

# Cooperation in a fragmented world

The 2024 Global Outlook Prospects for Children: Cooperation in a Fragmented World examines how global fragmentation along geopolitical and economic lines will impact children in 2024 and beyond. It highlights eight key trends that will shape children's lives and provides policy guidance to protect their rights and well-being amid this uncertainty.

> The report highlights how the world is at a pivotal juncture, faced with a choice between greater global collaboration and increased fragmentation and isolationism. It warns that the future of children globally will hinge on this interplay of cooperation and competition. In addition to analysis of the eight trends, the report presents four scenarios of what the future could look like from now until 2050. The scenarios were created based on different degrees of international cooperation and technological advancement. The analysis of the scenarios shows that the best outcomes for children's health. education and overall well-being result from a path of global synergy, which is defined by high levels of cooperation, availability of resources and technological advancement. However, achieving this future requires proactive policies and collective action focused on children's needs and rights.

# Eight trends in 2024

1. Geopolitical shifts and the risk of conflict may threaten children's survival and well-being – but avenues for accountability and cooperation hold promise.

## **IMPACTS**

### **CHILDREN BY:**



Increasing their exposure to violence and war



Raising the risk of grave violations of child rights



Diverting resources from education, health care and nutrition

In 2024, major powers will continue competing to expand their military, political, economic, and technological influence globally, including within multilateral institutions. Meanwhile, small and middle powers, including many in the Global South, are distancing themselves from confrontation between the major powers by forging new, flexible alliances in an emerging 'multi-aligned movement'. As power becomes more diffused, a more inclusive and collaborative approach to solving global problems may develop.

This shifting geopolitical landscape means 2024 will likely remain volatile, with reverberating impacts. Potential risks include new armed conflicts, cyberattacks, disinformation campaigns and clashes inflamed by climate change and environmental stresses. The heightened risk of conflict could entangle neighboring nations in regional disputes. It could also see continued engagement by private military contractors and mercenaries, and urban warfare tactics that endanger civilians.

For children, this volatility will likely mean increased exposure to violence and war. It will also raise their risk of experiencing grave violations of rights in conflict. Moreover, as humanitarian needs reach unprecedented levels, surging military spending may divert precious resources from health care, education and nutrition.

- States must strengthen monitoring and accountability mechanisms to protect children in conflict situations.
- The international community needs to expand humanitarian aid to avoid creating 'forgotten emergencies'.
- Reforming global peace and security governance to revitalize tools for protecting children and maintaining peace must be a priority.

**2. Economic fragmentation** threatens families' livelihoods, children's development and youth employment - but economic solidarity, market collaboration and investing in future skills can safeguard children's rights and futures.

## **IMPACTS**

## **CHILDREN BY:**



Increasing food prices, which affects nutrition



Undermining young people's access to job markets



Diverting money from programmes to fight child poverty

Economic fragmentation, often driven by geopolitical interests and strategic considerations, is projected to widen disparities between nations in 2024. This unravelling of global economic integration threatens to undermine years of prosperity, progress and innovation. It also adds fiscal pressure at a time when child poverty is rising in many parts of the world. Fragmentation is already visible in international trade, especially in food markets. Export restrictions are raising prices and negatively impacting nutrition security and child development. Our analysis shows that, from March 2022 to October 2022, over two million newborns in 127 low- and middle-income countries may have been at risk of stunting due to higher food prices because of the Russia-Ukraine war. A divergent labour market recovery also threatens youth employment prospects, particularly in low-income countries.

Crises linked to the COVID-19 pandemic and the Russia–Ukraine war have erased years of progress in reducing extreme child poverty. Estimates show this backsliding will continue, with 15 million more children a year living in poverty from now until 2030 than would have otherwise.

Reducing fragmentation and pursuing openness and cooperation can benefit children. This approach can raise household incomes, government spending, wages and improve the availability of essential goods and services.

- The developed world needs to demonstrate economic solidarity and prioritize children in trade policy formulation and cooperation on commodity markets thus ensuring access to essential goods and services.
- Equitable budgeting, tax policies, debt management and public finance are key to ensuring essential services and securing environments that allow children to thrive.
- Unified policy action and strategic investments are needed in youth employment and education to provide skills for emerging sectors.

**3. A fragmented multilateral system** is not delivering on key issues for children – but it has a chance to reset its course in 2024 through global governance and financing reforms.

## **IMPACTS**

## **CHILDREN BY:**



Limiting efforts to protect child rights



Inhibiting collective action to prevent and end conflict



Creating new avenues of engagement and cooperation to address common risks to children The year 2024 will be pivotal for addressing a fragmented multilateral system that is failing on issues such as peace, security, climate change, financing for developing countries and the enforcement of normative standards – all of which can have an impact on children and their rights.

Many countries, especially those in the <u>Global South</u>, believe the multilateral system has failed to address core challenges and is no longer fit for purpose in an evolving world. As a result, alignments and alliances among nations have shifted. These shifts can be positive or negative for children: Alliances among smaller groupings of countries can help advance issues at an impasse globally, but multiple groupings may stretch the already limited resources of smaller and less developed countries.

- The international community needs to seize the opportunity of the United Nations' Summit of the Future in September 2024 to renew commitments to inclusive multilateralism and reform global peace and security governance.
- The multilateral system including the United Nations, international financial institutions, regional organizations, minilateral arrangements and other organizations should mainstream child rights and interests into policies, programmes and agreements.
- Children and young people need to meaningfully participate in decision-making processes and in reshaping the multilateral system.

4. Developing economies still face structural inequities in the international financial architecture, limiting their ability to invest in children - but reforms to lending approaches and new technologies offer hope.

## **IMPACTS**

## CHILDREN BY:



Reducing government spending on social safety nets



Increasing the cost of remittance transfers essential for health and education



Constraining international resources available to invest in their futures

Structural inequities in international financing will continue to limit developing countries' investments in children in 2024. Excessive debt burdens, high remittance costs, overreliance on unpredictable economic monetary policies and lack of voice in financial governance penalize poorer states. Debt crises hurt children through austerity budgets and weakened social safety nets.

Overhauling the governance and lending capacity of international financial institutions is a major reform effort expected to dominate 2024. A multifaceted approach is imperative to addressing the complex debt challenges facing developing countries. A successful approach involves prudent and responsible financial practices, increased social investments, the leveraging of innovative financing mechanisms, and balanced policy measures that control inflation while preserving access to sustainable finance.

Benefits for children could include faster reduction of extreme poverty, higher education spending, fewer children leaving school early and increased employment opportunities for youth. But these gains require a commitment to a more inclusive global financial system.

- The international community should give due consideration to the impact on child well-being in the global finance reform processes.
- Proposed reforms must be accompanied by efforts to address developing countries' debt and balance economic growth and debt management.
- The international community can reap further gains by modernizing cross-border payment infrastructure and advancing digital finance.
- Reforms to the global financial architecture should also balance financial returns with long-term development potential.

**5. Global democracy** faces unprecedented risks presented by disinformation and higher levels of political violence – but positive forces, including those led by children and youth, may still reverse the democratic decline.

## **IMPACTS**

## **CHILDREN BY:**



Exposing them to disinformation but creating new forms of participation



Subjecting them to increased risk of political violence



Prompting them to civic action that may reshape democracy

Democratic backsliding and youth dissatisfaction with democracy have been unfolding for years. But in 2024, as many nations face critical elections, two concerning trends emerge.

First, advances in the digital technology for large language models and generative AI have introduced dangerous new disinformation capabilities that can create convincing text and realistic images quickly and cheaply. The impact of disinformation and technology on democracy will likely continue in 2024, potentially affecting 4 billion people living in countries with upcoming elections.

Second, political violence has increased, impacting even established democracies. Of the 50 countries facing the worst levels of political violence, half are considered 'free' or 'partly free', according to the categorization by Freedom House.

Children and young people are becoming citizens during uncertain times. They may be misled by disinformation and are especially vulnerable to violence and the damage it causes to public services. At the same time, they continue to be engaged in civic action, bringing hope for a reinvigoration of the public debate and a reversal of the democratic decline.

- Governments, tech companies, the media, academia, civil society and youth should act together to reshape public debate, preserving freedom of expression and information integrity.
- Governments must invest in civic education, better platforms for children, youth participation in the political process, and equitable access to existing democratic structures.
- Governments must also take a fresh understanding of how young people act politically and take concrete action to address their demands.

**6. Fast-tracking the transition to green energy** is reshaping critical mineral and labour markets - if managed responsibly, cooperatively and justly, it can benefit children.

## **IMPACTS**

## CHILDREN BY:



Potentially exposing them to harmful labour practices



Creating new job prospects in the green economy



Challenging governments to address education and skills training for the green transition

In 2024, the accelerated transition to green energy will continue. This transition will be driven by volatility in energy markets, growth in the deployment of clean energy technology and policy imperatives such as the development of new Nationally Determined Contributions (NDCs).

A faster shift to green energy brings significant benefits to children and young people, but it also poses risks. On one hand, it creates demand for skilled labour in the green job market. On the other hand, the massive need for minerals to enable the transition to green energy expands mining operations and exacerbates pressures on global trade.

Many developing countries will struggle to make an affordable and timely transition to green energy unless it is managed in an inclusive, just and transparent way. Children will face risks to their rights, welfare and prospects. A fast transition to green energy can potentially expose children in mining communities to harmful labour practices and environmental risks. At the same time, a fast transition will alter young people's job prospects in the green economy and require rethinking the needs in education and skills training.

- A faster transition from fossil fuels to green energy requires careful management of critical minerals and other resources, greater collaboration among countries, reduced market fragmentation and political will.
- Joint action between governments and businesses is essential to ensure that regulatory frameworks and corporate standards consider child rights issues.
- Inclusive opportunities for young people to build new skills and access green jobs are critical to realizing a transition that works for young generations.
- Policymakers should consider a holistic, life-cycle approach to supporting green school-to-work transitions.

7. El Niño, mosquito-borne diseases and water scarcity threaten children's health and well-being – but greater collaboration, holistic programming and technological innovation can mitigate the negative impacts and protect children.

### THE CLIMATE

## **CRISIS IMPACTS** CHILDREN BY:



Exposing them to greater risk of mosquito-borne diseases



Increasing the risk of forced displacement because of extreme weather



Creating conditions for water and food insecurity

Throughout 2024, climate change will continue to pose many threats to children's health and nutrition. Three key forces stand out: the continuation of El Niño; the rise in outbreaks of mosquito-borne diseases due to climate change; and water scarcity. El Niño could be even hotter and more dangerous to people and the planet than it was in 2023. Coming on the heels of the polycrisis, it may further exacerbate impacts on the cost of living, food security and poverty.

Outbreaks of mosquito-borne diseases including dengue and malaria have appeared with increasing frequency and in new locations, reversing years of progress in child survival and health. Water scarcity, exacerbated by climate change, directly impacts children worldwide even children in high-income countries. By 2050, 4.3 billion people will live in arid and regions with high levels of water stress – a billion more people than in 2023. Clean and safe water access is fundamental for children's health and development.

Together, these three forces present major dangers to children, including dehydration, disease, malnutrition, developmental deficits, trauma from displacement and even death. Given the transboundary nature of these threats and the vulnerability of low-income countries, international cooperation is critical to address climate-related health and nutrition risks for children.

- Governments need to adopt integrated solutions to the climate crisis that focus on prevention, are backed by research and development, and emphasize global collaboration and innovation.
- Early warning systems need to be strengthened, and there needs to be greater access to vaccines, bed nets and clean water to shield children from climate threats.
- Climate change adaptation and resilience tailored to the goal of protecting children's well-being must be at the core of climate action.

**8. Potential impacts of unchecked technologies** spark fear and concern for children's well-being – but proactive policy and global digital cooperation can place children at the centre of responsible design and regulation.

## **IMPACTS**

## **CHILDREN BY:**



Exposing them to risks and opportunities from emerging technologies



Raising the stakes for policies that allow online opportunities and participation



Affecting their prospects due to geopolitical tensions

The digital environment continues to shape children's lives. Advances such as artificial intelligence (AI) bring new opportunities for children's learning, health care and development. Because new technology also poses risks for children, striking a regulatory balance will be a 2024 priority for three main reasons:

First, apprehension about the risks from disruptive technology is driving more proactive and rapid regulatory approaches. Regulation is crucial for children as they interact with AI in many ways, and children will feel the negative impacts of unchecked AI now and throughout their lives.

Second, society is pushing back against technology's influence, sparking demands for more consideration about design, deployment and regulation of technology. In the past, regulators often avoided stifling innovation during rapid digital uptake, but <a href="heightened">heightened</a> awareness of technology's downsides points to a course correction.

Third, the politicization of technology will hinder efforts to reduce fragmentation and build consensus on digital governance. Mounting tensions between countries often take priority over children's rights when it comes to digital governance. As a result, children may be more exposed to risks from emerging technology, including from Al. Child-centred regulation can shield young technology users from its negative impact. Yet, overly restrictive policies may curb online opportunities and limit children and young people's engagement in the development of policy and technology.

## **Policy recommendations**

Digital policies and cooperation must prioritize children, resonate with their lived digital experiences and truly serve their needs and hopes by:

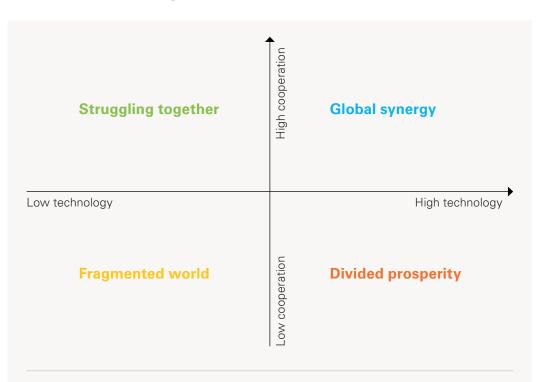
- Promoting digital equality by providing digital skills and meaningful access and holding Big Tech accountable to minimize risks.
- Meaningfully and continually engaging children and youth in digital policy and development.
- Employing foresight methods with children and youth to map potential digital futures that inform anticipatory policies fit for our age.

# The future for children: Four scenarios

The future for children hinges on the interplay of multiple factors - particularly the dynamics of international cooperation, the trajectory of technological advancements and the availability of resources. To envision how these factors might affect children's lives, UNICEF collaborated with the Frederick S. Pardee Center for International Futures.

> Using the Pardee Center's International Futures model, we crafted four scenarios that explored how the world might change from 2024 to 2050. The four scenarios were shaped by two critical axes of uncertainty: the degree of geopolitical and economic cooperation (from high to low) and the rate of technological advancement (high to low).

## Four scenarios of possible futures for children



The four scenarios were developed based on different assumptions about the evolution of global trends and policy choices in the realm of high and low cooperation and high and low technology.

## HIGH COOPERATION

More diplomacy and a lower probability of conflict, strategic carbon taxes in affluent regions, reduction in fossil fuel production, policies that promote more equitable income distribution, lower trade barriers, increase in official development assistance outflows, improved government effectiveness

#### LOW COOPERATION

Less diplomacy and greater probability of conflict, rise in income inequality, increase in trade protectionist policies, emergence of rival trading blocs, decline in ODA receipts, lower government effectiveness

#### **HIGH TECHNOLOGY**

Increased multifactor productivity, higher agriculture production, increase in green energy investments and demand, easing of demographic pressures, increase in public and private research and development (R&D) investment

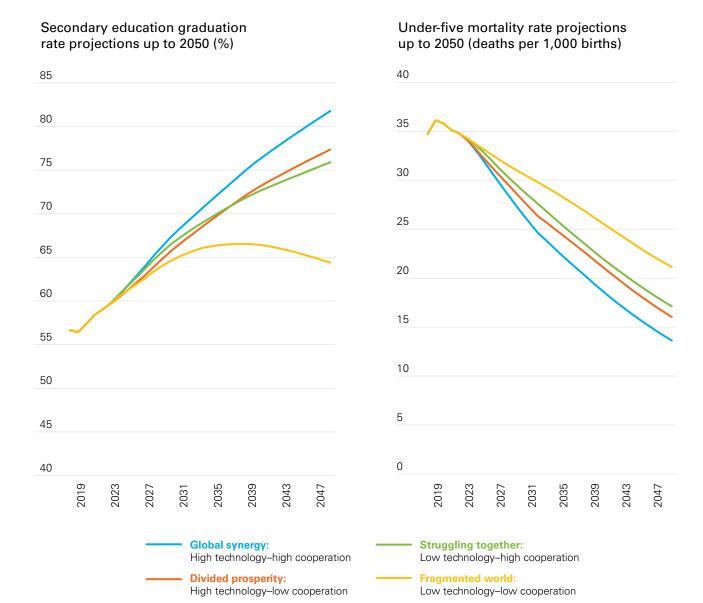
### LOW TECHNOLOGY

Falling multifactor productivity, decline in agriculture production, stagnant green energy investment and demand, demographic imbalances, decline in public and private R&D investment

The changes within the scenarios depended on the impact of policy decisions on international cooperation and technical advancement. For example, our analysis showed that a **global synergy** scenario provided the most optimistic outlook for children's development with enhanced access to education, improved health-care infrastructure, greater food security, shared economic prosperity and a healthier environment. In contrast, the fragmented world scenario painted a grim picture for children in 2050, highlighting an urgent need for policies that prioritize sustainable development and global cooperation to safeguard and enhance the welfare of the world's youngest citizens.

These four scenarios had vastly different implications for children's survival and education. Implications that can be counted in lives lost and education lost.

## The greatest progress on children's health and education and nutrition is in a world of global synergy.



# Children at the centre of our shared future

A brighter tomorrow starts with the policy choices we make today. These choices are not always straightforward or easy, but success is possible. History shows that collaboration can create dramatic change for children.

The foresight analysis conducted by UNICEF Innocenti and the Pardee Center for International Futures shows that the future for children hangs in the balance between fragmentation and cooperation. The data clearly show that a pathway modelled on the **global synergy** scenario presents the most optimistic outlook for children's health, education, nutrition and overall well-being.

But cooperation – global synergy – is a choice. We all must *decide* to work collectively towards ensuring the best and most equitable outcomes for children and future generations. With solidarity, openness and a spirit of mutual interest, a more prosperous, secure world is within reach – one where all children have the opportunity to thrive.



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**UNICEF** works in the world's toughest places to reach the most disadvantaged children and adolescents — and to protect the rights of every child, everywhere. Across 190 countries and territories, we do whatever it takes to help children survive, thrive and fulfill their potential, from early childhood through adolescence. And we never give up.

**UNICEF Innocenti – Global Office of Research and Foresight** tackles the questions of greatest importance for children, both current and emerging. It drives change through research and foresight on a wide range of child rights issues, sparking global discourse and actively engaging young people in its work.

UNICEF Innocenti equips thought leaders and decision-makers with the evidence they need to build a better, safer world for children. The office undertakes research on unresolved and emerging issues, using primary and secondary data that represents the voices of children and families themselves. It uses foresight to set the agenda for children, including horizon scanning, trends analysis and scenario development. The office produces a diverse and dynamic library of high-level reports, analyses and policy papers, and provides a platform for debate and advocacy on a wide range of child rights issues.

UNICEF Innocenti provides, for every child, answers to their most pressing concerns.

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