Social dimension of the concept of sustainable development

**JEL Classification:** A13, C18, C46, I32, I38

**Keywords:** sustainable development, poverty, social policy

**Słowa kluczowe:** zrównoważony rozwój, ubóstwo, polityka społeczna

**Abstract:** The article presents the influence of the policy of sustainable development on the social sphere. It proves, that its core message is to provide a decent and prosperous life for all. Institutional determinants of a durable and sustainable development in the scale of global economy have been discussed. Actions taken in order to fight poverty and social exclusion have been specified. The author has also described indicators related to the presented subject and analyzed data regarding the scale of poverty in Poland.

**Spółeczny wymiar koncepcji zrównoważonego rozwoju**

**Abstrakt:** W artykule przedstawiono wpływ polityki zrównoważonego rozwoju na sferę społeczną. Wskazano, że jej fundamentalnym przesłaniem jest zapewnienie wszystkim godnego i dostatniego życia. Omówiono instytucjonalne uwarunkowania trwałego i zrównoważonego rozwoju w skali globalnej gospodarki. Wymieniono działania podejmowane w celu walki z ubóstwem i wykluczeniem społecznym. Opisano wskaźniki dotyczące prezentowanej tematyki i dokonano analizy danych świadczących o skali ubóstwa w Polsce.

**Introduction**

The main assumption of the concept of sustainable development is harmonization of relations between the society, economy and nature, by means of introducing restrictions in the use of natural resources and energy, elimination of air-polluting forms of production, and change of the way of life and the existing system of values oriented on the possession of material goods. The idea of sustainable growth assumes balanced production and consumption, nature conservation and
responsible use of its resources, as well as fighting inequalities and elimination of poverty. Policy of inclusion, both, in terms of development and nature, is currently being implemented by many countries, which adopted it as core strategy of their economies. Poland is among them, introducing sustainable development to national legislation in 1997 as a constitutional principle. Art. 5 of the Constitution provides that “the Republic of Poland shall […] safeguard the national heritage, and shall ensure the protection of the natural environment pursuant to the principles of sustainable development”\(^1\). The Basic Law imposes on all public bodies the duty of caring for the natural environment and providing ecological safety to the current and future generations\(^2\). Legal acts on the conservation of nature and country’s development strategies also relate to the idea of sustainable development. Currently, it is the “Strategy for Responsible Development until 2020, with a perspective to 2030” adopted by the Council of Ministers on 14 February 2017\(^3\). The strategy describes core circumstances, aims and directions of the country’s development in social, economic, regional and spatial terms. It also proposes an economic model based on sustainable and inclusive development, as well as activities preventing poverty and social exclusion, as one of the main goals of the act.

The purpose of this article is to highlight the importance of the social dimension of sustainable development. The author discusses multiple dimensions of this concept, which integrates ecological, economic and social order. A lot of attention has been given to the main aim of sustainable development, which is improvement of the quality of life and provision of social welfare. Activities leading to the elimination of inequalities and poverty, as well as their effects have been presented and backed up by statistical data.

1. The genesis and essence of the concept of sustainable development

Changes in the approach to the natural environment and its relation to socio-economic progress taking place in the late 1960s and 1970s had great influence on the dissemination of the idea of sustainable development. The Club of Rome report *The Limits of Growth* of 1972, brought a breakthrough in thinking of the perspectives and limitations of economic growth, by undermining the assumption of unlimited possibilities of development, and pointing to the possible danger of appearing of natural barriers such as declining access to natural resources\(^4\). Publishing the report coincid-

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\(^1\) The Constitution of the Republic of Poland of 2nd April 1997, Art. 5.
\(^2\) Ibid.
ed in time with the United Nations Conference in Stockholm, which gave start to the international cooperation in the field of conservation of nature. In following years, the discussion on the need to intensify activities in this scope led to the establishment of the UN World Commission on Environment and Development (the so-called Brundtland Commission, which in 1987 prepared Our Common Future report. According to the Commission’s recommendations, issues related to environment were supposed to be examined in connection with demographic issues and the phenomenon of poverty, as well as the processes of economic growth. Global program of activities for the implementation of the idea of sustainable development — called Agenda 21 — was formulated in Rio de Janeiro in 1992 during the United Nations Conference on Environment and Development (UNCED). In 2000 Earth Summit in New York adopted UN Millennium Declaration, which established Millennium Development Goals, including elimination of poverty and provision of environmental sustainability. The Earth Summit on Sustainable Development in Johannesburg in 2002 confirmed the need to include ecological, economic and social aspects in the process of solving current problems of humanity, such as: elimination of poverty, changes in the consumption and production patterns, as well as conservation of natural resources. The effect of the Rio+20 World Summit in 2012 was the adoption of The Future We Want document, which highlighted the importance of a threefold approach to the issue of sustainable development, including interconnection of the three fields: social, economic and natural. Fighting poverty was proclaimed the most important challenge for humanity, and the main goal of sustainable development. The latest event of global reach was the adoption in 2015, during a special UN Summit in New York, Development Agenda 2030 Transforming Our World, also referred to as Post-2015 Agenda. It included 17 interdependent Sustainable Development Goals, which were connected with detailed tasks related to five key areas: people, the planet, welfare, peace and partnership.

Multidimensionality of the notion of sustainable development causes the term to have many interpretations, while authors provide various definitions. B. Poskrobko distinguishes three ways of understanding sustainable development, as:

— a socio-philosophical idea, where attention is put to the aspect of harmonizing the entirety of connections between human activities and the natural environment;

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5 Ibid., p. 49.
— a direction of economic development, which points to the necessity to integrate activities in three key areas: of economic growth, conservation of natural resources and environment, and social development;

— a direction of scientific research, where sustainable development is understood in a multidisciplinary way, and, as a consequence, ecological, economic, social, ethical, political and spatial order are treated jointly. Sustainable development research results are basis for formulating recommendations for social policies, as well as identifying ways of improving the quality of life and natural environment.

According to the holistic approach of B. Piontek, the concept of sustainable development includes many elements, i.e. management of natural, economic and human resources, management of space, institutional arrangements, moral sphere, awareness-rising, and the choice of a specific model of life. It is, therefore, a new, ecologically optimal and socially satisfying vision of economic development.

In D. Pearce and R.K. Turner’s approach, sustainable development means maximization of net benefits of economic growth, with simultaneous protection and guarantee of renewal of natural resources in a long period of time.

On the other hand, H. Rogall understands this term as activities which must be undertaken in order to provide current and future generations with high enough ecological, economic and socio-cultural standards, within the limits of the natural durability of the environment, according to the rule of intra- and inter-generational justice. The first rule means effective use of natural resources and equitable distribution of wealth by the current generation. The second rule assumes that the production of goods and their share should take place without any harm to future generations. This approach strictly relates to the World Commission on Environment and Development report under the guidance of G.H. Brundtland, in which, for the first time, sustainable development was defined as a means of satisfying the needs of the current generation without diminishing the chances for future generations. The report clearly stated the need for the continuation of socio-economic development, therefore the creation of a fully sustainable model of life, which will assure life quality improvement without wasteful exploitation of resources.

10 H. Rogall, Ekonomia zrównoważonego rozwoju. Teoria i praktyka, Poznań 2010, p. 44.
According to D. Kiełczewski, sustainable development means integrated order, and its implementation, according to A. Skowroński, guarantees achieving the following goals:

— ecological, i.e. stopping environmental degradation and elimination of its risks by establishing the boundaries of the natural system for human activities and not crossing them;
— economic, expressing itself in meeting people’s basic material needs without deteriorating natural environment and devastating natural resources;
— social, which assumes securing social minimum, elimination of poverty and deprivation, realization of the rules of social justice, protection of health and education.

M. Czyż believes that in the concept of sustainable development, the core intention is the realization of social goals, i.e. increase of income, improvement in health, fair access to natural resources and increase in the level of the society’s education.

Numerous publications more and more often highlight the social aspect of sustainable development, while the need of fighting poverty gains a particularly important role.

2. The concept of sustainable development in a strategic perspective

Harmonizing relationships between the society, economy and the environment is currently one of the development priorities for European societies and economies. European Union’s activities for sustainable development got reflected in the Lisbon Strategy adopted for the years 2000–2010, and at the beginning included two pillars: economic and social. During the Goteborg Summit in 2001, ecologic pillar was added, and was also included in a wider formula of a long-term EU Sustainable Development Strategy, renewed in 2006. Finishing the realization of the Lisbon Strategy led to the adoption of Europe 2020 Strategy of 2010, which included three main interconnected priorities:

— smart growth — economic growth based on knowledge and innovations;
— sustainable growth — transition to low-carbon economy, effectively using resources and competitive;

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inclusive growth — growth favoring social inclusion, providing social and territorial integrity.

Realization of Europe’s development vision up to 2020, as set out in the Strategy, assumes reaching the following goals\textsuperscript{16}:

— allocating 3\% of EU’s GDP to investment in research and development;
— rising the level of education, i.e. lowering the percentage of people prematurely finishing education to less than 10\%, while increasing to at least 40\% the amount of people aged 30–34 with higher education;
— lowering the emission of greenhouse gases by 20\% comparing to 1990, while increasing to 20\% the share of renewable energy in total energy consumption, as well as increasing efficient energy use by 20\% (the so-called goal 20/20/20 for climate and energy);
— increasing employment rate of people aged 20–64 to 75\% for women and men;
— lowering by 20 million the number of people at risk of poverty or social exclusion.

Strategic goals of sustainable development formulated at Union level find their reflection in National Reform Programs. They are basic instruments for the realization the Europe 2020 strategy by member states, updated on a yearly basis. The National Reform Program for 2017/2018 is the 7th edition of this project in Poland. The first, starting document, was the National Reform Program adopted by the Council of Ministers on 26 April 2011. It described the way of realization of the adopted assumptions and declared achieving in 2020 the following values in terms of five leading goals of the strategy (country goals)\textsuperscript{17}:

— increasing employment rate among people aged 20–64 to at least 71\%;
— increasing investment in research and development do 1.7\% GDP;
— increasing to 15\% the share of renewable energy in total energy consumption and reduction of CO2 emission;
— decreasing to 4.5\% the percentage of young people not continuing education, and increasing to 45\% the percentage of people aged 30–34 with higher education;
— decreasing by 1.5 million the number of people at risk of poverty or social exclusion.

The main objective was proclaimed conducting responsible social policy and supporting inclusive economic growth. Activities limiting poverty and economic inequalities were identified, and monitoring the scope of realization of the goals assumed was undertaken. The table below presents updated metrics used for the

\textsuperscript{16} Ibid.

Table 1. At-risk-of-poverty or social exclusion rate in Poland in 2010–2020

<table>
<thead>
<tr>
<th>Rate name</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2020 Target value</th>
</tr>
</thead>
<tbody>
<tr>
<td>At-risk-of-poverty or social exclusion rate (%) — composite rate of the three below</td>
<td>27.8</td>
<td>27.2</td>
<td>26.7</td>
<td>25.8</td>
<td>24.7</td>
<td>23.4</td>
<td>21.9</td>
<td>decreasing by 1.5 million the number of people below the relative poverty threshold</td>
</tr>
<tr>
<td>Very low work intensity of a household ratio (%)18</td>
<td>7.3</td>
<td>6.9</td>
<td>6.9</td>
<td>7.2</td>
<td>7.3</td>
<td>6.9</td>
<td>6.4</td>
<td>—</td>
</tr>
<tr>
<td>At-risk-of-poverty after social transfers ratio (%)19</td>
<td>17.6</td>
<td>17.7</td>
<td>17.1</td>
<td>17.3</td>
<td>17.0</td>
<td>17.6</td>
<td>17.3</td>
<td>—</td>
</tr>
<tr>
<td>Severe material deprivation rate (%)20</td>
<td>14.2</td>
<td>13.0</td>
<td>13.5</td>
<td>11.9</td>
<td>10.4</td>
<td>8.1</td>
<td>6.7</td>
<td>—</td>
</tr>
</tbody>
</table>

Source: STRATEG system for monitoring development policy 21.

Current values of EU-SILC indicators suggest that Poland is meeting its obligations and realizing goals, the effects of which can be visible since 2008. That year, at-risk-of-poverty or social exclusion ratio amounted to 30.5% and was lower than in previous years (2005: 45.3%, 2006: 39.5%, 2007: 34.4%)22. In 2009 and 2010 it dropped to the level of 27.8%. Due to the fact that in the following years it continued decreasing, the country goal of lowering the number of people at risk of poverty or social exclusion by 1.5 million, was already reached in 2013 comparing to 2008 (and not in 2020, as planned in the RAG). 2016 was another year to see re-

18 Very low work intensity of a household ratio is defined as the percentage of people aged 0–59 being part of households, where adults aged 18–59 worked less than 20% of their potential total work time during a year.
19 Also known as at-risk-of relative poverty indicator. Applies to people living in households where disposable income (after taking into account social transfers), is lower than poverty threshold set at the level of 60% median adequate income. In 2016, the value of the threshold of relative poverty in Poland (yearly income level) for one-person household was PLN 14 771, while for 4-people household consisting of 2 adults and 2 children under 14 years of age — PLN 31 018.
20 Severe material deprivation rate is described as the percentage of people in households, who declare lack of the possibility to satisfy (due to financial reasons) at least 4 out of 9 defined material needs, i.e.: lack of financial means to cover a week-long holiday trip for all 4 members of the household once a year; lack of possibility to cover by the household an unexpected expense amounting to not more than PLN 11 150 (data for 2016); cover arrears in dwelling payments or loan installments; lack of a car due to financial reasons; lack of the possibility to eat meat, fish or their vegetarian equivalents every second day; difficulties in home heating according to the needs; lack of a telephone, washing machine or TV due to financial reasons.
22 Ibid.
duction of poverty, which, similarly to the previous years, was mainly the effect of lowering the severe material deprivation rate (from 8.1% in 2015 to 6.7% in 2016). Assuming the current trend of changes continues, the reduction of the percentage of people threatened by poverty or social exclusion is likely to decrease in 2020 to the level of 20% of the society.

Research results for 2016 show that poverty in Poland was mainly experienced by single-parent families (47.3%), multi-children families comprising 2 adults and at least 3 dependent children (35%), and single-person households (32.2%). To compare, among families of 2 adults with one dependent child, 16.2% people were at-risk-of-poverty, among households of 2 adults with no dependent children: 18.3%, with 2 dependent children: 18.6%.

Divided by age groups, the highest ratio of at-risk-of-poverty or social exclusion was observed among children and youth aged 0-17 (24.2%), while the lowest among people aged 65 and older (16.1%); whereas in the year 2015 it respectively amounted to 26.6% and 17%.

3. Fighting poverty and social exclusion in Poland

Apart from EU Statistics on Income and Living Conditions ratios, the level of economic poverty in Poland is also measured by GUS (Central Statistical Office), which carries out Household Budget Surveys (HBS). These are basis for establishing various levels of poverty: severe poverty, statutory poverty line and relative poverty threshold. Both, HBS and EU-SILC results for 2016, show significant improvement in the material situation of households in Poland, including gradual reduction of the scope of poverty. EU-SILC data proves decline in the composite
ratio of at-risk-of-poverty or social exclusion (from 23.4% in 2015 to 21.9% in 2016), assumed as the main indicator monitoring the realization of Europe 2020 strategy in terms of poverty. This tendency has also been confirmed by HSB data concerning severe poverty and poverty threshold, showing that in 2016 almost 5% people lived in households with expenditures below severe poverty threshold, comparing to nearly 7% in 2015\(^{30}\). On the other hand, in 2016 about 14% of people lived in households with the level of expenditures below relative poverty threshold, comparing to almost 16% in 2015\(^{31}\). The level of statutory poverty remained at a level observed during the last 4 years, reaching in 2016 about 13% (mainly due to changes in the value of statutory poverty level in 2012 and 2015)\(^{32}\).

Decrease in severe poverty rate observed in 2016, concerned great majority of population taken into account, while the greatest improvement in this area was noticed among people aged 0–17, in large families with 3 dependent children, or with 4 or more dependent children. Similar situation was also observed in households where the head of the family had maximum secondary education or vocational education, among farmers, inhabitants of rural areas and small towns with less than 20 thousand inhabitants. The scope of severe poverty significantly declined also in households comprising people with disabilities, including disabled children up to 16 years of age and in households where the head of the family was the disabled person. Despite those significant decreases in the levels of poverty ratios in these groups, they were still among the most threatened of extreme poverty.

In 2016 similar level of poverty comparing to the previous year was observed in households with no dependent children, households with highly educated people, and among inhabitants of the largest cities with at least 500 thousand inhabitants. Yet, it is worth to notice that the observed level of severe poverty in those groups was relatively the lowest one.

According to the GUS’s Household Budget Surveys, the factors contributing in the greatest part to the decrease of the scope of severe and relative poverty in 2016 were: wage growth, decline in unemployment, and for families with children: the introduction of the state program “Family 500+”\(^{33}\). The program is being realized since April 1, 2016, and consists in granting parental allowance of PLN 500 a month for each second and next child in a family, until the child reaches 18 years of age, regardless of the family’s financial status. In case of the first child, the allowance is subject to the condition that net income shall be below PLN 800

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\(^{31}\) Ibid.

\(^{32}\) Ibid., p. 2.

\(^{33}\) Ibid., p. 3.
per person in family, or PLN 1200 per person in families with a disabled child. From April 1, 2016 until February 28, 2017, PLN 21 billion was spent on the realization of the parental allowances, granted to 3.82 million children brought up in 2.57 million families.\(^\text{34}\)

Data on the decrease of poverty in households with dependent children prove the influence of 500+ program on the improvement of the material situation among Polish families.\(^\text{35}\) In 2016, the scope of severe poverty in households with at least 1 child under 18 years of age decreased by about 3% comparing to the previous year (from about 9% to about 6%), while for households with no children it remained at the same level during this period (about 4%). Depending on the number of children, significant diversification of the dynamics of poverty rate changes was noted. Among households with at least 3 children under 18 years of age, the level of severe poverty in 2016 decreased by 7% comparing to 2015 (to almost 10%), while among households with 2 children, the decrease was by about 3% (to about 5%), and for households with 1 child, only by 1% (to slightly over 4%). Therefore, large families experienced positive effects of the changes the most.

Reducing the scope of abuse regarding civil-legal agreements and introducing protection of people with lowest wages also had influence on the general improvement of the material situation of households and decreasing the scope of poverty in Poland. The act of 22 July 2016 on the amendment of the act on the minimum wage, and other acts introduced into the legal system guarantees of a minimum level of remuneration, also for specific civil-legal agreements. Since January 1, 2017, the binding minimum hourly rate amounts to PLN 13, and applies for the performance of commissioned orders or services (including the so-called self-employment). In following years the rate will be indexed in a degree relating to the increase of minimal wage for labor. The act also introduced amendments to the act of 13 April 2007 on the National Labor Inspectorate (PIP), empowering it to control the payment of remuneration in the amount corresponding to the minimal wage.

Changes on the labor market and pay rises resulting from them, joined with the realization of Family 500+ program, found reflection in the increase of household income and greater dynamics of private consumption (3.8% in 2016 comparing to 3.0% in 2015).\(^\text{36}\) Additionally, excess of income over expenses rose significantly, which allowed households more possibility of savings.

Research on household situation carried out in 2016\(^\text{37}\) show that the level of average monthly disposable income per person rounded to PLN 1 in 2016 amount-


\(^{35}\) Zasięg ubóstwa ekonomicznego w Polsce w 2016 r. Opracowanie sygnałowe GUS, p. 5.


ed to PLN 1 475 and was higher in real terms by 7.0% comparing to 2015 (real growth in 2015 amounted to 4.3%).

Average monthly income per 1 person in households benefiting from the parental allowance Family 500+ in 2016 (Q2-4) amounted to PLN 1 171, and constituted 79.4% of an average monthly disposable income per 1 person for entire Poland. The share of income from this allowance in an average monthly disposable income per person in the case of households which benefited from the allowance in 2016 (data for Q2-4) amounted, in average, to 16.8%.

Diversification of income per person in households, measured by Gini coefficient\(^{38}\), decreased in 2016 comparing to previous years, and its value amounted to 0.304 (in 2012–2015 — decrease from 0.338 to 0.322).

In 2016, average monthly expenditures in households per person amounted to PLN 1 132 and were higher in real terms by 4.3% than in 2015, while constituting 76.7% of incomes (in 2015: 78.7%). Expenditures on consumer products and services on average amounted to PLN 1 083 and were higher in real terms by 4.5% comparing to 2015 (in 2015 real growth of expenditures and consumption expenditures amounted to about 2%).

Although marriages with 3 or more dependent children still faced the worst material situation, 2016 brought a significant improvement in their income situation. Comparing to 2015, the increase of average monthly disposable income per person in those households grew by as much as 25.2%.

Social policy, apart from helping multi-children families, focuses in a great part also on social economy entities which support people in danger of social exclusion (mainly long-term unemployed, homeless and isolated). Development of social cooperatives, occupational workshops or occupation therapy workshops, assumes allocating for this purpose loans for start amounting to about PLN 100 thousand (for entities existing less than 12 months), as well as loans for development amounting to up to PLN 500 thousand, when their operating period is longer than 12 months\(^{39}\).

Activities related to integration and activation of local communities are run by non-governmental organizations. Projects submitted by them are co-funded, for example, under the Civic Initiatives Fund 2014–2020\(^{40}\). Local government entities may also count on financial support in terms of access to create and run Daily Centers “Senior-WIGOR”\(^{41}\). The purpose of these centers is to increase access of older people to care, educational and cultural services.

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\(^{38}\) It is a standard index of income inequalities which varies from zero (when everybody has the same income) to 1 (when all income goes to one person).


\(^{40}\) Ibid.

\(^{41}\) Ibid.
An important element of social cohesion is public health. The National Health Program for the years 2016–2020 foresees increase in the average number of healthy years of life, improvement in the health condition of citizens and decrease of social inequalities in access to health care42.

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42 Ibid.
Social dimension of the concept of sustainable development

Summary

The fundamental message of sustainable development is the provision of a satisfying and wealthy lifestyle for all, with the assumption that economic and technical progress shall limit its influence on the environment. During the process of implementing these ideas, especially concerning justice and democratization of social life, the most important factor is the provision of relatively equally distributed social wealth. Realization of this postulate equals the improvement of the citizens’ quality of life, increasing their participation in the economic growth and achievements of civilization. Effective implementation of the rules of sustainable development requires modification of the currently dominant system of values and respecting ethical principles. Responsibility for the public welfare shows in the realized social policy, which foresees fighting inequalities and elimination of poverty, resulting in the stabilization of the socio-economic system. As research proves, growing income discrepancies in the society have a negative impact on GDP\textsuperscript{43}. Countries where these discrepancies are growing smaller develop faster than countries with growing inequalities. This argument speaks for the development of a sustainable social order with a high degree of social inclusion.

\textsuperscript{43} E. Rokicka, W. Woźniak, op. cit., p. 21.