Inequality remains the defining challenge of our era and has been thrown into greater relief by the global COVID-19 pandemic. The pandemic has reversed many development gains and set back progress on the Sustainable Development Goals (SDGs), including SDGs 5 and 10, as the unequal impacts of COVID-19 are further exacerbating inequalities.

Even before the pandemic, inequalities were already unsustainable, destabilizing economic, social and political systems, increasing systemic risk and generating social unrest. Rising income inequalities were consistently compounded by multiple forms of discrimination, deprivation and disadvantage on the basis of age, sex, gender, disability, race, ethnicity, origin, religion, economic or other status, particularly for women and girls. At least half of the people in the world already did not have access to the health services they needed and about 100 million people were being pushed into extreme poverty each year because of out-of-pocket spending on health.

Today, COVID-19’s immediate health crisis, and longer-term social, economic, humanitarian and human rights consequences, are being shaped by – and exacerbating - these existing patterns of deep inequality within countries. With its unequal impacts, the pandemic has hit hardest the people that already face poverty, marginalization and discrimination, including women and girls, racial and ethnic minorities, workers in the informal sector, the old, those living in poverty, and those without access to health, water, sanitation, education and information. Although the fiscal response to the crisis has been unprecedented, most of the social protection and labour market measures have been gender-blind. Furthermore, the fiscal stimulus has been overwhelmingly concentrated in the Global North. With limited fiscal space to respond to the immediate crisis in low or middle-income countries, there are risks of rising inequalities between countries. And more recently, “Vaccines have sadly become the new frontier in the struggle for equality”
as the High Commissioner on Human Rights recently underlined. The COVID-19 pandemic has found fertile soil for a bitter harvest.

In this context, the UN Secretary-General has pointed to some of the “fallacies and falsehoods” of the current economic paradigm that have been laid bare by the global pandemic. For decades, the dominant economic paradigm has tended to fuel economic and gender inequalities, rather than mitigate them. Income and wealth have become increasingly concentrated at the top in most countries. Public sector capacities have been systematically weakened, social programmes diminished, public assets privatized, labour rights gutted, regulations diluted, public infrastructure eroded, tax revenues starved, and political systems captured. A quarter of a century since the adoption of the landmark Beijing Platform for Action, progress on gender equality has stalled. In an increasingly online world, the growing digital divide is also exacerbating inequalities.

Yet, inequalities are not inevitable. Countries differ in their levels of inequality, even in cases where their levels of development, exposure to global trade, technological innovation and effects of climate change are similar. Policies, institutions and regulatory frameworks matter, at local, national and global levels. In adopting the 2030 Agenda for Sustainable Development, all countries have committed to reduce inequalities, achieve gender equality, eliminate discrimination and leave no one behind, in line with SDG 10 and SDG 5. The UN system has also committed to supporting countries in this effort, adopting the UN System Framework for Action on Equality.

The current crisis brings a generational opportunity to build back better for a more equal, resilient and sustainable world, with what the UN Secretary General has called “a New Social Contract and a New Global Deal that create equal opportunities for all and respect the rights and freedoms of all” in his forceful statement on ‘Tackling the Inequality Pandemic: A New Social Contract for a New Era’. We can and must do better to ensure that economic and social policies work for everyone in a new social contract that is fully aligned with international human rights standards on civil and political rights, as well as economic, social and cultural rights and the right to development.

COVID-19 is a fork in the road. Responses to the crisis that focus narrowly on regenerating economic growth will do little to address inequalities. Building back better in the wake of the COVID-19 crisis calls for addressing the root causes of inequality and vulnerability, rather than just cushioning shocks temporarily or palliating market failures. Harsh austerity measures that cut back on social protections will deepen poverty and inequality, and could risk intensifying public discontent, further weakening trust in institutions, and leaving people vulnerable to risks of future shocks. Yet according to a recent study, budget cuts are expected in 154 countries this year, and it has been estimated that 6.6 billion people or 85% of the global population will be living under austerity conditions by next year, a trend likely to continue at least until 2025.

A paradigm shift is required for transformative change. Decisions taken right now will have dramatic long-term implications. Transformative policies will be required on several fronts, as set out the UN System Framework for Action on Equality and in the TT’s policy brief, ‘COVID-19, Inequalities and Building Back Better’ - decent work for all; supporting millions of workers to transition into the formal economy; developing stronger, resilient, equitable health systems offering universal health coverage; ensuring inclusive and affordable provision of public services; building and extending universal rights-based and gender-responsive social protection systems for all that integrate the care economy; and ensuring a ‘just transition’ to sustainable patterns of production and consumption. This will require international solidarity and multilateral cooperation, a supportive financing environment, a macroeconomic policy framework and
a new social contract grounded in the commitments of the Sustainable Development Goals and human rights for all, without discrimination.

**Aims of the event**

As part of a reflection and review of SDG 10 that will be reviewed at the UN High-Level Political Forum (HLPF) on 8 July 2021, the aim of the event is to:

- With international experts, facilitate a lively Davos-style debate to heighten awareness of inequalities and the new ways in which these have been exacerbated during the COVID-19 pandemic;
- Reflect on risks moving forward for progress on SDGs 5 and 10, including austerity measures, debt crises, inequitable access to vaccines, racial, gender and other forms of discrimination, and what this implies for reducing inequalities within and between countries;
- Generate fresh perspectives for a paradigm shift to build back a more equal, inclusive and sustainable world out of the global pandemic, including transforming our economies to reverse chronic underinvestment in universal health systems, social protection and other public services and to realize international commitments on the SDGs, human and labour rights, gender equality, and environmental sustainability.

**Format and timing**

The format will be a 90-minute interactive panel event, facilitated by a moderator in Q&A format with 5 international experts. It will be held virtually on Zoom and livestreamed on Facebook live.

The event will be an official side event of the HLPF, which takes place between 6-15 July 2021, with a review of SDG 10 on July 8 2021 – under the overall theme of this year’s HLPF to promote a "Sustainable and resilient recovery from the COVID-19 pandemic".

The audience will be participants at the HLPF, including government representatives and policymakers at national and global level, senior UN leadership and UN staff, academia and thought leaders, civil society representatives as well as a broader public. For greater outreach, the event will be webcast live.

**About the UN Inequalities Task Team**

The purpose of the UN’s Inequalities Task Team (ITT) is to strengthen the leadership, coherence, coordination and visibility of the UN system in confronting the challenges of inequalities, through joint analysis and advocacy, knowledge sharing, and improved coordination. It leads the UN system implementation of the [UN System Framework for Action on Equality](https://www.un.org/en/inequalities/). The ITT is made up of representatives from 22 UN organizations and entities, co-chaired by UN Women and the UN’s Human Rights Office (OHCHR). It was established in 2019 under the High-level Committee on Programmes of the UN System Chief Executives Board for Coordination. In March 2020, the ITT came together to agree an ambitious workplan to achieve these broad aims, which included a commitment to organize a high-profile event on inequalities in the margins of the High-Level Political Forum on the SDGs in July 2021.

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1 OHCHR (co-lead), UN Women (co-lead), DCO, DESA, FAO, IFAD, ILO, IOM, ITU, OSGEY, PBSO, Regional Commissions, UNCTAD, UNDP, UNDRR, UNEP, UNESCO, UNFPA, UN-HABITAT, UNICEF, UNODC, WHO