ENSURING EQUITY IN AN UNEQUAL WORLD: FRAMEWORK FOR AN ALTERNATE DEVELOPMENT PARADIGM

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The objective of the study is to analyze the multifaceted crises affecting global development, such as the Covid-19 pandemic, climate change, and increasing inequality. It critiques the traditional gross domestic product (GDP) driven development model and suggests an alternative framework based on the principles of equity and sustainability. This approach aligns with the Lifestyle for Environment (LiFE) initiative and seeks to integrate human development with ecological sustainability. The research emphasizes the importance of global leadership, particularly through the Group of Twenty (G20), in fostering international cooperation to facilitate a just transition through policy reforms and behavioral changes.

Keywords: equity; sustainability; LiFE framework.

GARANTIR EQUIDADE EM UM MUNDO DESIGUAL: BASE PARA UM PARADIGMA DE DESENVOLVIMENTO ALTERNATIVO

O objetivo do estudo é examinar as crises multifacetadas que impactam o desenvolvimento global, como a pandemia de covid-19, as mudanças climáticas e o aumento das desigualdades. Critica-se o modelo tradicional de desenvolvimento baseado no produto interno bruto (PIB) e propõe-se uma estrutura alternativa centrada nos princípios de equidade e sustentabilidade. Essa abordagem está em conformidade com a iniciativa Estilo de Vida para o Meio Ambiente (LiFE) e busca integrar o desenvolvimento humano com a sustentabilidade ecológica. A pesquisa enfatiza a importância da liderança global, especialmente por meio do Grupo dos Vinte (G20), para promover a cooperação internacional e facilitar uma transição justa por meio de reformas políticas e mudanças comportamentais.

Palavras-chave: equidade; sustentabilidade; LiFE.

GARANTIZAR LA EQUIDAD EN UN MUNDO DESIGUAL: BASE PARA UN PARADIGMA DE DESARROLLO ALTERNATIVO

El objetivo del estudio es examinar las crisis multifacéticas que afectan al desarrollo global, tales como la pandemia de covid-19, el cambio climático y el aumento de la desigualdad. Se critica el modelo tradicional de desarrollo impulsado por el producto interno bruto (PIB) y se propone un marco alternativo centrado en los principios de equidad y sostenibilidad. Este enfoque se alinea con la iniciativa Estilo de Vida para el Medio Ambiente (LiFE) y busca integrar el desarrollo humano con la sostenibilidad ecológica. La investigación subraya la importancia del liderazgo global, especialmente

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a través del Grupo de los Veinte (G20), para promover la cooperación internacional y facilitar una transición justa mediante reformas políticas y cambios de comportamiento.

Palabras clave: equidad; sostenibilidad; LiFE.

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1 BACKGROUND

The world is in the grip of the simultaneous occurrence of multiple crises, thereby posing challenges of unprecedented scale and depth for development. The advent of the Covid-19 pandemic in 2020 had devastating consequences on economic growth and employment and led to a surge in the numbers of poor and vulnerable across all developing nations. The acceleration of climate change, indicating the ushering in of the age of the Anthropocene, has led to rising threats of sudden extreme climate-related events occurring across the world, disrupting development and causing enormous loss of life and assets. Inequality in income has risen dramatically within countries during the pandemic period from its already high levels and is an important cause triggering social unrest. Alarmingly, the value of the Human Development Index declined consecutively for two years in 2020 and 2021 in many countries. Sustainable Development Goals (SDG) progress has not only halted but also reversed to levels that prevailed in 2015 in the key dimensions of food security, nutrition, education, and health, to name a few. In 2023, while the developed nations have largely recovered from the pandemic shock, most emerging economies are still struggling to reach the pre-pandemic levels of economic growth, employment and human development. The recovery path is rendered challenging by rising public debt levels in developing countries, with a debt level of US$ 29 trillion in 2024, accounting for 30% of the global total debt compared to a 16% share in 2010 (UNCTAD, 2024).

A characteristic feature of the current development scenario is the weak links between economic growth and human development owing to high-income inequality levels. In 2022, at the global level, the share of the top 10% of the population was 52% of income and 76% of wealth, whereas the bottom 50% share was 8% of income and 2% of wealth (Chancel et al., 2022). Intriguingly, in contrast to the situation in 1990, when most of the poor were to be found in low-income countries, in 2023, six out of ten extremely poor globally were concentrated in middle-income countries (Mahler, Yonzon and Lakner, 2023), highlighting the fact that economic growth did not translate into rising incomes for all. Notably, the middle-income countries in Group of Twenty (G20) alone account for over half the number of the poor in the world.

At this time in history, when the fundamental flaws of the uncritical adoption of the gross domestic product (GDP) driven development paradigm are glaringly exposed, questions are being raised about its validity and relevance. The G20 countries have a renewed responsibility to steer the world out of the current chaos. They can collectively provide the much-needed leadership and vision in an increasingly confused multipolar world where geoeconomics and geopolitics present countervailing processes (Chaturvedi et al., 2021; Klingebiel, 2023). In fact, within the G20, the middle-income countries need special focus, as they will be the arena where the development conundrums will be played out in full force in the 21st century.

Against this background, the present paper argues that it is imperative to reinstate and infuse the development paradigm with values of equity and sustainability, both in order to retrieve the world from the current precarious situation that it finds itself in as well as to ensure the wellbeing of the present and future generations. In order to do so, it would be necessary to nullify and reverse the erroneous norms, assumptions and belief systems that have governed policy regimes which have focused on stimulating rates of economic growth to the complete neglect of improving overall development indicators. While the process has been mainstreamed since 1950, it has gained momentum in the past fifty years. Accordingly, section 2 identifies the critical breakdown of the prevalent paradigm following which has resulted in erroneous belief systems and assumptions. Section 3 discusses the impact of adopting a weak sustainability approach to economic growth, followed by Section 4 that presents the debate about the quest for a new development paradigm. Section 5 discusses the convergence of the Lifestyle for Environment (LiFE) and human development approaches and presents the Framework for Convergence Towards a New Development Paradigm. Any paradigm can succeed only when there is collective acceptance of the same. Section 6 presents the arguments about the role of G20 in shaping the collective future; the last section presents the concluding remarks.

2 CRITICAL BREAKDOWNS OF THE PREVALENT PARADIGM

It is worth pointing out that the multiple crises that the world faces today are not accidental but are the result of deliberate choices made in the past by policymakers influenced by the "expert advice" of economists and other social scientists. The policy choices, in turn, were governed by norms and values that reflected the dominance of economic growth as an objective, with natural and human capital playing an instrumental role by contributing to the fulfilment of this paramount goal.

In the post-World War II scenario, where war-ravaged countries were keen to resolve the daunting challenges of poverty and deprivation that confronted them, it was natural to focus on economic growth to ensure the population's well-being. However, the focus on economic growth was to the exclusion of distributional considerations. It was guided by *two* important beliefs that had far-reaching consequences: i) economic growth will lift all boats equally, and ii) the disadvantaged can be taken care of by social policies. The structural constraints to the equal spread of benefits of economic growth were largely ignored owing to an unswerving faith in the "trickle down" hypothesis.

This mode of thinking was strengthened by the proposition made by the influential economist Simon Kuznets, who, in his 1954 Presidential address to the International Economics Association, set out a 'hypothesis' relating the per capita income of countries to the Gini coefficient. The proposition stated that as a country's average per capita income rises, inequality in income measured by the Gini coefficient will rise initially but will start declining after a certain point, leading to an inverted U-shaped curve (Kuznets, 1955). At the root of this process was structural transformation wherein workers from low-wage agriculture shifted to the high-wage industrial sector. In the initial stages of development, since the numbers involved in such a shift would be small, inequality in income would rise. Subsequently, as a large number of workers move from agriculture to industry, income inequality tends to decline.

This was an opportune and convenient proposition for policymakers of newly independent countries just emerging from the Second World War, for it supported their single-minded pursuit of economic growth. This insight, based on empirical data, enabled countries to ignore the differences in initial conditions across countries and structural barriers in the unequal distribution of land, education, and skill endowments of their people.

The popularity of the Kuznets hypothesis is surprising given that the originator of the proposition was himself unsure of its validity as it was based on "5 per cent evidence and 95 per cent conjecture" (Kuznets, 1955, p. 26). Kuznets was also skeptical of the applicability of the proposition to developing countries where structural constraints may pose many hurdles. Moreover, the Kuznets hypothesis was based on the evidence emerging from just three countries, United States, Great Britain and Germany, for the years that included two World Wars and one Great Depression wherein the taxation of the rich by the governments in order to fund the wars depressed their income levels considerably, thereby leading to lower income inequality levels.

Interest in the Kuznets hypothesis has seen a resurgence in recent years, with numerous scholars reexamining its validity in light of evidence from more countries and for longer periods of time. The recent WIDER studies (Alisjahbana et al., 2024) examine "types of structural transformation" using the Kuznets hypothesis and have found its validity to be of limited nature. What, however, is surprising is that the Kuznets hypothesis continues to be used as the basis to evaluate the relationship between economic development and income inequality. This preoccupation with the Kuznets hypothesis has drawn attention away from the more important ethical questions that unequal distribution poses and the dimensions within which inequality is judged. What was also not recognised adequately was that the inequalities in developing countries are persistent and acquire the nature of "durable inequalities" (Kabeer, 2009) as poverty and disadvantage are transmitted from generation to generation, making it an issue of justice across generations.

The recent evidence on intergenerational transmission of inequality highlights this situation. For example, Guaitoli and Pancrazi (2022) cite evidence from 27 household surveys of 9 Latin American countries found that in most countries more than half of the observed income inequalities were due to inherited conditions. The positive correlation between high levels of inequality and lower inter-generational mobility in income is well-known and referred to as the Great Gatsby Curve. Interestingly, this relationship also holds with respect to human development, as high inequality in human development outcomes is associated with lower inter-generational mobility in income (UNDP, 2019). Weide et al. (2024) used the intergenerational mobility database for 153 countries, and in their analysis, they observed that inter-generational educational mobility for the youngest cohort born between 1980 and 1989 is lower in the average developing country compared to the average high-income country. Children in sub-Saharan Africa are least successful at surpassing their parents' education despite lower parental education levels.

Programmes providing protective social security, such as social assistance for vulnerable groups, have gained prominence recently. They are largely meant to take care of the disadvantaged people in the current generation and do not lead to a reduction in intergenerational transmission of disadvantage. Education is an important factor that can lead to higher inter-generational mobility, but its impact is reduced when high educational inequality exists. For example, in India, a low-middle-income country, the inequality-adjusted Human Development Index computation shows that the loss in the value of the education index in 2022 was as high as 36.9 % (UNDP, 2024). Sustainability policies have been short-sighted and have continued to ignore the interests of future generations.

3 WEAK SUSTAINABILITY AND WORSENING INEQUITIES

In the 1990s, as the environmental debates gained prominence, the Environmental Kuznets Curve (EKC) was proposed by Grossman and Krueger (1991) and later supported by the World Bank (1992) in the World Development Report.

This led to a spate of studies examining the veracity of the relationship (Grossman and Krueger, 1991; Shafik, 1994; Selden and Song, 1994). The pathway of acceptance of the EKC was made easier by the widespread adoption of its predecessor, the Kuznets hypothesis on income inequality. The EKC was considered a mere extension of the Kuznets hypothesis to the environmental realm.

Following the Kuznets hypothesis, the EKC proposed an inverted U-shaped relationship between per capita income and environmental pollution. This effectively meant that despite rising environmental pollution in the initial stages of economic growth, it was not a cause for worry as the pollution levels would decline automatically once economic growth had reached a certain level. The hypothesis also dispenses with the need to limit economic growth if the utilization of fossil fuels and other natural resources is within the limit that does not disturb the ecology and environment.

The empirical evidence on the EKC is hazy and subject to many limitations. The evidence supporting the EKC may be theoretically valid in the case of some pollutants. However, it is argued that the turning point in environmental pollution occurs at very high income levels, and the stability of the entire system is likely to be threatened well before such a turning point is reached (Hinterberger, Luks and Stewen, 2004). For example, Selden and Song (1994) found that the turning points for SO2 were $10,391 and SPM $ 12,275. Pointing to the ambiguity of the results from the EKC studies, Stern (2004, p. 1426) states that "the only robust conclusions from the EKC literature appear to be that concentrations of pollutants may decline from middle-income levels, while emissions tend to be monotonic in income". Another factor is that if one were to consider the impact of high environmental degradation on economic growth, attaining higher levels of economic growth would be doubtful.

In addition to the EKC hypothesis, environmental policy in most countries has sought to adopt a "weak sustainability" approach, which considers natural and physical capital to be substitutes for each other. This is in direct opposition to the more realistic and relevant concept of "strong sustainability" based on the premise that such unlimited substitutability is not practically feasible and that there exists "critical natural capital" needs to be protected (Prabhu and Iyer, 2019). In the race to achieve higher growth rates, most countries have destroyed their natural capital, thereby upsetting ecological balance and leading to climate-related risks. The Intergovernmental Panel on Climate Change (IPCC) report states that soil erosion from agricultural lands has been several times higher (10-100 times) than the soil formation rate over the decades. Further, between 1960 and 2013, there has been a steady increase of 1% per annum in the occurrence of droughts in dryland areas, leading to desertification and jeopardising the lives of 500 million people living therein (Lee and Romero, 2023).

A third aspect of the policy choice set has been the heavy positive discount rates used while choosing investments in long-duration projects. Many prominent economists, such as Ramsey in 1928, Harrod in 1948 and Solow in 1974, were against the use of positive rates of discount as it was ethically indefensible and encouraged rapacity by governments. These objections have not been paid much attention, as is evident from the fact that the United States Office and Management Budget Treasury since 1992 used a 7% rate aligned with the opportunity cost of capital for Federal spending programmes in addition to a 3% real discount rate based on the rate that the average saver uses to discount future consumption (United States, 2017). The United Kingdom uses a 3.5% rate on average for projects of 30 years and 3% for projects over 30 years (United Kingdom, 2022).

These *three* powerful factors, viz., EKC, weak sustainability and positive discount rates, have triggered unprecedented environmental destruction and jeopardised future generations' existence and quality of life.

4 QUEST FOR A NEW DEVELOPMENT PARADIGM

The call for a new development paradigm was made in the 1980s when rising fuel prices, severe financial crisis, rising public debt, and high poverty levels overwhelmed developing countries. The debt crisis compelled several developing countries to choose stabilisation and structural adjustment packages from the International Monetary Fund (IMF) and the World Bank. The stringent fiscal consolidation policies imposed as a conditionality to avail the loans resulted in reduced spending on the social sectors, whose consequences were an increase in school drop-out rates, halted progress on infant and child mortality reduction, rising poverty levels and heightened distress. This led many analysts to characterise the 1980s as a "lost decade", particularly for sub-Saharan Africa, and call for "Structural Adjustment with a Human Face".[3] Following this discontent and to find solutions to the challenges faced by developing countries, the International Development Association organised over 40 global bipartisan North-South dialogues from 1978 through the decade of the 1980s. The independent group of thinkers, policymakers and academics led by Haq sought to find an alternative development paradigm that would be more humane and people centred. During these global deliberations involving multiple stakeholders from the global North and the South, the idea of a people-centred development paradigm emerged. More specifically, it was in the Istanbul Roundtable in 1985 that the recommendation that the United Nations agencies may collectively collaborate to produce a periodic

3. For more details see Prabhu and Iyer (2019, chap. 1).

report on "The State of Human Condition" encompassing the changing human condition in all parts of the world was made, leading to the publication of the first of the annual Human Development Reports in 1990 by the United Nations Development Programme (UNDP). Since then, the human development paradigm has been influential in attracting the attention of policymakers worldwide towards the human condition, with the Human Development Index and its variants becoming an integral part of the development measures used by analysts.

The characteristic feature of the human development paradigm is that people are firmly placed as the ends for whom development is achieved, and economic growth is positioned as a means towards this end. The human development paradigm is rooted in the values of freedoms, choices, agency, capabilities and functionings. It rests on four processes or pillars of sustainability, equity, empowerment and productivity that are to be pursued simultaneously. Equity is sought in the realm of equality of opportunity, and primacy is accorded to enhancing people's capabilities and agency. Sustainability is interpreted broadly as economic, environmental, and social sustainability, with strong sustainability as its guiding principle in the environmental realm. Equity and sustainability go hand-in-hand in this approach, as sustainability is viewed as the inter-generational dimension of equity. Thus, equity and sustainability are *two* sides of the same coin (Prabhu, 2013).

Over the past five decades, neo-liberal policies have strengthened the market-led forces and impoverished States (Chancel et al., 2022). A series of defining events since then began shaping the views regarding the call for a new development paradigm were the following: the collapse of the socialist/communist economies and the end of the Cold War, the limitations of the Washington Consensus, the East Asian Miracle and the subsequent crisis, mortgage crisis and financial meltdown and climate crisis, to name a few (Stiglitz, 1998). These events have yet again triggered a global quest to explore an alternate development paradigm that places economic growth as only one of the constituents (Martin, Sánchez and Wilkinson, 2023). The recently released UNCTAD report (2024) shows the enormous debt burden faced by low-income countries, countries in geographically vulnerable regions, and those that have relatively weak economic structures. The need to expand the frontiers of development to enable human and ecological transformation was highlighted in the late 20th century (Bronfenbrenner, 1981). There have been numerous attempts to arrive at a paradigm shift in the approach to a more sustainable and equitous development outcome. Haq's call to "stand economic theory on its head" (Haq, 1971) gave voice to the deep discontent with the prevailing development paradigm that focused more on the economy than on the people for whom development was meant.

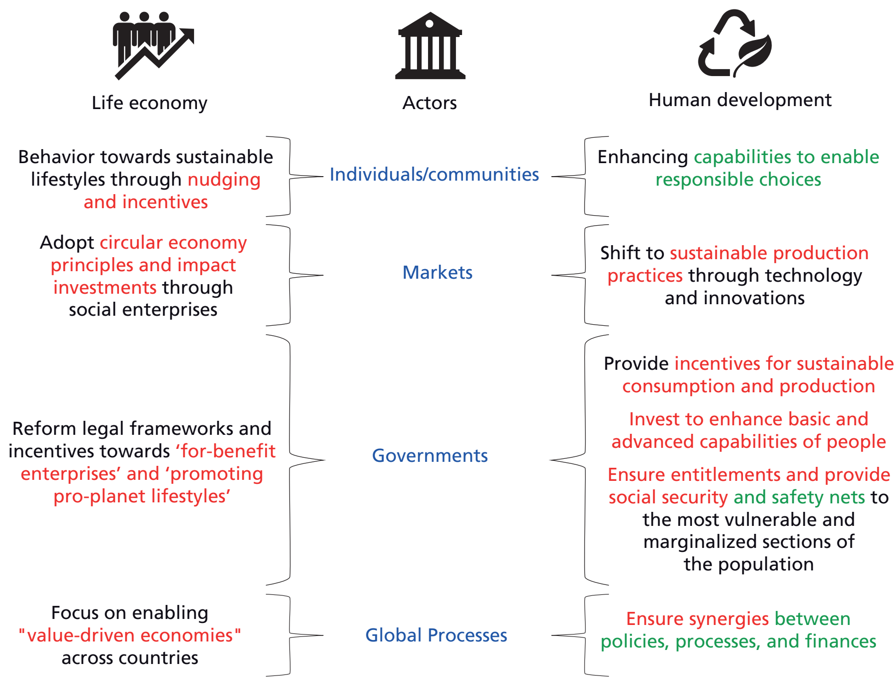
India advocated the LiFE approach during its G20 presidency in 2023. Proposed initially as LiFE, it was extended in scope to Lifestyle for Sustainability and, after that, to that of a LiFE economy. Being unanimously ratified by all the G20 countries as part of the Leader's Declaration at the Summit held in September 2023 in New Delhi, this approach has official recognition of the G20. Advocating a shift towards a more sustainable lifestyle in both developed and developing countries, its distinguishing feature is its reliance on change in individual and community behaviour, thereby bringing into focus the demand side of the challenge of sustainable development. LiFE Mission relies on the circular economy approach of "reduce, reuse, recycle" to promote the efficiency of resource use to produce more economic value with the same or fewer resources while simultaneously minimizing the ecological impact. The circular economy currently comprises only 7.2% of the global economy (Circle Economy, 2024) and has great scope for expansion.

5 FRAMEWORK FOR CONVERGENCE TOWARDS NEW DEVELOPMENT PARADIGM

Broadly, both LiFE and HD approaches try to tackle similar concerns, though the pathways chosen could differ in some respects. We consider the differences in both approaches concerning *three* main actors: individual/community, market, and government. The alternate framework for the New Development Paradigm can thus be defined as a process that integrates the principles and values of LiFE and Human Development, which "advances progress towards a more equitable and sustainable society". For this to be sustained, economic growth and human development processes must be interwoven within sociocultural and ecological processes.

Incidentally, Thaler and Sunstein (2008) proposed this as an important aspect of the choice architecture of individuals and communities. They contend that choices can be changed for the "good" that could be welfare increasing. Nudges to change people's behaviour are embedded in the political philosophy of "libertarian paternalism" as it preserves the right of the individual to choose and aims to influence the choice in a way that will make choosers better off. Advocates of the nudge argue that it changes behaviour on predictable lines without affecting the choice and freedoms of the individual, does not change economic incentives and is inexpensive and easy to administer. According to the IEA (2023), the adoption worldwide of the kinds of actions and measures targeted by LiFE comprising behavioural changes and consumer choices would reduce CO_2 emissions by more than 2 billion tonnes in 2030, which would be one-fifth of reduction in emissions required to put the world on the pathway to net zero. Further, adopting LiFE measures could save globally 440 billion USD in 2030, which is 50% of all spending on fuels in the global economy in that year.

FIGURE 1
Comparative links between drivers, actors and determinants across life and human development paradigms



Authors' elaboration.

Nudges can be imparted through various means ranging from use of default options to campaigns, from making information on options more widely available to enabling responsible choices. Nudging can also happen through warnings in the case of harmful substances like tobacco. The downside of using nudging as a tool is that it can have only a marginal impact and cannot be a substitute for serious challenges like climate change. Additionally, using nudging as a main policy measure could detract attention from more urgent measures. It can also be a tool for authoritarian regimes to impose choices that stifle people's freedoms.

Despite these caveats, several countries have established what can be called "nudging units" at the highest level as a matter of policy. For example, the United Kingdom established the first such unit in 2010, and it was named Behavioral

Insights Unit, which had the responsibility to oversee the joined-up approach across all policy measures. Canada, Singapore, France, Germany, Australia and the United States also have such units. It is estimated that over 200 institutions worldwide apply behavioural insights to public policy (OECD, 2017).

In contrast to the proponents of nudging, the human development approach relies on choices, with the emphasis now on "responsible choices". These can come about when people have the capabilities to decode information and use it to make choices. For example, the acquisition of capabilities to operate digital devices opens up a wide range of information and can influence choices in the direction of what is more compatible with societal needs. Similarly, options regarding more nutritious food can be exercised only when the individual/community has the knowledge and the means to exercise the choice. If incomes are at a subsistence level, choice is not an option that can be exercised; any food that is available to ward off starvation will be obtained by a hungry person.

Individual choice is socially embedded and is influenced by the social milieu which means social norms and values wherein the community and culture play an important role. The choices made could be influenced on the basis of whether they contribute to happiness or flourishing (following the "*eudaimonia*" *concept in* Aristotle). They can, following Immanuel Kant, be perceived as choices that people make that are governed by duty and obligations emerging from moral law.

5.1 Markets

LiFE relies on the circular economy approach and investments through social enterprises. Circular economy is of 2 kinds: biological cycle and technical and industrial cycle. In 2023, the circular economy comprised just 7.2% of global economy (Circle Economy, 2023), and there is much scope to scale it up. The Human Development approach emphasizes sustainable production practices through technology and innovations through harnessing science and technology to benefit the less privileged. Low-cost technology that can be adopted widely by people, such as high-yielding varieties of seeds and low-cost sanitation solutions, are the types of innovations that are not knowledge-intensive. Human Development also emphasizes circular economy principles but has more people-centred innovations as the focus. Sustainable production would essentially imply minimizing harmful emissions to the environment. It would comprise efficient production and use of energy, adopting renewable energy processes, avoiding waste, recycling of materials, and restoring ecological systems' biodiversity.

5.2 Government

Both approaches consider the role of the government to be important. The LiFE approach emphasizes government regulation and incentives to promote enterprises that promote pro-planet lifestyles. In the human development approach, on the other hand, the government's role is seen in enhancing basic and advanced capabilities and ensuring entitlements and safety nets. At the global level, the LiFE economy focuses on value-driven economies, whereas human development emphasizes synergies between policies, processes and finances.

Thus, both approaches have some similarities, although the pathways differ. The LiFE approach relies on nudging and incentives to influence behaviour at the individual and community levels. In contrast, the human development approach enhances human capabilities to foster responsible choices and freedoms. Both approaches consider the market essential in this situation but require it to be molded to support a circular economy, and impact investments through social enterprises in the former, and shift to sustainable production practices using technology and innovations in the latter. Both approaches consider the role of the government to be important in providing a regulatory framework and creating an enabling policy environment. The LiFE approach emphasizes incentives towards "for-benefit" enterprises. In contrast, the human development approach focuses more on providing entitlements and safety nets for the marginalised sections of the population to enhance basic and advanced capabilities and ensure synergies between policies, processes and finances.

The LiFE and Human Development approaches are relevant in the current context as they emphasise an ethical approach to development. They integrate economic, social, and environmental aspects. Both rely on public policy to provide a supporting environment for equity and sustainability.

6 ROLE OF G20 IN SHAPING THE COLLECTIVE FUTURE

The LiFE and Human Development approaches are relevant in the current context as they emphasise a humane, ethical approach to development embedded within the larger philosophy of trusteeship and guardianship of nature and habitats. They integrate economic, social, and environmental aspects. They shun a one-size-fits-all approach and give importance to local conditions and choices. G20 India Presidency introduced the LiFE Mission and strengthened the framework for achieving Agenda 2030. The Brazilian Presidency has furthered the process with Indigenous people, traditional communities, academics, civil society, and other sectors who met in Manaus (Fórum Inter-religioso do G20 – IF20). Together, they discussed ways to collectively live in a clean and healthy environment, with a special focus on the G20 environmental agenda.

Additionally, the Global Alliance's proposal aims to form a package of public policies to combat hunger and poverty that are successful in Brazil (and in various other regions). The initiative aims to establish a practical mechanism to mobilize financial resources and knowledge and direct them to the territories where they are needed, supporting the implementation and scaling up of actions, policies and programs at the national level.

The leadership of the global South has been instrumental in setting norms relating to human development and the SDGs (Ahmad, 2020). The G20 needs to leverage this strength to become a "norm entrepreneur" (Finnemore and Sikkink, 1998) and set clear social and environmental justice norms to enable the much-needed reset in the global development policy regime. Through the G20 process, the Global South countries (Indonesia, India and Brazil) have initiated a global dialogue on this philosophical norm to translate it into tangible action. For the first time, the Bali Summit, 2022 recognised the need to focus on changing individual behaviour even as countries strive to ensure resource efficiency and circular economy aspects of sustainable consumption and production. There is reliance on public policy to provide a supporting environment for equity and sustainability.

A larger concern is strengthening the role of national and government public policies and public resources as both LiFE Mission and advancing Human Development emphasise limiting the importance of economic growth. The LiFE mission is based on sustained behavioural changes towards environmental and ecological interdependence, and human development focuses on expanding human capabilities that would address deprivation, unfreedoms and uncertainties. Thus, the role of effective people's participation, as well as the role of civil society and think tanks assume importance. The linkages between human action and community/collective participation concerning values, norms and choices need global deliberations, especially when the community is heterogeneous. Since social norms are rigid and take time to change, G20 member countries, both from the global North and South, need to identify strategies to accelerate the adoption of more planet-friendly norms of behaviour. The changing role of countries from the Global South as Global Policymakers needs to be recognized.

This is particularly crucial as growing evidence shows that worsening societal inequities and inequalities impact trust and social cohesiveness. The Global Human Development 2022 (UNDP, 2022) has identified the need to focus on collective action and proposes a path forward where multilateralism plays a pivotal role. It has been argued that the ability to address inequality and sustainability processes initiated through the LiFE Mission and Agenda 2030 beyond 2030, the interest and support of United Nation agencies, multilateral development agencies and civil society actors is going to be crucial (Iyer, Banik and Prabhu, 2024). These missions could nudge government and non-government institutions to ensure the coherence of multilateral processes and provide an equal voice to national policies. For LiFE to achieve global acceptance, it must be anchored in the G20 member countries, which will help maintain political pressure for other countries to adopt the approach. By nudging other countries to enhance national expenditures and development aid processes to meet the challenge of climate change, the G20 could help mainstream LiFE into global governance discourses. There is much discussion on the New Deal, Green New Deal, and so on in the current literature, so both approaches need to detail this process more clearly.

7 CONCLUDING REMARKS

Though contested, in the age of the Anthropocene, there is a need to arrive at collective processes to address the polycrisis. Adopting a Lifestyle for the Environment Mission is a step in the right direction. The focus in pandemic-ravaged economies is understandably on recovery. However, this situation offers an unprecedented opportunity beyond "just recovery to just transition". Global cooperation and institutional development must be geared toward adoption. It is estimated that globally, the investment in energy transition has risen to a record high of 1.3 trillion in 2022. However, it falls short of what is required as investment must quadruple for the outcomes to remain on course (IEA, 2023). Moreover, in 2022, 85% of the renewable energy investments benefited less than 50% of the population, with the continent of Africa accounting for only 1% of the additional capacity (op. cit., p. 7), pointing to the accentuating inequities in climate change response. The shortfalls in investments can also be attributed to the lack of appreciation by governments of the gravity of the situation that necessitates a complete shift from an extractive economy to an economy rooted in regenerating resources and ensuring economic, ecological and social well-being. Without a change in the mindsets of policymakers, industry and the people, efforts will necessarily be piecemeal and halting in nature.

Despite the momentum achieved by both approaches, they have not yet reached the stage where they can be applied widely. The spread of the human development-paradigm since the 1990s within the policy circles has been largely confined to the Human Development Index rather than its foundational concepts of equity and sustainability. Part of the reason is that the prevailing GDP-driven paradigm is averse to adopting fundamental values threatening its status quo. Moreover, given the positive correlation between high human development index values and high GHG emissions, the human development approach has yet to resolve the tension between individual freedoms, choices, and the issues of sustainable consumption and production. The linkages between individual and community/collective choices and freedoms concerning values, norms and choices, especially when the community is heterogenous, need to be clarified. This lacuna can be bridged by introducing processes envisioned by LiFE as it focuses on strategies to accelerate the adoption of more planet-friendly norms of behaviour that need greater exploration. It is also essential to examine how the contentious claims of different strata within the community can be resolved and how the norms can get reset while respecting individual freedom and choice. It is also essential to examine the extent to which nudging can play a role in influencing choices.

For the LiFE Mission to succeed, we need a paradigmatic shift in values and approach to development. Current inertia can be transformed only if there is a move towards sustainability – not merely in terms of procedures but backed by concrete action that commits higher financial resources and includes behavioural transformations across all actors.

Thus, the thrust to move towards a Human Development LiFE integrated approach is much suited to address the complex outcomes of the unequal world we are living in. Numerous economists from the Global South have elaborated the pathways for this. The call is for strengthening the role of public action, wherein all actors – individuals, communities and governments – play a crucial role. Moving towards a just transition will require innovative social policies fostering basic and advanced human capabilities to ensure that the choices made in pursuit of freedom and agency at the individual and collective levels are responsible and adhere to the principles of equity and sustainability. Behavioural change needs to be nudged towards values of sustainable production and consumption to ensure "clean growth". In this context, indigenous practices compatible with LiFE and already in vogue in many societies will need to be harnessed for greater outreach and adaptation.

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