



The Future Red Cross and Red Crescent

Thematic Futures S2030
First Milestone Trends Paper

Thematic Futures – S2030

First Milestone Trends Paper (Summary)¹ – Governing Board

Section 1: Introduction

This document presents global trends and emerging issues that our research has indicated will transform our world over the next decade. It is the culmination of Phase I of the Strategy 2030 process, the baseline of futures and foresight investigations for Strategy 2030 which commenced in 2017, dedicated to exploring the future context and operating environment, and which are being further tested in 2018². It provides an update to the baseline of thematic issues presented to the General Assembly in 2017. It presents key **tension points** as identified by National Societies on issues most relevant and poignant that require deeper consideration.

These themes are continuously being refined through consultation discussions, debate and reflection. They are not intended to be comprehensive nor a definitive list of the main considerations to be addressed in Strategy 2030. They are however a selection of the key issues identified to date. They are grouped in such a way as to demonstrate the systemic correlation and intersection of different trends and emerging issues that are contributing to lifting poverty levels, reshaping global trade, altering geopolitical power structures, creating new centers of innovation, and posing new and previously unimaginable challenges to societies and states³. In discussing futures, we need to consider the complexities of systems, and correlated driving forces, rather than focusing on single issues in isolation.

These themes are being further studied to understand their potential implications on the Red Cross and Red Crescent, and importantly what it might mean for the focus of our work, our organizational model and our structures over the next decade. At many junctures in its history, the Red Cross and Red Crescent has faced existential crises, grappling with how to ensure ongoing impact and relevance in a changing world. However, the scale and pace of change unfolding in the world today will require a more focused and radical examination of the potential organizational change that will be needed to thrive in new environments.

Phase 2 will now commence, running from June to December 2018 and explore the implications of this contextual operating environment on the way we work, how we are structured, and what we focus on as a network. Visions for the organization will be explored and elaborated in this phase, as will an articulation of the design principles that should underpin an organization that can successfully navigate the unfolding and dynamic trends and uncertainty of the coming decade.

¹ This summary paper provides a concise overview of the key emerging trends likely to impact on the RCRC network. The more detailed research paper is available upon request from the Strategy 2030 Project Team.

² The process included Futures and Foresight workshops run with representatives from over 120 National Societies and the IFRC Secretariat as well as external bodies; Horizon Scanning and Trend Analysis; Gaming Simulations played with 4,000 young people and Expert Interviews

³ Molavi, A. & Gergawi, M., "The 85 World", Emerge85, Oct 2016

Section 2: Trends and Transformations

1. Natural Disasters, Climate Change, and Depletion of Resources

The global natural environment is in a system-wide crisis, with no end in sight. Food and water security for communities will be a growing problem beyond any easy local solutions, and is anticipated to drive future conflicts. The commodification of natural resources (e.g. priced access to clean water and land), the impacts of unpredictable rainfall patterns and droughts on agricultural productivity, the increasingly fraught access to energy, and unsustainable waste management are fundamentally changing communities' ability to live well, to have secure livelihoods, and to weather external shocks. The increasing shift to urban environments is further compounding these challenges and necessitating change in how development and humanitarian aid is conceived and delivered.

Climate change has a direct global impact and complicates most human endeavors, including disaster response and humanitarian aid. Rising sea levels and desertification, which have both progressed steadily over the past two decades, displace populations and contribute to conflict. In 2017 alone, climate and weather-related disasters hit nearly every continent, in a seemingly unending spiral. These disasters are significantly compounding vulnerabilities – the complex confluence of severe floods in Bangladesh, as well as the population movement in the country, and a strained infrastructure, are prime examples. Current forecasts predict more of these crises with deeper complexity and severity.

Climate change-driven migration could increase the threat of conflict as arable land and water become increasingly scarce. Forced displacement is already a development world crisis, with 95 per cent of the world's refugees and internally displaced people living in poor countries and originating from the same 10 conflicts since 1991. Climate change will act as a threat multiplier, driving more people into poverty and potentially leading to systemic crises. The most vulnerable people with the least resources to adapt – and particularly those living in vulnerable circumstances in Africa and South Asia – will face the brunt of the impacts of such instability. At end-2017 we saw the island of Barbuda being destroyed and rendered uninhabitable due to a hurricane: in the coming decade there will be increased instances of places being unable to sustain communities (particularly those living on coastlines, the edge of drylands, urban floodplains, etc.). Climate related displacement will force a redefinition of identity and relationships to institutions and test the capacity of the humanitarian world to respond.

Considerations and tension points for the Red Cross and Red Crescent

- How can we better understand how people, communities, economies and states will respond to and be affected by climate change and natural resource depletion in the future?
- How are we going to manage multiple large-scale crises potentially occurring at the same time, including multi-faceted responses that include innovative partnerships, advocacy and diplomacy and programmatic responses?
- How will we manage mass climate-related displacement?

2. Fragility, conflict, violence and development

An increasing complexity of fragility, violence and conflict in the world is threatening efforts to end extreme poverty and promote shared prosperity. While there are fewer large-scale interstate conflicts, other forms of conflict and violence have increased since 2010.⁴ We are witnessing prolonged civil conflicts, fought by both state and non-state actors, with profound regional and global consequences, including in urban areas and online via cyber warfare, bullying and radicalisation. In this future space, our network is not equipped to deal with the resulting vulnerabilities⁵.

Conflicts drive 80 per cent of all humanitarian needs and keep countries poor. They have caused an unprecedented forced displacement crisis, which is straining the resources of affected countries and humanitarian organizations alike. The challenge is widespread, affecting countries at all stages of development.^{6,7}

While it is anticipated that the general trend of development in the world will continue, progress is expected to become more difficult and slower over time in some areas due to conflict, inequality and instability. Deep poverty and vulnerability will be increasingly concentrated in countries affected by fragility, conflict and violence, where almost half of the world's poor are expected to live by 2030 - mostly in Africa and the Middle East.⁸ In those regions, infrastructure deficits, climate change, and population growth are likely to multiply vulnerabilities resulting from conflict and violence.⁹ Ability to raise funds on these issues is difficult, resulting in entire humanitarian crises being ignored or forgotten in the face of public apathy or fatigue from the sheer number of 'unprecedented crises'.

Considerations and Tension Points for the Red Cross and Red Crescent:

- If fragility and extreme poverty continue to concentrate in certain countries/regions, how do we better allocate our resources/efforts globally to support this? How do we structure and prepare our organization, its people and skills for a scale up of activity to address needs in these contexts?
- How do we continue to ensure to build credibility and trust from a public which is often fatigued by crises? How will we sustain operations in many ignored or forgotten crises, where human suffering may be at its greatest?
- The surge in incidents of hate speech and "fake news" globally has spurred growing concerns in the factors they play in spirals of violence. Intersected with the key role of technology and social media, understanding the unprecedented impacts of this on issues of non-violence and peace is crucial.

⁴ <http://www.un.org/pga/70/wp-content/uploads/sites/10/2016/01/Conflict-and-violence-in-the-21st-century-Current-trends-as-observed-in-empirical-research-and-statistics-Mr.-Alexandre-Marc-Chief-Specialist-Fragility-Conflict-and-Violence-World-Bank-Group.pdf>

⁵ <https://www.icrc.org/en/document/future-urban-battlefield-implications-new-technologies>

⁶ <http://www.worldbank.org/en/topic/fragilityconflictviolence/overview>

⁷ [worldbank.org/en/results/2016/08/19/tackling-fragility-conflict-and-violence-with-development-solutions](http://www.worldbank.org/en/results/2016/08/19/tackling-fragility-conflict-and-violence-with-development-solutions)

⁸ <http://www.worldbank.org/en/results/2016/08/19/tackling-fragility-conflict-and-violence-with-development-solutions>

⁹ <http://www.worldbank.org/en/topic/fragilityconflictviolence/overview>

3. Power and Governance

The past decade has shown the fragility and inability of today's global governance mechanisms, to adequately address world issues. Many have observed that the scale and capacity of nation-states is insufficient for the problems facing the increasingly globalized world today¹⁰. At the same time, forms of cross-border governance are changing and increasing in strength and effectiveness (the Chinese One Belt One Road Initiative, ASEAN, and the rise of regional free trade areas in West and East Africa are examples).

The private sector is increasing in power and influence, potentially driving a trend for alternative forms of governance, with many companies wielding more influence on global issues than most countries, most recently recognized by the Danish Government appointing an ambassador to Silicon Valley¹¹. A few international humanitarian organizations such as Amnesty International¹² and UNICEF have followed suit. The private sector has taken on increased roles in delivering humanitarian and development aid, further questioning the governance roles played by nation states and humanitarian organizations. At the same time, cities are also asserting their geo-political power on the world stage, with mega cities becoming powerful influencers by themselves.

Amongst the mosaic of newly forming pockets of power and influence, is the reality that trust in global institutions (including government and humanitarian organizations) is at an all-time low. The 2017 Edelman Trust Barometer paints a picture of a broken global system with little hope for things to improve. Humanitarian organizations are caught in this web of distrust – a long way from 2001 when they were considered a rising influence¹³.

This backdrop is contributing to fueling a rise of social movements and fringe groups, pushing back against issues of power and elitism. Enduring economic stagnation and increasing mistrust of politics is driving populism, nationalism, and cultural and religious clashes. It is indicative of increasing scepticism in government and bureaucracy among many democracies and youth especially. At the same time, national governments in the global south are taking more assertive roles and questioning foreign involvement in domestic affairs.

Considerations and Tension Points for the Red Cross and Red Crescent

- Are the structures of the IFRC member network and decision-making processes in line with broader social and political shifts? Are financial and organizational structures previously established to serve north to south flows suited to the shifting dynamics of global power and influence?
- With issues of credibility and trust deepening, how should the Secretariat and National Societies continue to build trust within this complex backdrop of significantly different constituencies – communities, donors, partners?

¹⁰ <https://revisesociology.com/2017/05/31/globalization-decline-nation-state/>

¹¹ <http://um.dk/en/news/newsdisplaypage/?newsid=60eaf005-9f87-46f8-922a-1cf20c5b527a>

¹² <https://www.devex.com/news/this-is-how-amnesty-international-is-working-with-companies-to-cut-supply-chain-abuses-91544>

¹³ <https://www.devex.com/news/in-an-era-of-declining-trust-how-can-ngos-buck-the-trend-89648>

4. New Communities and Cities

The make-up and demographics of our society is rapidly changing. By 2020, a majority of the world's population will live in middle-class or rich households for the first time ever, and by 2030, this number will exceed 5 billion people.¹⁴ However, the benefits of economic and technological change have not been equally shared and the pace of change has left political, regulatory and welfare systems unable to cope, fostering division and aggravating grievances. Since the Global Financial Crisis, the middle class has been hollowed out in many advanced and some emerging economies, with incomes stagnating or even declining¹⁵. Meanwhile the richest 1% accumulated more wealth than the rest of the world put together¹⁶. Alongside this backdrop is a growing number of migrants and displaced people that create more fluid, mobile and diverse communities with distinct, and sometime divergent, worldviews. Much of the population movement reinforces the trend of urbanization. As many as 1 in 3 people living in cities could be living in informal settlements within the Strategy 2030 period and will experience significant deprivation, particularly in Africa where this growth is projected to be the most pronounced and the most severe.

The complex confluences of diverse issues, including increasing migration (forced and voluntary), social and physical mobility, the inexorable growth and complexity of cities, the youth bulge in developing countries and an ageing population in developed and middle-income countries, the evolution of online tools and connectivity, are fast changing the fabric of societies and driving the (trans)formation of communities.

Threaded through these complex changes, individuals are engaging with each other and with institutions differently, creating spaces for emergent community groups as well as virtual ones. A democratization of voice from previously marginalised or minority groups and a need for self-identity, agency and presence in decision-making are conflicting with traditional, mainstream ideologies and established political order. In many pockets, civil society is pushing back against the status quo, refusing to be spoken for and demanding change from both governments and institutions. How we think about the make-up of communities, and the assumptions that underpin this, is being challenged in this shifting landscape.

Considerations and Tension Points for the Red Cross and Red Crescent

- Are National Societies reflective of the diversity of the contemporary societies they live in?
- How will National Societies engage with communities when the very nature of community is changing?
- How do we connect with increasingly fluid and internationally mobile/connected communities while our structures favour national fortressing, and struggle with disconnection, rigidity and lacking data and operational integration?

5. Participation and engagement – ‘Here comes everybody’

Activism and participation in the 21st century has changed. The rapid advent of technology has afforded new forms of volunteer participation to a wider section of society – including crisis-affected

¹⁴ https://www.brookings.edu/wp-content/uploads/2017/02/global_20170228_global-middle-class.pdf

¹⁵ <https://www.oecd.org/g20/topics/employment-and-social-policy/Income-inequality-labour-income-share.pdf>

¹⁶ https://www.oxfam.org/files/file_attachments/bp210-economy-one-percent-tax-havens-180116-en_0.pdf

communities and global volunteer networks. This poses a challenge to the traditional linear approaches of information sharing – as emerging technologies are democratizing information access, participation and agency.

There is a surge in the way citizens and communities are self-organizing and self-mobilizing. Self-organization amongst and between non-traditional actors is accelerating, which can at times sideline humanitarian organizations that are not as quick or adept in applying these new technologies.

New, creative and innovative forms of volunteering continue to grow, including e-volunteering, online campaigning, direct action, skilled volunteering, swarm volunteering, self-organizing volunteering and combinations of these, indicating that *how and why* people volunteer is drastically changing. ‘Brand loyalty’ to one humanitarian organization will be less significant. In some countries people are volunteering for shorter periods of time, and want more influence and faster access to ‘making an impact’. This requires volunteer-involving organizations to demonstrate greater speed, flexibility and a greater diversity of engagement opportunities. Volunteer recruitment and management needs to be proactive in adapting to the skills and interests of volunteers rather than serving as a reactive network.

Considerations and Tension Points for the Red Cross and Red Crescent

- If the very nature of voluntary service is changing, would the Red Cross and Red Crescent attract fewer volunteers for shorter periods? As such, would the IFRC network of the future be one that has a differentiated focus on volunteering?
- How can National Societies engage with citizen-led movements, and with more dynamic, fast paced and flexible ways of engaging youth as active drivers of change? How can the Red Cross and Red Crescent ensure much more open access to distributed networks and decision making within a traditional structure?
- How will we ignite an urgent and renewed focus on volunteering and what it means in the 21st Century?

6. Emerging Technology

New technologies are transforming the world and how people live and work. Data analytics, robotics, and artificial intelligence are just a few examples of transformative technology that can positively impact Red Cross and Red Crescent capacity to address humanitarian and development need. Already, scientific and technological innovation is blurring the lines between the physical, digital, and biological spheres. Data, machine learning and other technological advancements can help forecast disasters and crises and provide stronger sources for analysis and insight on a range of issues. These changes are evolving rapidly and require constant investment and experimentation to understand and apply.

However, there are risks with emerging technologies, that the benefits will not be felt by all, and the digital divide can create further inequality for those left behind. Current discourse is also emerging around the implications and risks of ethics and biases inbuilt into artificial intelligence algorithms that might further perpetuate inequality. In addition, increasing awareness and concerns around

data privacy rights and changing privacy legislation is already forcing humanitarian organizations to re-think the privacy rights of data subjects. There are also concerns about digital technologies dislocating people from each other, contributing to social and mental health issues, and there are emerging risks to be monitored around cyberwarfare and malicious intent, particularly as many of our services carry sensitive digital information.

Considerations and Tension Points for the Red Cross and Red Crescent

- There is a tension that is emerging around the need for the network to invest more into emerging technology, and beyond just periphery innovation experiments, to drive changed decision making structures. There is, in addition, consistent reflection on what the role of the Red Cross and Red Crescent might be, and what value add we might bring to a highly connected, networked world, and how we might respond to the changing risk landscape as a result of this.
- Is the network recruiting the right skills and investing in the right competencies to capitalise on opportunities emerging from technological and digital advancement?
- How does the Red Cross and Red Crescent engage with non-traditional actors, start-ups and informal networks, and explore new models of partnership creatively to meet development goals?

7. Financing growing humanitarian and development needs

As Overseas Development Assistance (ODA) is stagnating, UN estimates suggest that developing countries will need more than \$2.5 trillion a year¹⁷ to achieve the SDGs by 2030, and that the vast majority of these funds must come from non-governmental sources. Moreover, as observed by the UN's High Level Panel on Humanitarian Financing, the urgent financial needs thrown up by immediate humanitarian crises is already outpacing available financing to the tune of \$15 billion, and those needs are only likely to rise in an era of climate change, political instability, and increasing intra and inter-state confrontation. Humanitarian assistance costs are predicted to rise to \$50 billion per year by 2030 on the basis of current trends. By then, two-thirds of the world's poor could be living in conflict-affected countries¹⁸.

Emerging financing models provide a much wider pool of development assistance, unique in terms of their market size, their operations and the way they serve those in developing countries. They range from equity-based crowdfunding campaigns and peer-to-peer fundraising¹⁹, to smart remittances, impact investment and mobile money. Instruments such as Islamic Finance assets, globally estimated at 2.5 trillion annually, are playing major roles. FinTech applications, such as Blockchain and cryptocurrencies, are disrupting traditional finance players, reducing transaction costs and offering more to the under-banked.

The size of these alternative financing instruments dwarfs current ODA and humanitarian financing. Experimentation with these models will be essential, however they will require a substantial infrastructural shift that may be challenging to execute; significantly greater focus on efficiency, accountability, evidence that can prove impact and advanced data capability, along with an

¹⁷ http://unctad.org/en/PublicationsLibrary/wir2014_en.pdf

¹⁸ <https://www.weforum.org/agenda/2018/01/humanitarian-crisis-cost-private-sector-blended-finance/>

¹⁹ <https://www.classy.org/blog/crowdfunding-vs-peer-to-peer-difference/>

acceptance of the mechanisms of new funding flows that may contravene current policy and practice in the Red Cross and Red Crescent. Current practice, which often involves multiple arms of the Movement operating in the same country all with parallel and deep structures, may need to be reformed, and in time we may see increased efficiency imposed.

Considerations and Tension Points for the Red Cross and Red Crescent

- How do we anticipate the likely financial architecture of the humanitarian sector in the coming years? How do we lay the foundation for and lead in experimenting and mobilizing alternate sources of capital? Do we, as a network, have the risk appetite necessary to engage with them?

8. Future of Work

Advancements in technology such as artificial intelligence (AI), robotics, automation, and quantum computing have observers heralding a coming “Fourth Industrial Revolution”²⁰. Countries around the world are eyeing the possible implications that these advances may have on their economies and labour force. Previous revolutions in the modes of production all created new types of jobs in the long-run while displacing countless ones in the short-term²¹.

Profound employment displacement, particularly in the fragile economies of parts of Africa and Asia, is predicted. With 1.36 billion people, China, potentially, could face more than 600 million people in search of new ways to work and live, if it keeps up with Western automation levels. Unlike much of the 20th century, we are now seeing a falling ratio of employment to population, and many of the underlying trends in technology are likely to accelerate from the computerization of production processes to the disruption of jobs in the service industries. In Africa, where the youth bulge is emerging, there is a risk of masses of young people being left idle without jobs, potentially leading to unrest and mass migrations into cities, further exacerbating urban challenges. Further, in middle income countries, it is not simply a question of demand and supply of jobs in the market, but an issue of youth disinterest in the types of jobs available. Increasingly, young people and graduates are not interested in traditional employment but rather focus on entrepreneurship and creativity in how and what they do for work.

Considerations and Tension Points for the Red Cross and Red Crescent

- How can the RCRC rethink skills generation, education and livelihood/entrepreneurship programs in terms of skills and jobs of the future? How can we support our youth volunteers in these areas?
- How might our internal HR strategies and planning need to evolve to take into consideration implications around the future of work and to ensure that we attract a strong, highly skilled, creative and motivated workforce?

²⁰ <https://www.theguardian.com/business/2017/jul/16/governments-have-to-invest-in-the-fourth-industrial-revolution>

²¹ <http://blogs.worldbank.org/psd/future-jobs-and-fourth-industrial-revolution-business-usual-unusual-business>

9. Future of Health, Pandemics/Epidemics

The 2014 Ebola outbreak in West Africa and the current outbreak in the Democratic Republic of Congo, dramatically raised awareness of the global burden of infectious disease, and raised questions about the preparedness of public health systems. Infectious disease remains a major public health concern around the world, with more frequent emergence of epidemics and pandemics. Within the broader system, we witness the changing health landscape of a global population that is aging and more vulnerable, and has a higher rate of non-communicable disease and increased exposure to environmental pollution and toxins²². Non-communicable diseases may be the global health crisis of the present and future, with a rapid expansion projected in middle and emerging economies. Persistent threats also continue with the challenges around ensuring safe access to water and sanitation, and the host of complications associated with these challenges, including Cholera. With cross-cutting issues of growing cities, the refocus on health systems in cities is becoming a primary concern.

At the same time, genetic research is demonstrating the clear potential for major medical advances in the coming years against such killer diseases as malaria, tuberculosis and HIV/AIDS, potentially saving millions of lives, especially in the developing world. Examples of this include genomic vaccines, which can be rapidly manufactured when a virus suddenly becomes more virulent or widespread. In addition, the emergence of disease surveillance systems has become vital for early identification of public health threats. New methods are underway for regional and global infectious disease surveillance, with advances in epidemic modeling aimed at predicting and preventing future infectious diseases threats²³. These rapid technological advances when combined with the strong community health based approaches within the Red Cross and Red Crescent can potentially deliver substantial gains to the most vulnerable populations.

Considerations and Tension Points for the Red Cross and Red Crescent:

- What changes to regional and global operating models and tools will be required of the Red Cross and Red Crescent to meet more effectively the needs of expanding or rapidly emerging health crises?
- How can the Red Cross and Red Crescent better utilise community health systems and approaches to accelerate its role as a key actor in health response and mitigation measures?

10. Future Operating Model

The issues outlined above have significant implications on the way in which we will organise ourselves and work together including on our organizational culture and values. Throughout the consultation process, National Societies have consistently called for a courageous review of these processes and mechanisms. The appetite and hunger for change is obvious across all levels of our network: in how our organizations are structured domestically; and how we coordinate and function beyond national borders.

²² http://www.belfercenter.org/sites/default/files/legacy/files/genomics_and_global_health.pdf

²³ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4720248/>

The fragmentation and competition observed across the network, the duplication of structures and effort, and the resultant inefficiencies: all drive questions regarding what type of operating model is best for a Federated structure such as ourselves, in an emerging complex and dynamic future. They force us to reflect on whether our model can simply be rearranged – or does it need radical re-visioning?

Alongside these issues, clear frustrations are evident across the network on issues of transparency, corruption and accountability. The challenges in these areas impact our network across the board, visibly decreasing our trust and relevance and our capacity to support vulnerable communities. In an increasingly transparency-minded world, if these issues are not dealt with proactively they may be forced upon us by donors and the public we serve, whose resounding implications are a steady decline of trust and accompanying relevance. In a landscape of new and increasingly effective actors, we may struggle to find a way to deliver value and effectiveness.

Threaded through these conversations are also reflections on how our leadership and operational structures and organizational culture can and must shift to be more agile, innovative, forward looking, open and embracing of change and risk. How we can invest in a more rigorous, calculated and intelligent manner to prepare for the challenges and opportunities of the future?

These challenges are not necessarily unique to the Red Cross and Red Crescent. Recent discussions across the humanitarian sector has shown that the status quo of humanitarian organizations cannot continue. There are pockets of work occurring that are hypothesising different models and structures that might need to come into play. These reflections propose a move from a model of hierarchy to one that prioritises distributed networks, that empowers staff and volunteers at all levels, that shifts from a rigid planning mindset to an experimentation mindset, and that embraces transparency²⁴.

The critical questions on our operating model will be addressed more thoroughly in Phase 2 of the Strategy 2030 process, where the visions for the future of the organization are explored alongside the core design principles for the kind of organization that can successfully navigate these challenges and be fit for the future.

²⁴ <http://qaspire.com/2015/11/23/mindset-shifts-for-organizational-transformation/>