



**United Nations General Assembly Second Committee**

***“Emerging models of economic activities: Implications for sustainable development”***

**24 October 2019, 10AM, CR 2 – United Nations Headquarters, New York**

**Concept Note**

**Objective and outcome**

To understand the emerging models of economic activities and their implications for sustainable development. An informal summary of the discussions will identify policy options for maximizing the benefits of various models of economic activities, while minimizing their risks.

**Background**

Humanity is experiencing the most profound economic and social transformations. It is not the change itself – rather the pace of change – that is catching many societies off-guard. The traditional relationships between capital and labour, between employer and employee or between producer and distributor are changing rapidly, upending existing economic, social and political orders. These transformations are manifesting in new and emerging models of economic activities.

Economic activities are usually organized by sectors: agriculture, industries and services. They are also often classified by the type and level of economic value-added: primary, intermediate or tertiary levels of economic activities. Development or progress is then defined as transitions from low value-added sectors to the higher value-added ones. Efficiency considerations – while paying inadequate attention to equity, social justice or environmental sustainability – has been driving this monolithic vision of progress.

Social, cultural, environmental and technological changes during the past few decades are now fundamentally challenging these standard frameworks for organizing economic activities. Increasingly, people and societies – driven by necessity, innovation and convenience – are creating values that transcend sectors or stages of value-added. Digitalization is a key driver of this process, reorganizing industries, value chains, factor markets and consumer partners, lowering transaction costs and expediting trade flows. It is increasingly difficult to pigeonhole an economic activity – an activity that creates both tangible and intangible values – to a particular economic sector or domain.

Societies are now embracing new models of economic activities, and new ways of creating wealth, while trying to strike a balance between profit and social and environmental sustainability. Green economy models – emphasizing sustainable use of planetary resources – are driving shifts in

production and consumption patterns and accelerating progress towards the SDGs. Sharing economy models are creating opportunities for asset-owners to deploy their idle assets, provide services and earn livelihoods. Social and solidarity economy are promoting rights-based approach, shifting emphasis away from profits and creating new opportunities for addressing social justice and inequality. Creative economy – unlocking potentials for creativity and innovation – is enabling youth to pursue meaningful livelihood and prosperity. Digital economy – with digital data and connectivity playing an increasingly important role in all spheres of social and economic activities – is ushering new opportunities and challenges for creating value and transforming societies. Underpinning all these models is digitalization and the widespread use of digital platforms, which are enabling enduring changes in the way people live and interact with each other, reshaping how businesses are conducted and how governments work and function, while raising concerns of growing market consolidation.

These emerging models of economic activities are not mutually exclusive. They overlap, interact and sometime reinforce each other. Digital economy, for example, is a critical enabler for the sharing economy. It can also potentially help to reduce carbon footprints and pave the pathway for a green economy. Social and solidarity economy can foster a more fair and equitable green economy. Digital economy can expand access to basic services, including education, healthcare, finance and livelihood opportunities and stimulate a vibrant creative economy.

These emerging models can also undercut each other, increasing risks and uncertainties and creating new opportunities for exclusion and exploitation. Sharing economy, for example, is posing risks of disrupting and destroying many existing economic activities. Ride-sharing activities are threatening the livelihoods of traditional taxi drivers. Homeowners – offering temporary accommodation to strangers – are disrupting the hotel and hospitality industry. The advent of green economy is threatening to undermine the livelihoods of many trapped in coal and fossil-fuel industries, exacerbating their anxiety and insecurity. Digital economy is raising widespread concerns about data manipulation, security and privacy with far-reaching impacts on freedom of speech, social cohesion and democracy. Without appropriate legal, regulatory and institutional frameworks, the social and political costs of these disruption may outweigh the benefits of efficiency and convenience.

Economic and social transformations – as brought about by these new and emerging models of economic activities – are inevitable. Instead of trying to stifle their growth, Governments would need to proactively manage them to minimize the cost of disruptions on existing economic sectors and activities. Government would also need to facilitate coherence, interlinkages and mutuality of these economic activities to maximize their sustainable development outcomes.

### **Questions for discussion**

- What policies and strategies are needed to minimize transition and adjustment costs, as societies adopt these new models of economic activities?
- How can governments maximize their synergistic effects?
- What institutional and regulatory framework are needed to ensure these models of economic activities deliver sustainable development outcomes?

- What role international cooperation could play to better manage these new and emerging models of economic activities?

## **Format**

The Chair will open the Session. All panellists will be seated at the podium. The moderator will facilitate the panel discussion. Each panellist will be invited to give his/her perspective on the theme, keeping in mind the focus questions of the discussion. The moderator will facilitate an open, free-flowing exchange among panellists, followed by an interactive discussion between panellists and the audience, which will include representatives of Member States, institutional stakeholders, as well as civil society and the private sector.

## **Moderator:**

**Mr. Hamid Rashid**, Chief Development Research Branch, EAPD, DESA

## **Panelists:**

**H.E. Mr. Mohammad K. Koba**, Deputy Permanent Representative of Indonesia to the United Nations

**Ms. Alex Rosenblat**, Author, “Uberland: How Algorithms Are Rewriting the Rules of Work”  
Research Lead at the Data & Society Research Institute

**Ms. Fidan Ana Kurtulus** Professor, Department of Economics, University of Massachusetts Amherst

**Ms. Helge Elisabeth Zeitler**, Environment and climate counsellor at the EU Delegation to the UN

**Mr. Jonathan Donner**, Senior Director for Research at Caribou Digital

**Mr. Patrick Kabanda**, Author, “The Creative Wealth of Nations: Can the Arts Advance Development”

## **Biographies**

**Ms. Alex Rosenblat** is a technology ethnographer and the author of *Uberland: How Algorithms Are Rewriting the Rules of Work*. A Research Lead at the Data & Society Research Institute and a Fellow at the Aspen Tech Policy Hub, she holds a master's degree in sociology from Queen's University and a Bachelor of Arts degree in history from McGill University. Alex's writing has appeared in media outlets such as The New York Times, the Harvard Business Review, The Atlantic, Slate, and Fast Company. Her research has received attention worldwide, and has been covered in The New York Times, The Wall Street Journal, MIT Technology Review, WIRED, New Scientist, and The Guardian. Among the scholarly and professional publications in which her prize-winning work has been published are the International Journal of Communication and the Columbia Law Review.

**Ms. Fidan Ana Kurtulus** is a Professor of Economics at the University of Massachusetts, Amherst and Co-Director of the Center for Employment Equity. She has served as a Women and Public Policy Fellow at the Harvard Kennedy School of Government, a Wertheim Fellow at Harvard Law School, and a Beyster Fellow at Rutgers University. Her research explores a number of topics in labor economics, including broad based employee share ownership and worker cooperatives, and the impacts of civil rights legislation on workplace race and gender diversity. Professor Kurtulus has authored the book "How Did Employee Ownership Firms Weather the Last Two Recessions? Employee Ownership, Employment Stability, and Firm Survival", and has published in a variety of academic journals. She has been awarded research grants by the National Science Foundation, the Upjohn Institute for Employment Research, and the Kellogg Foundation. She received her A.B. from the University of Chicago, graduating with high honors in economics. She obtained her Ph.D. in economics from Cornell University in 2008.

**Mr. Hamid Rashid**, Chief, Development Research Branch, leads the writing team for the World Economic and Social Survey. Previously, he served as the Senior Inter-Regional Adviser for Macroeconomic Policy in UN/DESA, advising finance, central banks and planning authorities in developing countries on how to design and implement policies to manage short-term economic shocks and realize the long-term goals of equitable growth and sustainable development. Prior to joining UN/DESA in 2010, Hamid served as a Senior Adviser in UNDP's Bureau for Development Policy and also as the Director General for Multilateral Economic Affairs at the Ministry of Foreign Affairs in Bangladesh. He earned his Ph.D. in finance and economics from Columbia University in New York, working under his advisor and mentor, Professor Joseph Stiglitz. Hamid also obtained a MPhil in Economics and MPA from Columbia University and a Bachelor of Science degree from the University of Texas. His research interest includes macroeconomic policies, international finance, financial market liberalization and their impact on economic growth and development.

**Ms. Helge Elisabeth Zeitler** currently works as environment and climate counsellor at the EU Delegation to the UN. Prior to that, she was Deputy Head of the international cooperation unit of the Directorate General for Environment in the European Commission, as well as team leader for different topics of multilateral environmental cooperation, EU focal point for cooperation with the UN Environment Programme and a member of the EU negotiation team for the 2030 Agenda. Helge Zeitler is a lawyer by training with a doctorate in international law, who also worked in the past in the German administration and at the UN.

**Mr. Jonathan Donner** is Senior Director for Research at Caribou Digital. For two decades, Jonathan has conducted groundbreaking research on digitization in the Global South. An author of over three dozen scholarly articles, his projects have included Microenterprise Development, Digital Financial Services, Citizen Journalism, Mobile Health, Digital Identity, and Youth & New Media. His latest book, *After Access: Inclusion, Development, and a More Mobile Internet* was published by the MIT Press in 2015. Previously, Jonathan was a Researcher in the Technology for Emerging Markets Group at Microsoft Research, a Post-Doctoral Research Fellow at the Earth Institute at Columbia University, and a consultant with the Monitor Group in Boston, MA. Jonathan's Ph.D. is from Stanford University in Communication Research.

**H.E. Mr. Mohammad K. Koba** is the Deputy Permanent Representative of the Republic of Indonesia to the United Nations in New York. He started his career in 1997 in the Research and Development Agency of the Ministry of Foreign Affairs of Indonesia. His diplomatic posts include the Permanent Mission of Indonesia to the European Union, and the Permanent Mission of Indonesia in Geneva. He has a broad knowledge of international affairs having experience in the Asia-Europe Meetings, ASEAN-EU, international security and disarmament, Multilateral Environment Agreements, International Telecom Union, CITES, RAMSAR, WMO, IPCC. Before his posting in New York as Deputy Permanent Representative, he was the Deputy Director of the General Affairs Bureau. Ambassador Koba holds a Bachelor's in International Relations from Airlangga University and a Master's in European Integration and Development from the Vrije Universiteit in Brussels, Belgium.

**Mr. Patrick Kabanda** is author of *The Creative Wealth of Nations*, a book published in 2018 by Cambridge University Press, with a foreword by the philosopher and Nobel economist Amartya Sen. A Juilliard-trained organist and a Fletcher-trained international affair professional, he received Juilliard's William Schuman Prize for outstanding achievement and leadership in music in 2003, and from 2012 to 2013 he was a Charles Francis Adams Scholar at The Fletcher School. Besides concertizing and lecturing worldwide, he has taught at Phillips Academy, consulted for the World Bank's Office of the Senior Vice President and Chief Economist, and contributed to the World Development Report 2016 and to UNDP's 2015 and 2019 Human Development Reports. He was awarded the 2013 Presidential Award for Citizenship and Public Service from Tufts University, Massachusetts.