

A young girl with braided hair, wearing a light blue and white dress, is standing in a classroom and writing on a chalkboard. The chalkboard has some faint writing on it. A blue bucket is on the floor to the right.

ENDING THE PANDEMIC AMID COMPOUNDING GLOBAL CHALLENGES: U.S. LEADERSHIP IS PIVOTAL

Global Situation Report 2021

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Introduction

InterAction presents the Global Situation Report 2021, a series of spot reports highlighting pressing humanitarian and development challenges facing the world in the next year.

2021 is a particularly pivotal year for global development and humanitarian efforts as the United States adjusts to a change in American governance, continues to contend with impacts of the global pandemic, and revitalizes a cooperative global mindset. Global humanitarian needs are greater than ever before as the world works to manage and rebuild from the COVID-19 pandemic and faces collective challenges of climate and conflict. The pandemic highlighted how the ripple effects of a single event can result in unanticipated aftershocks that shake global foundations and stall significant progress toward global development goals. Given the ongoing systemic challenges of global poverty, resource access, urban density, conflict, and governance, over the last year and a half, COVID-19 has already resulted in what we most feared—**devastating** multifaceted **impacts** on the world's poorest and most marginalized communities.

As we look toward improved management and recovery from the pandemic and accelerate a more equitable distribution of vaccines, a coordinated and global response remains critical to keep communities safe and help with recovery. Even with the creation of safe and effective vaccines, serious **investment is still needed** for vaccine production and distribution. We can expect to see continued global economic

impacts of the pandemic for years to come, including challenges posed by high levels of debt.

We must not lose sight of the underlying conditions driving development and humanitarian need and the gaps exposed by COVID-19. With this in mind, over the course of the next year, InterAction will release a series of spot reports on key issues facing humanitarian action and global development. This initial paper sets the stage for those reports and outlines five current and anticipated global dynamics: challenges to development progress; climate change and adaptation; democratic backsliding and the rise of authoritarianism; conflict, fragility, and humanitarian need; and global inequality.

The information found in this preliminary report is not comprehensive—nor could it be—but instead provides a snapshot of these dynamics and challenges that we are witnessing and how they are impacting the development and humanitarian landscape for the remainder of 2021 into 2022.



Photo by Prabha Jayesh Pael

Entrenched Challenges to Development Progress

When the World Health Organization (WHO) declared COVID-19 a pandemic in 2020, it did so in an already stressed development and humanitarian assistance system.

After decades of work and success to decrease global poverty and improve health, over the past few years, development and humanitarian progress have stalled or regressed, leaving advancement for millions of communities and families out of reach and the prospect of reaching [global goals to end poverty](#) by 2030 less likely.

Global hunger has been [on the rise](#) since 2014, driven by increased displacement from conflict, economic downturns, and climate shocks. Conflict continues to drive the threat of [famine](#) and [emergency needs](#). Making matters worse, humanitarian needs have consistently outpaced increases in donor investment. [From 2000 to 2019](#), global malaria mortality fell 60%, case incidence declined by 27%, and 21 countries got rid of malaria. Yet, progress has plateaued since 2015, and COVID-19 has caused service disruptions, threatening a resurgence in cases globally. The WHO announced in [March 2021](#) that the number of people receiving tuberculosis treatment dropped by more than 1 million, and estimates estimated that hundreds of thousands more people around the world died of the disease in 2020 as a result. Across nearly every key measure of childhood, including poverty, child marriage rates, and nutrition, [progress has reversed](#). Treatment and vaccination campaigns, particularly those [targeted at children](#), for other diseases like measles, diphtheria, tetanus, and pertussis, have been delayed or canceled, which could mean the reversal of years of progress toward reducing disease prevalence and mortality.

While the full impact of COVID-19 is still unknown, particularly as many countries continue to battle it, the pandemic and resulting economic crisis have deepened existing backsliding of progress and driven an unprecedented increase in poverty. In 2020, [global poverty increased](#) for the first time in over 20 years. The World Bank estimates up to [124 million](#) fell into poverty. In 2021, preliminary predictions expect that

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number to increase to between 143 and 163 million people. The increase in poverty is a key driver of further food insecurity. The World Food Program (WFP) estimates **272 million** people are already or will soon face acute hunger around the world.

The impact of COVID-19 on marginalized populations globally has been pronounced. Women have been particularly hard-hit, as they generally have a **greater unpaid work and domestic care burden**, earn less money, and comprise **70%** of the health workers and first responders around the world. Due to the pandemic, gender-based violence **increased**, and women had **reduced access** to economic opportunities and reproductive and maternal health care. Women and girls have also been impacted greatly by school closures—UNICEF estimates at the height of the COVID-19 pandemic, schools closed their doors across 192 countries, sending **1.6 billion students** home. Unfortunately, at least 24 million children are projected never to return to school. These impacts of COVID-19 will be felt for years to come and have a generational effect on children and youth around the world. Analysis from Save the Children estimates that **153 children could die each day** from pandemic-related malnutrition over the next two years if urgent action is not taken to mitigate this crisis.

To address the impacts of the COVID-19 pandemic and reignite development progress, U.S. policymakers need to work with partners to address the root causes of global poverty. The current focus on the manufacturing, delivery, and equity of vaccines for COVID-19 is critical but also entirely insufficient to meet the moment, given the broad impacts of the pandemic and the likelihood of other

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pandemics and systemic shocks. The U.S. must also look across development, humanitarian, and peacebuilding programming to better coordinate and layer responses to global challenges. Amplifying global cooperation efforts and partnerships with governments and communities through the elevation of locally-led solutions is critical to building sustainable efforts that are flexible to ever-changing realities and landscapes, as is the ability to track progress, determine what is and is not working, and adapt accordingly.



Photo by Danilo O'Victoriano Jr.

Intensifying Need for Climate Adaptation

Climate change is here.

Current global warming projections indicate that we are fast approaching a “**three-degree world**”—double the temperature increase that the **IPCC Special Report on Climate** warned of in 2016. **With the threats of COVID-19**, climate change, and the debt crisis creating barriers for governments to provide basic services, it has never been more important to address the underlying causes of vulnerability, reduce risk, and build resilience to changing climates.

Climate change could compound the effects of COVID-19 on poverty, with the World Bank estimating that **132 million people** will slip back into extreme poverty by 2030 due to climate change. Left unaddressed, nearly **200 million people** could require international humanitarian assistance for extreme weather disasters by 2050, roughly double those in need today. In Latin America, Sub-Saharan Africa, and Southeast Asia alone, **143 million people** could be forced into climate change-induced migration by 2050.

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Indigenous **peoples**, low-income communities, coastal and small-island residents, **women**, and other vulnerable populations are **predicted** to experience the worst of climate impacts, forcing many to either adapt or move. No group will face the effects of climate change or environmental harm for longer than children. Yet, children are consistently overlooked in the design and content of climate policies and related processes.

The need for communities to adapt to these changes is very high—such as changes to protect their well-being due to intensifying flooding, heatwaves, decreased crop yields, and more. Without adaptation, climate change may depress growth in global agriculture yields up to **30% by 2050**, affecting more than **500 million small farms** globally. Already, climate change is **undermining** the food security of rural people around the world—a **recent report** from the Global Network Against Food Crises and Food Security Information Network found that in 2020 the severity and magnitude of global food insecurity increased, with at least 155 million people in 55 countries and

territories in crisis or worse. Over 142 million people are expected to need urgent food security assistance in 2021. Additionally, the number of people who currently lack sufficient water for at least one month per year is projected to soar from **3.6 billion today to more than 5 billion by 2050**. At current greenhouse emission rates, **1.2 billion people** are expected to be living in intolerable heat in 30 years, with developing countries experiencing the worst of it.

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The 2020 UNEP Adaptation Gap Report estimated that climate adaptation needs would grow between \$140 and \$300 billion by 2030 and to \$500 billion by 2050. Yet, global investment in climate adaptation **fell in 2020**, and global financing to support climate adaptation and mitigation are not going to the communities most in need. For example, smallholder farmers and producers remain underserved by global climate finance, as only about **1.7%** of the money invested globally in climate finance reaches them.

2021 is a decisive year for climate action. In January 2021, U.S. President Biden catalyzed the reentry of the U.S. back into the Paris Agreement and issued a sweeping Executive Order on Tackling the Climate Crisis at Home and Abroad. These changes called on the entire Federal government to address the climate crisis. The U.S. hosted the Leaders' Summit on Climate, where President Biden announced **ambitious emission reduction targets** for the U.S. to achieve net-zero by 2050. There is hope that U.S. commitments can accelerate other countries' commitments at COP26. The U.S. must lead by prioritizing a just transition to clean energy, protecting human rights as greenhouse gas emissions are reduced, and implementing locally-led adaptation efforts.



Photo by Azim Khan Ronnie

Further Democratic Backsliding & Rising Authoritarianism

Three-quarters of the world's population now lives in countries where freedom is declining, and civic space is being constrained at an alarming rate.

Since 2013, **103 countries**—democracies and autocracies alike—have proposed more than 240 legislative initiatives that would restrict civil society, from burdensome oversight procedures to limits on access to resources. This trend accelerated over the last year as political leaders sought to capitalize on public anxiety over the COVID-19 pandemic to seize more power, degrade democratic institutions, and suppress human rights. **More than 50 countries** issued measures restricting expression and privacy, and **141 countries** restricted public assembly.

Alarm over democratic backsliding is underscored by a global rise in authoritarianism. Seeking to present an alternative to liberal democracy, authoritarians are actively working to undermine democratic and electoral institutions and values by employing cyber tools, economic levers, dis- and misinformation, and military and political influence. Opposition leaders are under increasing attack amid a rise in **transnational authoritarian repression**, which targets exiles and diaspora communities to silence dissent.

Worldwide, mis- and disinformation **threaten the public sphere** by mainstreaming extreme views, fueling political polarization, and giving undue momentum to fringe, anti-democratic values and discourse. The absence of an informed citizenry, capable of discerning fact from fiction, as well as a lack of investment in accurate and locally-trusted news sources, threatens social cohesion and is acutely evident on social media, where the business model is driven by users' engagement.

The year ahead represents an opportunity to curb the decline of democracy and push back against authoritarianism and corruption worldwide. Countries' response to COVID-19 is as much a governance challenge as a health challenge. It is not enough to "build back better," we must build back democratically. Foreign assistance is a critical lever in encouraging states to reverse emergency measures limiting

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civic engagement taken in response to the pandemic. Similarly, global vaccination efforts will only be successful if they are underpinned with the democratic values of transparency, accountability, equity, and inclusivity. Such values must also drive the utilization of COVAX funding.

Support for democracy and human rights is critical to addressing the world's most pressing challenges. The crisis at the U.S. southern border, after all, draws into sharp focus the consequences of poor governance, corruption, and the absence of citizen security—as well as the spillover and destabilizing effects into neighboring countries and the broader region.

The year ahead will be marked by a recommitment to democratic allies and increased rhetoric around divergent governance models between the community of democracies and resurgent authoritarianism. The U.S. must work to build democratic resilience at home and abroad by strengthening political and civic engagement, increasing government oversight and accountability, countering the destabilizing effects of corruption and kleptocracy, and working to ensure democracy delivers for its citizens. As the Biden Administration looks ahead to the Summit for Democracy, the U.S. must bring a sense of both humility and a renewed commitment to its support for democracy assistance overseas.

The U.S. must build democratic resilience at home and abroad by:

- **Strengthening political and civic engagement**
- **Increasing government oversight and accountability**
- **Countering the destabilizing effects of corruption and kleptocracy**
- **Working to ensure democracy delivers for its citizens**



Deepening Conflict, Fragility & Humanitarian Need

In light of the aforementioned challenges, worldwide humanitarian needs remain acute in 2021.

An estimated **235 million people** are currently in need of humanitarian assistance. This equates to 1 in 33 people worldwide, an increase from 1 in 45 at the end of 2019. Even more people—**270 million**—face acute hunger, with 34 million of those facing the risk of famine. **Nearly 80 million people** have been forcibly displaced as refugees, internally displaced persons, or those seeking asylum.

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Over the past decade, increased violent conflict (both state-based and non-state violence) has been the major driver of humanitarian need. Prior to the COVID-19 pandemic, it had supplanted environmental shocks as the primary driver of humanitarian need and forced displacement. The dual crises of the COVID-19 pandemic and climate change further exacerbated humanitarian needs in the past two years and have underscored the compounding impacts of global crises on the world's most vulnerable communities. Global crises are also acutely felt in **fragile states**, where there is insufficient capacity to absorb or mitigate exposure to environmental, social, political, economic, and security-related vulnerabilities.

These factors have compounded protracted crises in places like Syria, Yemen, Venezuela, South Sudan, and the Democratic Republic of the Congo. The impacts of climate change, COVID-19, and existing and emerging conflicts can be seen in places like Ethiopia, where conflict party dynamics, drought, and electoral violence have contributed to a complex **humanitarian emergency** and **severe famine** in Tigray. In the Sahel, climate shocks and conflict have dangerously reinforced one another to create massive food insecurity resulting in historically high levels of humanitarian need. The recent coup in Myanmar has also led to shrinking space for civil society and independent media, renewed ethnic violence across all conflict regions, and an overall marked decrease in humanitarian access to respond to growing needs.

As the U.S. continues to respond with humanitarian assistance to immediate crises, such assistance only offers a temporary reprieve to affected populations in reach. The U.S. must also, in tandem, continue to address the drivers of conflict, fragility, and humanitarian need, as well as the impediments faced by frontline responders through humanitarian diplomacy and other political means. The implementation of the recently passed Global Fragility Act remains uncertain but serves as a vital opportunity for the U.S. to change the way it approaches preventing violent conflict. Additionally, while the merger of various USAID offices into the Bureau for Humanitarian Assistance was a welcome step, more needs to be done by the U.S. Government to leverage the new bureau to support holistic and efficient humanitarian response. For example, there are well-identified legal, policy, and regulatory impediments to effective humanitarian response which need to be addressed by Congress and the Administration.

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Photo by Rick Osentoski-Oz

Escalating Global Inequality & Inequity

Prior to the COVID-19 pandemic, the world was already extremely unequal due to entrenched **systems** of inequality, racism, and discrimination.

The existence of discrimination in many forms—gender, race, disability, religion, against Indigenous populations—exacerbates unequal growth by limiting the ability of people to reach their potential and live in dignity. Further, the pandemic has amplified inequities, and recovery from COVID will be unequal given that the richest nations are **three years ahead** of the poorest nations in the vaccine race. The COVID-19 virus itself disproportionately **impacts** those with fewer resources and access to healthcare. The pandemic is pushing **millions more** people into extreme poverty and may trigger cycles of higher income inequality and lower social mobility among vulnerable populations. The effects threaten to be long-lasting.

Specifically, COVID-19 has damaged the progress made toward children and youth development. Prior to the pandemic, **45% of children** from 70 countries did not have access to what UNICEF categorizes as critical needs, including education, healthcare, housing, nutrition, sanitation, and water. By September 2020, around **150 million children** lost access to services and entered into multidimensional poverty. Due to school closures, the percentage of children without access to education and WASH services increased from **47% to 56%**, and **368.5 million students** lost access to their most reliable source of nutrition at the peak of the virus. Additionally, with millions forced out of school due to the pandemic, it's estimated that pandemic will reverse **20 years** of gains made for girls' education; **20 million girls** are projected to remain out of school after the pandemic, increasing the risk of child marriage and other gendered forms of abuse. The loss of safety nets and income has also resulted in an **increase** in domestic abuse, negatively impacting children's physical and mental states.

The COVID-19 pandemic is estimated to reverse 20 years of gains made for girls' education; 20 million girls are projected to remain out of school, increasing the risk of child marriage and other gendered forms of abuse.

Inequality and inequity gaps are increasing both within and between countries, with vaccine access and healthcare systems expanding the wedge between rich and poor, making the poor poorer as the **richest get richer**. Systemic racial inequalities and injustices are not new, but there is now a revitalized focus given the critical point that we have reached due to the pandemic and domestic movements following the murder of George Floyd in the U.S. Additionally, as a result of COVID-19, the global gender gap has increased by a generation. It is now estimated that it will take at least **135 years** to close the gap, with political empowerment being the widest gap.

To better address these rising inequities, the U.S. must integrate diverse voices and explicitly consider how its development and humanitarian policies and programs impact local populations. This includes creating policies with a strong emphasis on marginalized populations, including women, girls, and youth. The needs of children and youth in particular warrant specific attention by breaking down internal silos to build more integrated and inclusive programming.

Policymakers must also be deliberate about ensuring locally-led development by engaging communities and including youth-led organizations as stakeholders alongside local governments, civil society organizations, universities, and the private sector, ensuring the formulation and implementation of long-term solutions.

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Photo by Ashley Peterson

Conclusion

The last few years have tested global systems, particularly as we simultaneously battled—and continue to battle—a global pandemic that disproportionately affects the most vulnerable, a swelling climate crisis, and existing political and security challenges that have intensified as a result.

Looking ahead at the next year and beyond, the U.S. has the opportunity to work with partners and embrace new and bold avenues to compel progress on a global scale to address these issues in a more strategic and cohesive way than ever before. As we move into a tenuous pandemic management and recovery period in wealthier nations, the dynamics presented above demonstrate why continued U.S. global leadership and vision is critical in this new global landscape.

In the coming months, InterAction will step beyond this snapshot and take a closer look through regional and country-specific spot reports. These reports will provide quick analyses on current events, react to ever-changing development and humanitarian issues, and provide an NGO perspective on what is happening on the ground, anticipated challenges, and recommendations moving forward. If you have follow-up questions or suggested areas of coverage, please reach out to [Kelsey Harris](#).

About The Global Situation Report 2021

The Global Situation Report 2021 provides an overview of the most pressing humanitarian and development challenges facing the world in the next year. The report comprises an overview of global dynamics plus a series of timely, in-depth spot reports focused on country and region-specific issues that will be released throughout the year. The Global Situation Report 2021 is primarily for a Congressional audience and is informed by the direct contributions of dozens of expert InterAction members. To view the report, visit www.interaction.org.

About InterAction

Founded in 1984, InterAction is the largest U.S.-based alliance of international NGOs and partners. We mobilize our Members to think and act collectively to serve the world's poor and vulnerable, with a shared belief that we can make the world a more peaceful, just, and prosperous place—together. To learn more, [visit www.interaction.org](http://www.interaction.org).