The Sustainable Development Goals: Fit for Purpose?

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Here below follows an abstract of the lunch lecture Dr. Jan Vandemoortele (Doctor Development Economics & Co-architect MDG's) gave on the occasion of UN Day on 24 October 2017. The lecture was organized by the United Nations Association Flanders Belgium (VVN) and the Leuven Centre for Global Governance Studies. It took place at the KULeuven University in Leuven. We are grateful to Dr. Vandemoortele for taking the time to give this lecture.

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Good afternoon everybody,

I will talk about the MDGs first and then turn to the SDGs and try to answer the question whether the SDGs are fit for purpose.

Two years ago, in September 2015, the SDGs were approved by all UN member states. Before going there, and before looking at the report card of the MDGs, let us first have a look at Daniel Kahneman. He won the Nobel Prize for economics as the first and only psychologist, for the simple reason that there is no prize for psychology.

In his book "Thinking Fast & Slow" (2011) he says that you and I are wired imperfectly. We think we are rational beings and although this may be the case most of the time, it is certainly not so all the time. According to him, the first mistake in our wiring is optical illusion. Next is what he calls cognitive illusion. We make systemic mistakes in our thinking. This is important before assessing the MDGs. He shows that our thoughts and behaviour are influenced much more than we know or want by random circumstances. He shows this at the hand of various examples. One of them includes putting the following question to people across the world: "what is the percentage of African nations at the UN?" – a question with a rational answer. The trick here is that before answering the question, one must spin a number on a wheel. The spin goes from 1 to 100 and the wheel is rigged to make it stop at either at 10 or 65, but the respondent does not know that. Everyone knows that one's answer to the question will not be influenced by the number one spins, which is totally random. Well, it happens that one is connected to the other. The people who spin 10, on average, answer of 25%. Those who spin 65 give a much higher percentage – 45% on average. The correct number is 28%.

We have the same regarding the assessment of the MDGs. If you read the assessment, it says that three targets were achieved five years ahead of schedule: (1) poverty, (2) water, and (3) slum upgrading. I wish it were true, but we have no solid evidence to back up this claim.

As Kahneman says, "a reliable way to make us believe in falsehoods is frequent repetition because we have a difficulty in distinguishing between what is familiar and what is true". We often confuse the two. This is called "facts by repetition". The fact of the matter is that a great deal of conventional wisdom, certainly in economics, is not founded on solid evidence. It often reflects perceptions that are shaped by superficial, incomplete and even wrong information, which get repeated enough so that they become part of accepted wisdom, including in academia. This is called **repetition bias**.

We are also subject to **confirmation bias**. One of the major mistakes in thinking is that we seek to confirm rather than to question our ideas. The only way out is to be ready to consider an alternative narrative in whatever story we believe. The lesson is to use your mind like an umbrella: by keeping it open.

There is also "**social proof**". When we are faced with uncertainty, we tend to imitate the behaviour of other people. When we are not sure about something, we follow the ideas of others because we assume they possess more knowledge on the matter. Poverty is one of those examples. It is difficult to know exactly how many people have been lifted out of poverty. The World Bank estimates that globally more than one billion people have escaped out of extreme

poverty. This estimate has been repeated by numerous UN organizations, think thanks and academic journals. I wish it were true.

For four years, I lived and worked in Pakistan and recently I looked at the estimates of the World Bank on poverty for that country. According to the latest estimates, it fell from almost 60% to 6% between 1990 and 2013. This performance is similar to that of China, albeit that the country has not witnessed the miracle economy of China. I started looking elsewhere and I found some solid nutrition data, which show that the percentage of stunted children actually went up from 42% to 44% during the same period. This has been confirmed by the latest Demographic & Health Survey. Why did such a dramatic decline in extreme poverty over the past 25 years not have any impact malnutrition in Pakistan?

The conclusion is that when money-metric estimates of poverty do not correspond with directly measurable aspects of poverty, then one should use them very cautiously. Malnutrition can be measured through direct observation; one can measure whether a child standing in front of you is malnourished or not. But one cannot know, through direct observation whether that child is living on less than 1.90 dollars per day, expressed in purchasing power parity, which is the current level of the World Bank's international poverty line. To answer that question, one needs a lot more information.

Anthony Atkinson said that *"poverty estimates are numbers about which there is considerable uncertainty*" (2017) and Angus Deaton argued that *"PPP comparisons rest on weak theoretical and empirical foundations"* (2010). Yet, these statistics are being repeated time and again.

MDG's Achievements

With a heightened awareness about repetition and confirmation bias and social proof, we can now proceed to assess the achievements of the MDGs. The statistics I have selected here are not subject to any misconception or misinterpretation. They are mostly based on direct observations and conceptual clarity.

Between 1990 and 2015, the world saw a reduction in the number of under 5 deaths by 18,600 a day. That means that today, in the world, there will be 18,600 fewer cases of under 5 mortality than 25 years ago, despite the considerable increase in the world population. There are still about 15,000 children who will die today mostly of preventable and treatable causes, but it is 18,600 fewer.

Malnutrition has fallen from 1 child in 4 to about nearly 1 child in 8 and about three quarters of births are now assisted by someone who knows something about it; a nurse, a midwife, a doctor. Measles, polio and malaria have not been vanquished but have been reduced enormously. For instance, there were more than 300,000 cases of polio in 1990. Last year there were fewer than 100 cases. People who live with HIV and aids now have better access to anti-retroviral medication. There is hardly any mention any more of the hole in the ozone layer because adequate measures have been taken to resolve it.

There is also near gender parity in primary education. There has been an increase in paid work for women; however, they pay gap between men and women remains. More women are members of parliament but it is still only about 20%.

This is all decent progress. The fact that the world has not met any of the MDG targets does not automatically mean that the MDGs were a failure. Those 18,600 children who are not dying today cannot be interpreted as a failure. Of course, not all domains have seen similar progress.

We have a peak in refugees and internally displaced persons in the world, the highest level since WW II. Obesity has gone up from less than 1% among children aged 5-19 to about 7%. While malnutrition is steadily coming down, obesity is soaring. Smoking has declined but still we have 1 billion people smoking. Although not mentioned often, the total fertility rate (the average number of children per woman) in sub-Saharan Africa is declining very slowly.

Deforestation is slowing but it is still too high. Oceans are in a bad shape. Overfishing is going on as is soil erosion and desertification. Our biodiversity is under threat as the risk of extinction is very high for amphibians, corals, mammals and birds. And of course, greenhouse gas emissions keep going up.

This is, more or less, the assessment that we can made of the MDGs. The following one-liner summarizes it: "Progress for people, regress for the planet". In other words, current progress is not sustainable.

As part of the MDGs, the developed countries agreed on a global partnership for development. They promised to do three things: (1) to help relieve the debt burden of poor countries, (2) to change the global trading system and patent laws, and (3) to give more development assistance. On debt relief, rich countries deserve a passing grade; they kept the promise. On trade and patent laws, they get a failing grade because nothing has happened. The global trading system remains rigged in their favour. On development assistance, they should retake the exam as they made insufficient efforts. In 2000, they set aside 0.2% of their national income to share with developing nations. It went up to 0.3% in 2016. Yet, they promised to give 0.7%. Although less than half the target has been achieved, the spin doctors at the OECD put the performance more positively: "development assistance reached a new peak in 2016; a doubling since 2000" (2017). Of course, we know that development assistance is no guarantee for reaching the MDGs or the SDGs. The literature on the problems with development assistance is extensive.

One could argue that with the emergence of global philanthropy, we do not have to worry any longer about development assistance. But global philanthropy has its problems too. There is an increasing critical literature on the approach and impact of global philanthropists. Nobody can dismiss their noble intentions but there are serious questions that must be answered. Recent critiques argue that they add to aid fragmentation whilst transparency and accountability remain problematic. Global philanthropy also exercises undue influence on global agenda setting. If they decide that measles, for instance, is a priority, then WHO and UNICEF and others will follow suit, whether measles is truly a global priority or not. Most of all, they strongly believe in techno-fixes and often push for industrial approaches to human development, be it in smallholder agriculture, public health or education. A new term has been coined for that: "philantrocapitalism", albeit nothing new. After WW II, the then British Prime Minister criticized such behaviour by stating, "*if the rich man wants to help the poor, he should pay his taxes gladly, not dole out money at a whim*".

In short, respectable progress was made in the areas of poverty and hunger, child mortality, maternal health, HIV/Aids, malaria and TB as well as water. With regard to basic education and gender equality, the world made progress but it should, and could, have been much better. The

areas where there was absolutely no progress, or even regress, are environment and global partnership. This is in a nutshell the assessment of the MDGs.

From a scientific point of view, there is not much that can be said about the impact of the MDGs because the counterfactual scenario is missing and the progress cannot be attributed to the MDGs. The only thing we can say is that the MDGs helped to demystify the term 'development'.

Before we look at the SDGs, I want to draw your attention to two points. First, global targets do not have to be achieved in every country for the world to achieve them. Some countries will over perform vis-à-vis the global targets, while others will underperform. Vietnam, for instance, translated the MDGs into the VDGs – Vietnam Development Goals. They looked at the MDGs and adapted them upwards because the global targets lacked real ambition for that country. Similarly, Cambodia translated them into the CDGs – Cambodia Development Goals. They lowered the bar and added a target about reducing the number of landmines. This kind of adaptation at the country-level is essential for giving practical significance to global targets. Second, the MDGs were merely a limited list of global priorities. Their aim was never to put together an agenda for global development. The SDGs, on the other hand, were formulated as an agenda for development. Hence, we moved from the 18 MDG-targets to 169 SDG-targets.

Let us now briefly examine the SDGs. The 17 goals can be clustered in five groups. The first six are the unfinished business of the MDGs. Goals 7 to 11 represent new areas which were not present in the MDGs. Goals 12 to 15 contain the green areas. Goal 16 is about governance and goal 17 about the means of implementation. This is, more or less, the structure of the SDGs.

Are the SDGs fit for purpose? To answer this question, we first have to agree on what the major challenges are the world is facing today. I believe that the defining challenge of our time is two-fold. The first is sustainability. What we have been doing for the past several decades is not sustainable. It was pretty impressive from a human point of view but it is unsustainable. This is well recognized and familiar to most of us. There is another challenge, however, is less familiar. It concerns the growing inequality within society.

Why is inequality important? Numerous publications deal with the issue, including Wilkinson and Pickett (2009), Stiglitz (2012), Piketty (2014), Atkinson (2015) and Dorling (2017). They all a common concern, that the benefits of progress are not fairly spread across the population. The progress at country-level is mostly benefitting the bettor-off people, whilst the bottom of the social ladder has not seen much of it. Joseph Stiglitz put it as follows, *"We are paying a high price for our inequality – an economic system that is less stable and less efficient, with less growth, and a democracy that has been put into peril"* (2012). Hence, I must correct the one-liner from "progress for people, regress for the planet" to "progress for the not-so-poor-people, regress for the planet". Indeed, most progress is systemically by-passing the bottom 20-40% of the population. Their situation has hardly changed over the past 20 years.

I hasten to add that inequality is not bad *per se*. Nobody argues for total equality. There is good and bad inequality. Good inequality encourages us to study and work hard and to take risks. This is very human to our nature. Bad inequality provides the means to perpetuate privileged position. It makes that the family background will determine success, more so than individual effort and talent. Evidence confirms this. Statistics confirm that when inequality goes up, the link between the income of the father and that of the son increases. Corak coined this relationship as the '*Great Gatsby Curve*' (2012). The key transmission mechanism across the generations is

education. In the US, for instance, only 9% of the students at Ivy League universities come from the bottom half of the income distribution (Stiglitz, 2012). In the UK, 7% of the children attend private secondary school, but they represent half of the Oxbridge students and dominate major professions such as MPs, judges and journalists (Dorling, 2014).

In the "The Spirit Level" (2009), Richard Wilkinson and Kate Pickett collated reliable and comparable statistics for rich countries about ten indicators. They looked at (1) life expectancy, (2) math and literacy scores, (3) infant mortality, (4) homicides, (5) imprisonment, (6) teenage pregnancies, (7) trust in society, (8) obesity, (9) mental illness, and (10) social mobility. They made a composite index out of those 10 indicators, which they called the index of health and social problems. Then they tried to explain why the composite index varies so much among rich countries. The first intuitive thought is that it is related to the level of income, the logic being that the richer a country gets, the fewer health and social problems one will see. However, the index does not show such a link. They find a link, however, to inequality. Countries with a low level of inequality show a low level of social problems; countries with high inequality have a high level of social problems. They conclude that when inequality gets too high, all the good stuff in society decline, such as good health and social mobility; whilst all the bad things increase, including obesity, drug abuse, teenage pregnancies and violence.

In his book "The Equality Effect", Danny Dorling (2017) confirmed this. Statistics show that the happiest and the healthiest people live in egalitarian countries, where gender discrimination is less, creativity and productivity are higher, crime is less, education and housing are better, social mobility is higher, fraud and corruption are less, and use of alcohol and drugs are lower. There is also less water use, less waste and less CO2 emissions in those countries. The author concludes: "*The poor pollute less when less poor and the rich pollute less when less rich".*

The Pope agreed when he wrote that "*we are faced not with two separate crises, one environmental and one social, but we are faced with a complex crisis that is both social and environmental*" (2015). Of course, there are people who disagree with this and dismiss the evidence. For instance, Mark De Vos states that *"behind the cool statistics about inequality, one has to recognize the warm glow of merit"* (2015). According to this view, inequality is due to personal responsibility and personal choices. In other words, the meritocratic system determines the outcome. However, high inequality undermines the meritocratic rules. Michael Sandel, for example, wrote, *"if the only advantage of affluence were the ability to buy yachts, sports cars and fancy vacations, inequalities would not matter very much. But as money comes to buy more and more – political influence, good medical care, a home in a safe neighborhood, access to elite schools – the distribution of income and wealth looms larger and larger"* (2012).

Is there a third defining challenge that we are faced with, namely to live in diversity. Although this is becoming a pressing issue for countries in the West, it cannot be classified as a planetary challenge since other parts of the world have no such problems in accommodating diversity and plurality. It is mostly a challenge for Western societies.

How do the SDGs respond to the challenge of sustainability and inequality? The good news is that goal 13 addresses the former. It aims *"to take urgent action to combat climate change and its impacts"*. A first comment is that it ranks as number 13; it is not among the top three. Ranking does matter, as it reflects a sense of priority. By ranking it in 13th place, one wonders whether world leaders truly see it as a top priority. A more important comment concerns the way the

goal has been translated into targets. The major targets under goal 13 talk about resilience, national planning and education. I am not saying that these are not important but they do not really qualify under the heading of 'urgent action'. Moreover, how will targets such as 13.1: "*Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries*" be assessed in an objective manner?

To be verifiable, a target needs three elements: (1) a numerical outcome, (2) a specific deadline, and (3) conceptual clarity. Three SDG-targets are used to illustrate this. Target 3.1 "*by 2030, reduce the global maternal mortality ratio to less than 70 per 100 000 per live births*" is a verifiable target, with a numerical outcome, a specific deadline and conceptual clarity. Target 17.2 "*developed countries to fully implement their ODA commitments, including the outcome to achieve the target of 0.7 per cent of ODA/GNI*" has a numerical outcome and conceptual clarity but no deadline. Target 16.5 "*substantially reduce corruption and bribery in all their forms*" has none of the three elements. It is a noble objective but has no practical meaning. The tragedy is that many of the SDG-targets belong to this category.

The International Council for Science, together with International Social Science Council, examined the SDG-targets and their assessment is harsh. Less than a third of the targets is considered as well developed. More than half of the targets needs more specificity, whilst 17% can best be thrown out. They concluded that "*Many targets are potentially important but without more detail, not much is likely to happen*." (2015) The last two years have confirmed this, since the SDGs have gotten little traction at country-level so far.

When it comes to inequality, goal 10 states *"to reduce inequality within and among countries"*. Again, it is ranked only in tenth position. But our major comment relates to the way the target was formulated. Target 10.1 says that "*by 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average*". This formulation covers poverty and has nothing to do with inequality. One cannot talk about inequality by focusing on a segment of distribution. To address inequality, one must cover the entire spectrum. Tony Atkinson wrote, "*one of the themes of this book is that we need to consider the distribution as a whole"* (2015). But this SDG-target does not consider distribution in its entirety. It therefore misses the point about inequality.

The Declaration about Agenda 2030 argues that poverty eradication is the greatest global challenge. It then introduces the slogan "Leave No One Behind". Logically, the first of the 169 targets is to eradicate extreme poverty. But is poverty eradication really the greatest challenge of our time? Not quite. In 2012, The Economist stated that *"growing inequality is one of the biggest social, economic and political challenges of our time"*. Robert Shiller, delivering his Nobel Lecture in 2013, said *"the most important problem we are facing now, today, is rising inequality"*. The G20 stated in 2015, the year in which the SDGs were adopted, that *"rising inequalities pose risks to social cohesion and the well-being of our citizens and can also hinder our objective to lift growth".* At the beginning of 2017, the World Economic Forum concluded that *"rising disparity is the most important trend in determining global developments over the next 10 years"* – not poverty.

Are the SDGs truly universal, as Agenda 2030 affirms several times? To be universal, the targets must apply to all countries in a similar way. The goals about poverty and hunger are not universal; for they are not applicable to developed countries. Nobody can survive with 1.25

dollar a day in Belgium or any other OECD country. Also, ending hunger does not apply to all countries. However, one aspect of nutrition is truly global, namely overweight and obesity. It is a major problem facing all countries. Between now and 2030, the number of obese children in the world will exceed that of malnourished children. Overweight and obesity will have a major impact on public health in the future. Yet, obesity is not mentioned in the SDGs. This omission is unlikely to be an oversight but has more to do with the fact that developed countries refused to commit themselves to verifiable performance targets.

In sum, the SDGs are a mixture of high-minded ideals and noble intentions, some oddities and several omissions, sprinkled with a few verifiable targets. I would add that the few verifiable targets are not dissimilar to the MDGs, which mostly apply to developing countries and seldom to developed nations.

So, the SDGs contain 169 items but fewer than 30 verifiable targets. They do not really address sustainability and inequality. Neither are they universal, because their applicability is mostly focused on developing countries. The ones for developed countries remain shrouded in vague language and woolly targets. This wooliness creates leeway for non-objective assessment.

So why do the SDGs fall short in so many ways? Three reasons explain this. First is their ambitious aim; namely to put together an agenda for global development. Second is the approach, whereby all major stakeholders were consulted and many parties actively participated in their formulation – ranging from governments to civil society organisations, academics and corporations. Third, and perhaps most importantly, was the context in which the SDGs were shaped. This context is characterized by a divided world, with a deepening divide North-South, as well as a worsening relationship between East and West. In addition is the recent resurgence of crude nationalism. All this makes multilateralism so much harder today than was the case when the MDGs were formulated. Therefore, the SDGs are less than perfect.

Nonetheless, the SDGs represent a better framework than the MDGs because they significantly widen the scope of the development agenda – albeit in an imperfect fashion. Considerable work remains at the national and the global level to overcome the shortcomings that we have identified just now.

At the national level, all countries – rich and poor alike – must select and adapt those items that are most relevant to her national context. Whenever necessary, this must include the re-formulation of the target into a verifiable objective. To some extent, Agenda 2030 foresees this: "*Targets are defined as aspirational and global, with each government setting its own national targets guided by the global level of ambition but taking into account national circumstances*" (2015). However, it is frowned upon by many, this for two reasons. First, they believe that it will lead to cherry-picking and a watering-down of the global agenda. But that risk will only exist if the task of selecting and adapting global targets is assigned to government alone. Here, Agenda 2030 is clearly mistaken. A selection process controlled by government will inevitably result in a national agenda that is narrow in scope and low in ambition. It is vital to adopt a participatory process, involving the social partners, civil society, academics, and others relevant stakeholders.

The second objection is that it will muddle international comparability and blur the global narrative about the SDGs. If countries pursue different aspects of Agenda 2030, for which different aims and possibly different metrics will apply, aggregation and global monitoring will become difficult, if not impossible. However, given their comprehensive nature, the SDGs cannot be implemented as a one-size-fits-all agenda. Selection and adaptation – like Vietnam and Cambodia did with the MDGs – is imperative. Monitoring of the SDGs will have to be done in a radically different way than was the case with the MDGs, with more imagination and inventiveness.

Intergovernmental organisations – such as the United Nations, African Union, European Union, Organisation of American States, Arab League, Association of Southeast Asian Nations – must take steps to encourage and support their member states to select and adapt the SDGs to a manageable list of priorities tailored to the domestic situation. So far, they have failed to so. Neither have they proposed novel ideas and methods for monitoring and aggregating country-level performances into a meta-narrative. In 2016, the European Commission released two documents regarding the implementation of Agenda 2030, but none of them brings new ideas to the table for implementing and monitoring the SDGs.

At the global level, the important and urgent step is to select fitting indicators to help remedy some of the flawed targets. For example, target 10.1 regarding inequality can be readily fixed by including the Palma ratio. It relates the income share of the top 10 per cent to that of the bottom 40 per cent. Sadly, the member states did not include it in the SDG indicator framework, for they do not seem ready to accept indicators that reveal politically sensitive dimensions of reality. Hence the question: Do we dare to measure what we want, or do we meekly accept what those who rule want us to measure?