

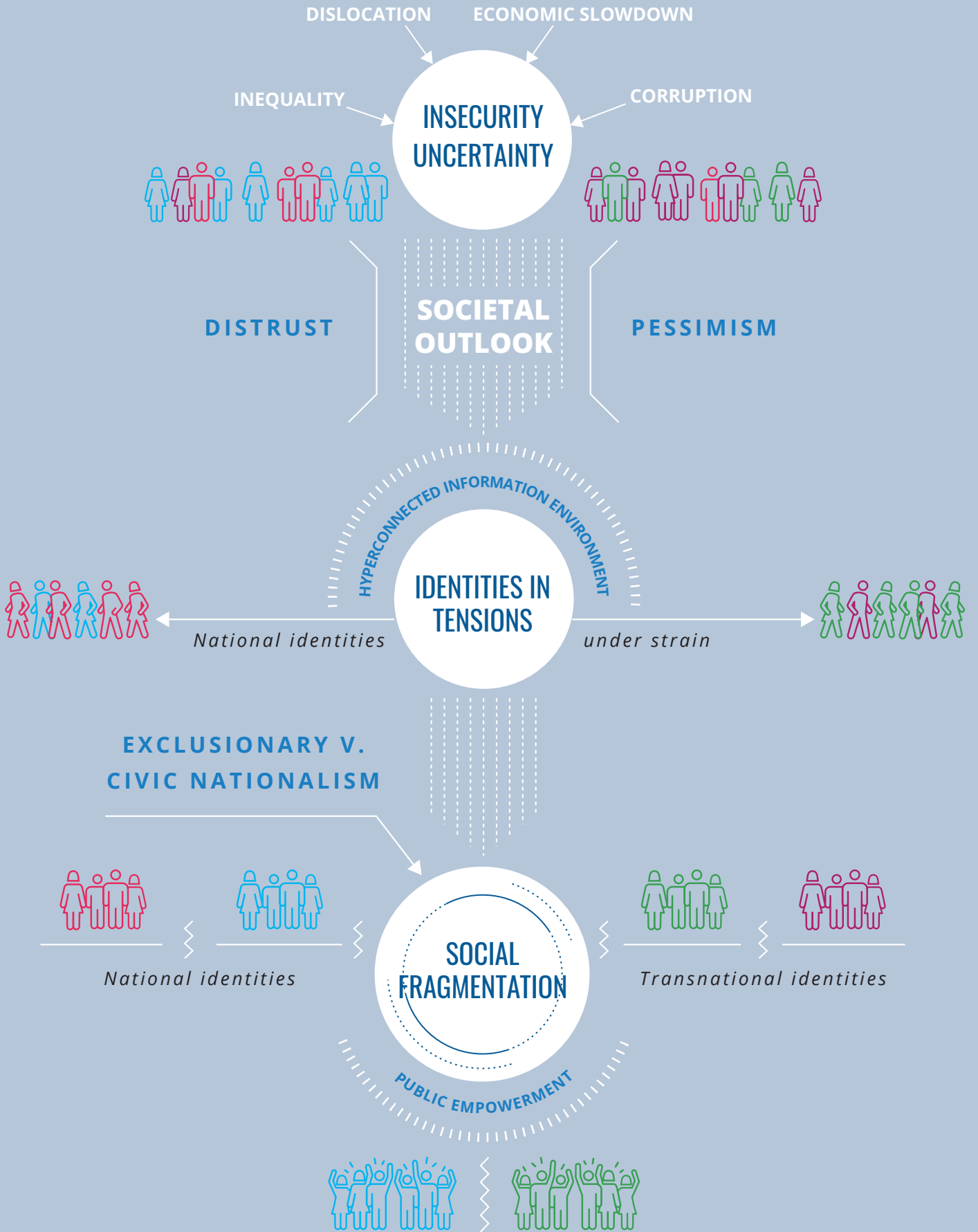
EMERGING DYNAMICS

SOCIETAL: DISILLUSIONED, INFORMED, AND DIVIDED

Key Takeaways

- ⦿ Slowing economic growth and gains in human development, coupled with rapid societal changes, have left large segments of the global population feeling insecure, uncertain about the future, and distrustful of institutions and governments they view as corrupt or ineffective.
- ⦿ Many people are gravitating toward familiar and like-minded groups for community and security, including ethnic, religious, and cultural identities as well as groupings around interests and causes. These groups are more prominent and in conflict, creating a cacophony of competing visions, goals, and beliefs.
- ⦿ The combination of newly prominent transnational identities, the resurgence of established allegiances, and a siloed information environment is creating and exposing fault lines within states, undermining civic nationalism, and increasing volatility.
- ⦿ Populations in every region are becoming better equipped with the tools, capacity, and incentive to agitate for social and political change and to demand resources, services, and recognition from their governments.





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RISING PESSIMISM, WAVERING TRUST

Global and local challenges, including economic strains, demographic shifts, extreme weather events, and rapid technological change, are increasing perceptions of physical and social insecurity for much of the world's population. The COVID-19 pandemic is intensifying these economic and social challenges. Many people, particularly those who are benefiting less than others in their societies, are increasingly pessimistic about their own prospects, frustrated with government performance, and believe governments are favoring elites or pursuing the wrong policies. The economic growth and rapid improvements in health, education, and human development of the past few decades have begun to level off in some regions, and people are sensitive to the increasing gap between winners and losers in the globalized economy and are seeking redress from their governments. Approximately 1.5 billion people moved up into the middle class in the past few decades, but some are beginning to fall back, including in advanced economies.

Public opinion polls repeatedly have shown increasing pessimism about the future in countries of all types around the world, but especially in advanced and middle-income economies. According to the 2020 Edelman Trust Barometer, the majority of respondents

in 15 of 28 countries polled are pessimistic that they and their families will be better off in five years, an average increase of 5 percent from the previous year. Less than a quarter of those polled in France, Germany, and Japan, for example, believe they will be better off in 2025. In coming years, this pessimism is likely to spread in developing countries with large youthful populations but with slowing progress in eradicating poverty and meeting human development needs, particularly Sub-Saharan Africa.

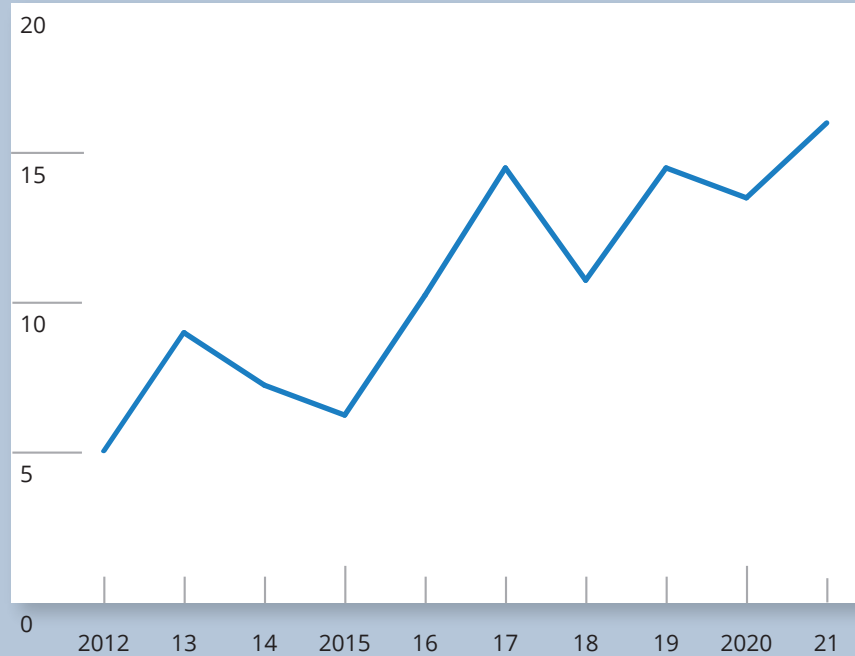
Potentially slower economic growth in coming years and smaller gains in human development in many countries are likely to exacerbate distrust of institutions and formal sources of authority for some members of the public. Trust in governments and institutions, which is highly dependent on perceptions of fairness and effectiveness, has been consistently low for the past decade, particularly in middle- to high-income countries. In a 2020 study of 16 developed countries by Edelman, the portion of the mass public trusting government since 2012 never exceeded 45 percent, and among Organization for Economic Cooperation and Development (OECD) economies, public trust in government fell in more than half of countries between 2006 and 2016, according to separate public opinion polling by Gallup. Of 11 geographically diverse countries analyzed by Edelman during the COVID-19 pandemic, public trust in government increased an average of 6 percentage points between January and May 2020, and then it declined an average of 5 percentage points between May 2020 and January 2021 as governments failed to contain the coronavirus.

Trust is not uniform across societies. Globally, trust in institutions among the informed public—defined as people who are college educated, are in the top 25 percent of household

TRUST GAP, 2012-21

Average trust gap between informed public and mass public in four key institutions: business, media, government, and non-governmental organizations.

Percent trust gap



Informed Public: College-educated 35-64 year-olds in the top 25 percent of household income and report significant media consumption and public engagement.

Mass Public: All population not including informed public.

Source: Richard Edelman, *Twenty Years of Trust*, 2020.

income in each market, and exhibit significant media consumption—has risen during the past 20 years whereas more than half of the mass public during the past decade repeatedly say the “system” is failing them. The gap in trust in institutions between the informed public and the mass public has increased during the past decade, according to the Edelman surveys, showing a gap of 5 percentage points in 2012 and 16 points in the 2021 report. Similarly, the gap in trust in business quadrupled during this period.

- Increasing actual or perceived inequality within countries, particularly in those in which overall economic growth is slowing, often coincides with declining trust and rising public dissatisfaction with the political system. In less-developed countries, corruption is undermining confi-

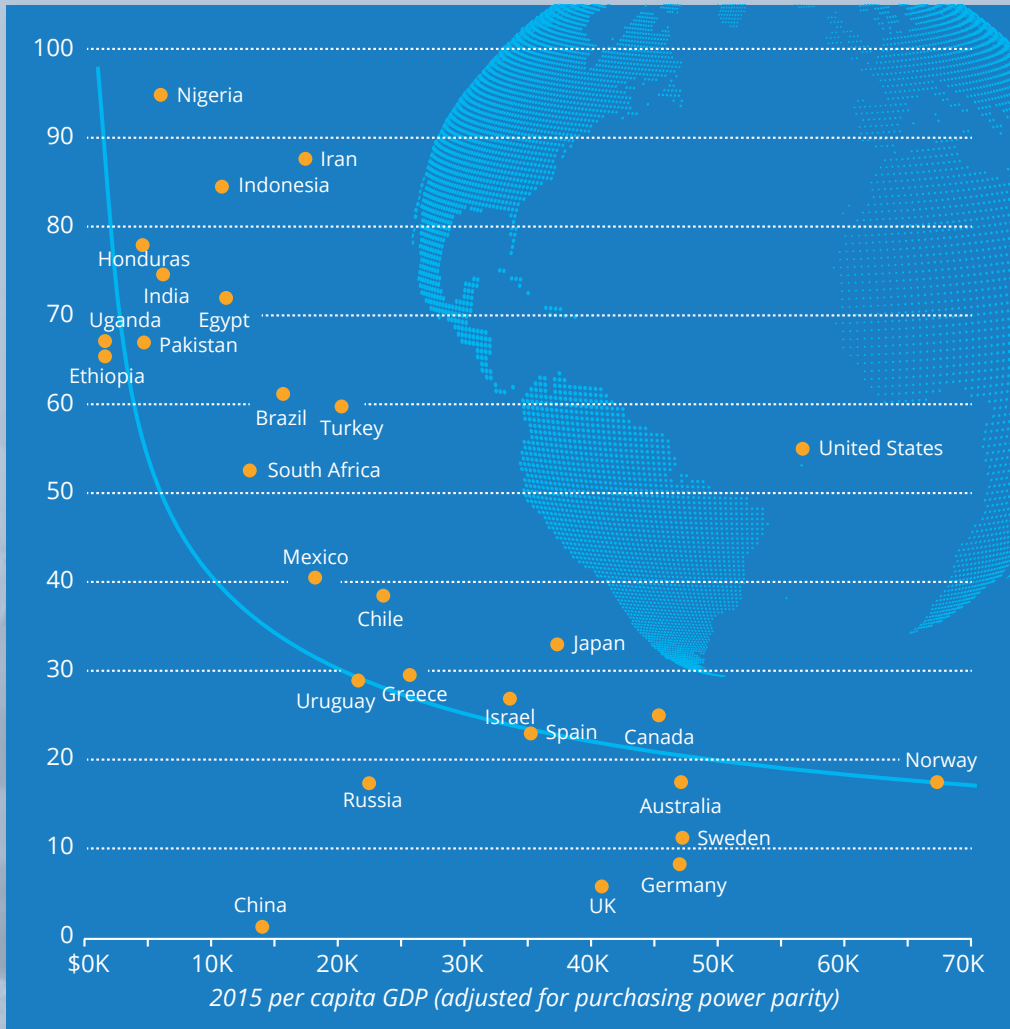
dence in government, and people tend to trust informal institutions more than government where political power is concentrated among the wealthy elite. Corruption is now one of the most dominant factors driving demand for political change. According to 2019 polling by Transparency International, a majority of respondents across Latin America (53 percent), the Middle East and North Africa (65 percent), and Sub-Saharan Africa (55 percent) said that corruption is increasing in their region.

- In coming years, advancements in artificial intelligence (AI), machine learning, 5G, and other technologies that will expand access to the Internet could further diminish public trust as people struggle to determine what is real and

SELECTED WORLDWIDE RELIGIOUS COMMITMENT: PRAYER AND WEALTH

The data reveals an inverse correlation between religiosity, as measured by the percent of adults who say they pray daily, and per capita GDP.

Percent of adults who say they pray daily



Source: Pew Research Center surveys 2008-2017. The Age Gap in Religion Around the World.

what is rumor or manipulation. In addition, populations fear the increasingly pervasive surveillance and monitoring by governments and fear private corporations seeking control or profit from their personal information.

IDENTITIES MORE PROMINENT

As trust in governments, elites, and other established institutions erodes, societies are likely to fragment further based on identities and beliefs. People in every region are turning to familiar and like-minded groups for community and a sense of security, including cultural and other subnational identities as well as transnational groupings and interests. Identities and affiliations are simultaneously proliferating and becoming more pronounced. In turn, this is leading to more influential roles for identity groups in societal and political dynamics but also generating divisions and contention.

Many people are gravitating to more established identities, such as ethnicity and nationalism. In some countries, slowing population growth, increasing migration, and other demographic shifts are intensifying perceptions of vulnerability, including a sense of cultural loss. Many people who feel displaced by rapid social and economic changes resent violations of age-old traditions and perceive that others are benefiting from the system at their expense. These perceptions also fuel beliefs that economic and social change is damaging and that some leaders are pursuing misguided goals.

Consistent with the growing salience of established identities, religion continues to play important roles in people's lives, shaping what they believe, whom they trust, with whom they congregate, and how they engage publicly. In developing regions where populations are growing fastest, including Africa, South Asia,



Buddhist monks advocating for democracy near Mandalay, Burma. Religion plays a key organizing role in some parts of the world, serving as an important source of legitimacy and authority.

and parts of Latin America, publics report greater participation in religious practices, pointing to the sense of purpose religion provides. Perceptions of existential threats from conflict, disease, or other factors also contribute to higher levels of religiosity.

Many people are emphasizing and organizing around different aspects of their identities, including race, gender, and sexual orientation, as well as around causes and issues, such as climate change and religious freedom. The forces of globalization, including greater mobility, urbanization, and connectivity, are increasing awareness and prominence of a wide array of constituencies that transcend national boundaries and are making it easier for people to organize around common interests and values. These identities are playing greater roles within and between countries as groups agitate for recognition and specific goals. For example, a broad global coalition has successfully lobbied for public acceptance of and legal protections for homosexuality worldwide, including organizing online campaigns and public events even in socially conservative countries, such as Iran. Between 2013 and 2019, the percentage of people indicating that homosexuality should be accepted in society increased in 21 of 27 geographically diverse countries, according to the Pew Research Center, and 30 countries have legalized same-sex marriage since 1989.

... And in Conflict

The expansion and increasing prominence of identity groups demanding recognition and rights are forcing an increase in debate about the social and economic foundations of societies. Intensifying and competing identity dynamics are likely to provoke increasing political debate and polarization, societal divisions, and in some cases, unrest and violence.

- Increasing numbers of immigrants, refugees, and guest workers in many countries, such as middle-income countries in Southeast and Central Europe, are prompting heated debates about national identity and citizenship and leading to the emergence of ethnic nationalist political parties, greater demands for assimilationist policies, and a decline in support for migrants globally.
- The growing recognition and support for LGBTQ rights are prompting responses from people in countries in every region, such as Brazil, Iran, Nigeria, and Poland, where some people perceive such movements as an affront to their deeply held beliefs and corrosive to their societies. Political and religious leaders in some countries are advocating laws restricting LGBTQ rights and criminalizing homosexuality.
- In most countries, progress toward gender equality has been substantial, including improving education, health-care, job opportunities, and leadership roles, but even in longstanding democracies, resentment and pushback remain. The global #MeToo movement shed light on the breadth of sexual harassment and sexual assault that occurs across the world, but still several countries, such as Hungary and Russia,

have reduced protections for women, including decriminalizing domestic and sexual violence.

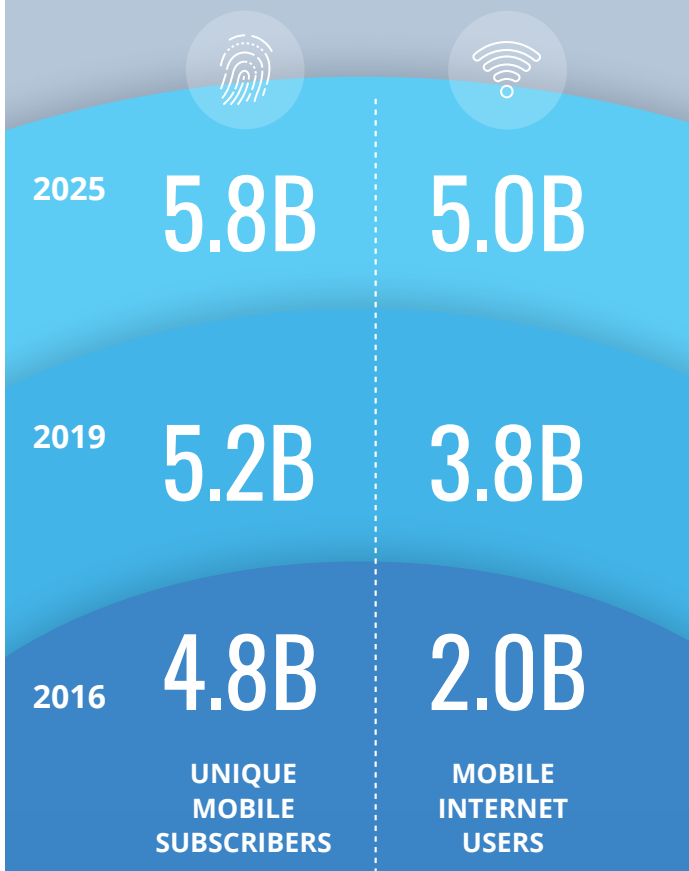
INFORMATION ENVIRONMENT CONNECTING, CONFUSING, AND DIVIDING

The exponential growth of the hyperconnected information environment is likely to strengthen and further complicate identity allegiance and societal dynamics. Social media, in particular, makes it easier for people to affiliate with others around the world who share common characteristics, views, and beliefs. Moreover, social media can create echo chambers of like-minded users who share information that confirms their existing worldviews and limits their understanding of alternative perspectives.

Over time, this dynamic is increasing awareness of and building new connections between previously isolated groups, while also polarizing people's perceptions of policies, public institutions, events, moral issues, and societal trends. Such polarization will lead to a proliferation of competing, entrenched perspectives, limiting opportunities for compromise and decreasing societal cohesion.

During the next 20 years, the algorithms and social media platforms that curate and distill massive amounts of data will produce content that could overtake expertise in shaping the political and social effects engendered by a hyperconnected information environment. Power increasingly will be wielded by the generators of content as well as the arbiters of who gets to see it. Social media platforms will reinforce identity groups, or foster new and unanticipated groupings, and accelerate and amplify natural tendencies to associate with people who share the same views, often engendering competing visions of the truth

GROWTH IN MOBILE DIGITAL COMMUNICATION



Source: Global System for Mobile Communications Association.

about an issue. The platforms will make it easier for competing opinion leaders—including from marginalized groups—to publish their views and debate among themselves, honing the cohesiveness and “market appeal” of their messages. This effect is magnified because people rely on their own identity communities for information and piggyback on the knowledge of others.

People will also use social identities such as culture, ethnicity, nationality, and religion as critical filters for managing information overload, potentially further fragmenting national identities and undermining trust in government. These identities provide a sense of belonging and reinforce norms about how group members should behave, rules about whom to trust, and beliefs about complex issues. Identity-based violence, including hate and political crimes, may increasingly be facilitated by social media. In India, social media and mobile messaging platforms have become a key force behind viral falsehoods, such as rumors that quickly spread among some Hindus regarding Muslims’ alleged slaughter of cows or possession of beef, which led to the “cow vigilante” lynching of Muslims.

Publics increasingly will depend on their favorite gatekeepers—such as news media outlets, social media platforms, and trusted voices of authority—to sift truth from fiction. Efforts to arbitrate controversial content, such as flagging or removing demonstrably false claims, are unlikely to be effective in changing beliefs and values aligned with one’s closely held identities, however. Identity-based beliefs tend to eclipse truth-seeking because of the overriding need to belong, obtain status, understand the social world, maintain dignity, and feel morally justified.



Nighttime traffic in Jakarta. Urbanization will create greater concentrations of people able to mobilize around shared grievances.

NATIONAL IDENTITIES UNDER STRAIN

In some countries, the contestation among identities is challenging conceptions of national identity, which historically have been a source of state cohesion and national purpose. Nationalism overall has gained strength, but in some cases, exclusionary forms of nationalism are gaining prominence and weakening ideals of civic nationalism. Societies that are ethnically and culturally diverse may be more susceptible to challenge. Exclusionary forms of nationalism have been ascendant in many regions, especially those experiencing demographic changes, with slow or stagnant economic growth and people who fear losing special status.

- Some leaders and regimes are fanning exclusionary nationalism to promote their rule and policies. In Burma, for example, the halting democratic transition during the past decade and countrywide poverty increased insecurities, which helped to intensify Buddhist nationalism and foster anti-Muslim sentiments and even violence. Likewise, Chinese leaders have tapped widespread, often xenophobic nationalism to build support for policies, such as an aggressive Chinese posture in territorial disputes.

- In other cases, cultural and economic insecurity stemming from globalization has fueled nationalist forces. For example, British supporters of Brexit cited a range of longstanding British complaints about the European Union, but most polling indicated that concern with migration was a key factor driving the Brexit vote. The migrant crisis in 2015 also prompted a surge in nationalist forces in several other European countries, including France, Germany, and the Netherlands, where majority populations fear cultural change and economic competition.
- Some government regimes seek to use religious and ethnic themes in other countries to mobilize foreign popular support for their foreign policy objectives. India's attempts to export Hindu nationalism, Turkey's effort to mobilize the Turkish diaspora in Europe to amplify Turkey's influence, and Russia's support of Russian Orthodox minorities outside Russia demonstrate ways in which leaders exploit identities to achieve foreign policy goals.

PUBLICS MORE EMPOWERED, MORE DEMANDING

During the past few decades, steady economic improvements and access to technology have equipped populations in every region with the resources, time, and tools to channel their needs and interests into action and to engage officials and other elites with greater intensity, frequency, and effectiveness. Populations in advanced economies already are well positioned, and those in developing countries are becoming better equipped to agitate for change. For example, China's middle class, defined as those earning between \$10 and \$110 per day, has grown rapidly from 3.1 percent

of the population in 2000 to 52.1 percent in 2018—equivalent to approximately 686 million people who are better positioned to make demands on their government.

- Publics in most of the world have grown more prosperous and educated during the past several decades, and the corresponding reduction in people's preoccupation with immediate needs has facilitated a wider scope of awareness and ambition. With greater prosperity, people will have more free time, higher expectations, and better access to the tools for participation, as well as increasing concerns about losing what they have achieved, which is likely to increase the intensity of political participation during the next two decades.
- Additionally, the growth in urban populations in the coming decades will be most pronounced in parts of the developing world that also struggle with the capacity to deliver services and are host to high percentages of young people, including Africa and South Asia. Urbanization is creating concentrated populations with shared interests and grievances—the raw ingredients fueling social movements that can quickly spiral into protests.
- The proliferation of communication technologies is raising real-time awareness of international trends and events on the ground and offering people the tools to organize and spread their

messages. Between 2014 and 2020, the number of people worldwide using the Internet grew from 3 billion to 4.54 billion. Mobile Internet penetration is projected to increase from 49 percent in 2019 to 60.5 percent globally by 2025. An estimated 800 million more people will begin using social media platforms during the next five years, up from 3.6 billion people in 2020.

As people become better equipped and connected, the intensity of their demands on governments is likely to grow in every region. With higher expectations but more vulnerable conditions, people's demands on governments for solutions to growing challenges could become more varied, contradictory, and difficult to address. These demands are likely to range across economic, political, and social issues, with various groups pressing for conflicting policies—such as protecting key industries versus reducing greenhouse gas emissions. Even in countries with strong democracies, people are likely to turn to mass protests, boycotts, civil disobedience, and even violence with increasing frequency, judging from the rise in public protests during the past decade. Along with social media, these also will be the preferred ways to make voices heard in authoritarian countries. During the next two decades, these multiple paths for channeling discontent are likely to present an increasingly potent force with a mix of implications for social cohesion.

