social contract in its Flagship Report, *Policy Innovations for Transformative Change* (2016). The current period of multiple crises, including the worst pandemic and economic recession in modern history, demands a timely response that catalyses dialogue and action now to begin building forward better towards resilient and sustainable futures.

UNRISD will contribute to this endeavour through research and networking activities that support the creation of a new eco-social contract. We call on researchers, practitioners, advocates, activists and policy decision makers to join us in this effort. Together we will work to unpack and redefine the idea of the social contract, making it inclusive and climate-proof, and adapting it to the new challenges of the 21st century.

In terms of research, the UNRISD Institutional Strategy 2021-2025 and our next Flagship Report are setting out to explore the different manifestations of the broken social contract; what the root causes are; what role rising inequalities play, and who and what drives them; and which policies and institutional reforms are needed to overcome inequalities and build greater social and climate justice. The focus goes beyond the policies and institutions for transformative change, to its agents: the values, mindsets, political alliances and social movements it will take to build a new eco-social contract. This wide-ranging inquiry has four entry points:

1. Contestation and bargaining
2. Key relationships
3. Institutions and policies
4. Norms and values

UNRISD aims to mobilize its diverse global networks, including UN partners, in ensuring the success of this initiative. We have created a new partnership with the Green Economy Coalition (GEC) that will join up researchers, scholars, practitioners, advocates, activists and policy decision makers in a network to explore the multiple facets of a new eco-social contract.

The network will bring together disparate but connected voices calling for a new eco-social contract, to build understanding across its key dimensions—contestation and bargaining, key relationships, institutions and policies, norms and values. It will provide spaces and counterparts for debate, diagnosis and dialogue on these topics—as well as others that are not yet receiving transdisciplinary attention, but which will be crucial for a new eco-social contract, such as intergenerational justice (youth), human rights-based approaches (marginalized groups) and the rights of nature (environment). The network will also aim to be a space for the co-production of knowledge and analysis with indigenous peoples and minority groups with traditional knowledge that covers not only social dialogue and consensus building, but also the sustainable use and management of natural resources.

The time has come to replace the broken social contract and to create a new one geared to greater inclusion and sustainability.

– UN Secretary-General Antonio Guterres, 2020

Key questions guiding UNRISD research and networking activities

1. What can we learn from different expressions and experiences of real-world social contracts, especially in the global South?
2. What would be the nature of a new eco-social contract, and what would its main objectives be?
3. How would a new eco-social contract contribute to achieving just, sustainable and resilient societies and economies?
4. How can we create a participatory, bottom-up and inclusive process ushering in a new eco-social contract?
5. How would a new eco-social contract be implemented at different levels, and what accountability measures are needed?

Box 3. Call for participants! Research and networking for a new eco-social contract

Join UNRISD and its partners as we work together to unpack and redefine the idea of the social contract, and to craft a new eco-social contract that is inclusive, climate-proof, and adapted to the complex challenges of the 21st century.

Researchers, practitioners, advocates, activists, policy decision makers, civil society, change makers—we welcome you in our processes of co-creation:

- Global network
- Policy and practice dialogues
- Blog series
- Flagship report
- AOB!



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The United Nations Research Institute for Social Development (UNRISD) is an autonomous research institute within the UN system that undertakes multidisciplinary research and policy analysis on the social dimensions of contemporary development issues.

Through our work, we aim to ensure that social equity, inclusion and justice are central to development thinking, policy and practice.

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This Issue Brief was prepared by Katja Hujo. UNRISD Issue Briefs flag ideas and contribute knowledge that can improve the quality of development debates, policy and practice.

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