

International Growth Centre public lecture

The Next Global Development Agenda: from aspiration to delivery

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Tuesday 21 January 2014

Check against delivery

<http://www.undp.org/content/undp/en/home/presscenter/speeches/2014/01/21/helen-clark-he-london-school-of-economics-international-growth-centre-public-lecture-he-next-global-development-agenda-from-aspiration-to-delivery/>

My thanks go to the London School of Economics and the International Growth Centre for this opportunity to discuss the prospects for the post-2015 development agenda. I also commend the International Growth Centre for the role it is playing in providing independent and research-based advice to developing country governments on economic growth.

My topic today is: “The Next Global Development Agenda: from aspiration to delivery”. Discussion on the renewed agenda is well under way, with a view to it succeeding the MDGs from 2016.

The signs are that this agenda can be bolder than the MDGs were, responding to the challenges faced by developed and developing countries alike. It will be a sustainable development agenda with poverty eradication as a central imperative.

The MDG agenda largely set targets for developing countries to meet, with a partnership goal outlining measures which would support development – from better trade rules to debt relief. A Sustainable Development Goals agenda could be more transformational – encouraging transitions to sustainable economies and societies by all, and supporting developing countries with the means to make those transitions.

Already the UN’s Member States have agreed that the agenda should have a “single framework and set of goals – universal in nature and applicable to all countries, while taking account of differing national circumstances and respecting national policies. It should promote peace, and security, democratic governance, the rule of law, gender equality, and human rights for all.” Those were the words of the outcome document of the leader-level meeting on the MDGs and post-2015 last September in New York.

That document expresses a high level of ambition. The world would be a better place if its aspirations could be delivered on. Are Member States likely to agree on that agenda and on what it would take to achieve it? What are the world’s peoples saying about it? What stands in the way of meeting them? Those are some of the issues I will address in my lecture tonight.

The Global Challenges to Sustainable Development: These encompass but go well beyond the major environmental challenges to include:

Persistently high income inequality, inequality of opportunity, and other non-income disparities, together with significant numbers of people still living in extreme poverty.

Equality was highlighted as a fundamental value in the United Nations Millennium Declaration in 2000, when world leaders acknowledged that: “in addition to our separate responsibilities to our individual societies, we have a collective responsibility to uphold the principles of human dignity, equality and equity at the global level.”

Yet little progress has been made in combating inequality in its various forms. Global income inequality stands at a very high level: eight per cent of the world's population earns half the world's income, with the remaining 92 per cent earning the other half. Such a distribution is rightly viewed by global civil society networks as unacceptably high, as it is both unjust and undermines development progress.

Evidence suggests that income inequality impedes long-term growth; is associated with poorer health outcomes; generates political instability; contributes to higher rates of violence, including for homicide; erodes social cohesion; and undermines the capacity for the collective decision-making necessary for effective reform. Economic exclusion compounded by political exclusion can be a toxic mix – as a number of uprisings in recent years suggest.

Beyond income inequality, gender-related discrimination, and inequalities related to geography, ethnicity, religion, age, and disability – to name just a few - plague countries in both North and South, and are detrimental to all. Using the inequality-adjusted Human Development Index, which takes into account not only the average achievements of a country on health, education, and income, but also their distribution, the 2013 Human Development Report concludes that the average loss to human development worldwide due to inequality was 23 per cent.

The jobs crisis: The ILO estimates that more than 34 million workers lost their jobs with the onset of the global recession of 2008, and an additional 185 million workers joined the ranks of the working poor who subsist on under US \$2 dollars a day. Despite a moderate pick-up in output growth expected for 2013–14, the number of unemployed worldwide was projected to rise by 5.1 million last year to more than 202 million, and by another three million this year. Six hundred million more jobs are needed over the next fifteen years just to keep unemployment rates at their current level.

Environmental degradation, including to climate, ecosystems, and disasters associated with this: These threaten the health and livelihoods of people around the globe. The Fifth Assessment Report of the Inter-Governmental Panel on Climate Change, issued last September, considered new evidence and painted a grim picture. It noted that: “Continued emissions of greenhouse gases will cause further warming and changes in all components of the climate system. Limiting climate change will require substantial and sustained reductions of greenhouse gas emissions.”

The cost of action is high, but as Lord Stern and others have long pointed out, the cost of inaction is higher. Natural disasters, many, but not all of which are climate related are estimated to have cost \$2.5 trillion this century. The poorest people and countries suffer the most impact.

- **War and Conflict:** The terrible events in the Central African Republic and South Sudan in recent weeks have demonstrated yet again how devastating violent conflict is for development. Syria is estimated to have lost 35 years of human development progress since its conflict began. Its crisis has spillover effects in its sub-region. The destabilisation in the Sahel following Libya's upheaval also shows how the impacts of conflict are not neatly confined within national boundaries.

The World Bank estimates that more than one and a half billion people around the world are living in countries affected by armed conflict and fragility. But the ripple effects go much further – as seen in the attack on Nairobi's Westgate Mall, the London underground, the Twin Towers attack, and more. Violent conflict is a global concern wherever its origin.

As well, scarce resources needed for development are impacted on by the scale of humanitarian relief required to save life and limb where there is conflict and where peacekeeping forces are deployed. The budget for UN peacekeeping operations for July 2013 – July 2014 was more than US\$7.5 billion. The force in Darfur alone costs US\$1.36 billion per annum, in DRC US\$1.46 billion, in South Sudan close to US\$ 1 billion, and over half a billion US dollars each in Haiti and the Ivory Coast – the list goes on.

The cost of crime and citizen insecurity also has to be factored in to the challenges faced globally. Many countries have precious resources diverted from development to law and order enforcement. Funding more comprehensive and developmental approaches to tackling these problems was the subject of a UNDP Human Development Report for Latin America released late last year.

Taken together, the big challenges facing us as a global community call for a shift in the way we think about and do development: one which brings together economic and social progress with environmental sustainability, and specifically recognises the role of peace and security, democratic governance, the rule of law, gender-equality, and human rights – as was recognized by leaders last September.

As well the absolute size of the emerging economies and their populations and the interconnectedness and universal nature of global challenges mean that the full engagement of both the world's North and South are needed on new pathways to development which are sustainable and inclusive.

The Global Conversation About the Next Agenda

Although the MDGs were derived largely from the inter-governmentally negotiated Millennium Declaration, their targets and indicators were largely determined by a relatively small group of insiders. This may explain in part why the MDGs took some time to get traction.

A review of “What Makes International Agreements Work” done by New York University and the Overseas Development Institute last year concluded that, “multilateral agreements that bring a range of actors into the process to support the accord, including domestic actors like government officials and civil society groups, are more likely to be agreed and implemented.” This was precisely why the UN development system's initiated the “global conversation” on what people want in the post-2015 agenda.

To date, over 1.7 million people from more than 190 countries are estimated to have been engaged – through national consultations, consultations on major themes which could be included in the agenda, and through the global MY World survey which asked people to rank their priorities for the new agenda. Among the main messages were the following:

1. Don't give up on the MDGs. Eradicating poverty and hunger, achieving gender equality, and improving health and education services remain very high in people's priorities. They want these issues to continue to be addressed directly now and in the future.

At the same time people ask that we learn from and build on the existing goals. They call for a greater emphasis on the quality of basic services — not just access to them. It is not just the number of children in schools that matter, but what they learn. People have also expressed a clear desire to ‘raise the bar’ for the next set of goals. In education, for example, people are calling for the next framework to include early childhood and secondary education and vocational training.

2. Tackle inequalities in all their dimensions. In the 88 national consultations, people aired their frustration with inequality in all its forms, and expressed their desire for dignity and respect for all. In recognizing the multiple dimensions of poverty, they conveyed a clear sense that our world is deeply unfair, and that the dynamics of power and exclusion have left certain people, groups, and countries behind. These groups become invisible when numbers, percentages, and rates of progress are reported. As one leader in Ghana noted, "I can't very well go back and tell my village that they are seven per cent better off than they were last year."

The clear message was that governments and all their partners and stakeholders should work to reduce inequalities between women and men, rural and urban areas, ethnic and religious groups, rich and poor, and on all other dimensions. A compelling call was made for the empowerment and advancement of women and girls, investment in their education and health, and for ensuring that their rights, including their sexual and reproductive health and rights, are upheld.

3. Prioritise decent work and livelihoods. Another strong call was for opportunities for decent work. People spoke of the impact of breadwinners having to leave family members behind on small plots of land, while they went elsewhere for work. They spoke of the impact on young people of a lack of work and livelihoods. People reported taking jobs — any jobs — regardless of dangerous conditions, mistreatment, or whether the job was just for a day or a few hours. The strong message was to include decent work as a core development objective in the new framework.

4. A desire for better governance. In almost all countries and across the thematic discussions, people called for more honest and effective government, and for a say in the decisions which affect them. They want governments which can deliver decent public services, manage natural resources sustainably and fairly, and facilitate peace and security. Participants from every region have, in the global MY World survey, consistently ranked honest and responsive government among their highest priorities.

5. A call for a more transformational and universal agenda. People are seeing the way the world is going as unsustainable. They cited the rapid onset of climate change and mismanagement of natural resources as reasons why their societies were becoming more unequal and less secure. They want environmental sustainability incorporated alongside economic and social development in the new framework.

People were well aware that addressing growing inequalities and unsustainable practices will require transformational change by all countries and co-ordinated global action.

They want action on carbon emissions and all other forms of environmental degradation. They want the new agenda to be based on the universal values expressed in the Millennium Declaration — including human rights, equality, and justice. They want factors damaging the global economy, like excessive volatility, illicit financial flows, and tax havens operating with impunity, to be acted on. In this and other ways, the call is for a new agenda which reflects new realities and tackles shared challenges.

6. The call for an accountability revolution. Those who've been engaged in the conversation want to stay engaged to ensure that their views are taken into account, monitor the real time progress in their countries, and to hold their governments accountable for results. Echoing the Secretary-General's High Level Panel, they have called for a revolution in data, - so that regularly updated, reliable, and disaggregated data is available about their communities, countries, and world. They see a data revolution as the foundation for an accountability revolution.

The report on the global conversation, "A Million Voices: The World We Want", was released before leaders met at the UN in New York last September. It was encouraging to see the leader's statement emphasize that: "Our deliberations have taken account of the voices of people worldwide, and the concerns and priorities they conveyed." In the end, it is Member States which

will negotiate the new framework. That will now be done with full awareness of the public feedback.

- The report of the UN Secretary-General's High Level Panel on Post-2015 has also been very useful in framing the issues and advocating for transformative approaches which:
 - leave no one behind
 - put sustainable development at the core of the new agenda,
 - transform economies to provide jobs and inclusive growth,
 - build peace and effective, open, and accountable institutions, and
 - forge new, wide-ranging global partnerships for sustainable development.

The Process from here?

Since early last year, an Open Working Group on Sustainable Development Goals, appointed by the UN General Assembly, has been meeting to formulate proposals for post-2015. It is expected to report by September this year. Parallel to that an expert group on financing for sustainable development is also meeting.

Before the end of the year the UN Secretary-General will bring a synthesis report to the General Assembly on all the inputs to date to support the Member State negotiations to be launched next September. The aim is to have world leaders agree on a new agenda at a world leader's summit in September 2015.

To support the process, the UN development system is continuing consultations on how a new agenda might be implemented and monitored, and will work with a number of governments to test how targets and indicators might be developed in more challenging areas like governance, peace and security, and disaster risk reduction.

In tackling the big challenges, where should the new agenda prioritize action?

While much of the detailed work to establish practical goals, targets, and a supporting framework is yet to be done, a number of themes are clear.

1. "Leaving no one behind" has a lot of traction – as it should have. That could include goals to eradicate poverty by 2030, to eliminate chronic hunger, to end avoidable child deaths, to extend access to essential services like health cover to all citizens, and more.

But delivering on such goals requires reaching those living in fragile countries and remote areas, and all those affected by violence, discrimination, exclusion, and extreme poverty. Estimates of the extent of the concentration of extreme poverty in fragile states range upwards from one-third of the global total today, to projections of fifty per cent by 2018, and two-thirds and upwards by 2030. The eradication of extreme poverty cannot be achieved if parts of our world continue to be wracked by violent conflict and fragility – and by gross inequality, including that based on gender.

This directs us to focus on the drivers of development – as the leaders' declaration of last September shows an appetite for doing. Those may include good governance, the rule of law, fair and responsible management of natural and state resources, gender equality and the empowerment of women, and effective strategies and employment opportunities for youth. A focus on peace and security in the new agenda would also help underlying causes of conflict, violence, and instability to the fore.

In countries with a legacy of conflict and disaster, it is vital to invest in the fundamental pillars of lasting peace and stability, including reconciliation and dialogue, the rule of law, good governance, social cohesion, and economic and environmental sustainability. These areas are all too often left at the margins while economic growth and service delivery are focused on. ODA funding must prioritize these issues.

There is already much debate on what was underlying the tragic events which have unfolded in South Sudan since mid-December. There was huge donor support to establish the new state, but almost certainly insufficient attention to the need to address the legacy of conflict and build cohesion from the community level up. UNDP and no doubt other actors, will be looking to step up support for grassroots processes of healing, reconciliation, and recovery which must accompany any political process agreed on if a lasting peace is to be established.

2. Tackling inequalities, however, is a broader agenda than “leaving no one behind. Many types of inequalities have been increasing, including where economic growth and poverty reduction have been rapid. The problem affects countries across the development spectrum. It cannot be satisfactorily addressed only by social policies endeavoring to mitigate its effects. Inclusive, job-rich growth models are needed, along with fairer sets of rules at the global level in a range of areas from trade to finance to tackling climate change. In these ways, the ambitions which post-2015 and the SDGs are likely to express are linked to progress being made in other multilateral forums and to the development of a more people-centred globalization.

3. This must be a truly sustainable development agenda, which promotes economic and social progress without wrecking the ecosystems we all depend on. Environmental sustainability must be one of the cornerstones of the new agenda, and be integrated throughout it. The growing problem of unsustainable production and consumption patterns needs to be directly addressed.

The earth’s resources ultimately sustain all life. Freshwater resources will be shared between an additional two billion people and the industries which service them by 2050. Providing sufficient food, water, nutrition, and energy to all people in all countries is a pressing global challenge now. Failure to provide these basics has human development and even security implications.

Universal access to energy needs to be achieved at the same time as the shift is made towards more renewable energy generation and greater energy efficiency. Public finance and the capacities to access it and loan finance and private investment are all needed to make this happen.

Climate change is already casting a long shadow over development gains made by all countries. The design of the post-2015 development agenda, the SDGs, and the progress of the climate change negotiations therefore need to complement each-other.

UNDP has been advocating for “triple win” policies to advance economic and social goals while safeguarding vital ecosystems. There are good examples in practice across the world’s regions. A number of countries have been able to generate livelihoods for people in poor communities in ways which increase energy efficiency, maintain forests, and preserve biodiversity. There will need to be a lot of support for institutional and capacity building for these approaches to be effective and go to scale. “Whole of government” approaches across sectors and silos and longer term planning horizons are required.

A post-2015 agreement on financing for sustainable development and adequate climate financing would drive joined up approaches which achieve climate and broader sustainability and poverty eradication objectives simultaneously.

Advancing the agenda; some key points

1. Target setting: The MDGs were time bound, measurable, and easy to communicate. That helps an agenda get traction. But the targets have not always been a good match with national or local contexts, because they were established as global targets and on the basis of global trends. To be most relevant, targets often need to be localized to reflect what can be achieved – which may be more or less than the indicative global targets suggest.

On this basis, the Secretary-General's High Level Panel on Post-2015 recommended that "all Goals in the future agenda be universal, representing the common aspirations of all countries; while almost all targets be set at national or local levels, to account for different starting points and contexts".

This proposal has gained traction in the UN Member State's discussions. Recently the proposals have gone further, suggesting that a core set of global goals and targets should be agreed, alongside a 'menu' of potential priorities. Using that menu, countries would select those priorities most relevant to them and define realistic, yet ambitious, national and local targets in these areas.

Maintaining global targets in the post-2015 agenda and monitoring them is important for two reasons:

- i) to work for the ambitions of individual countries to add up to achieving shared global goals, such as ending poverty, achieving universal access to water and sanitation, or making the transition to sustainable development overall, and
- ii) to ensure that countries can compare their own progress relative to others.

2. Partnerships and mutual accountability: Big partnerships across governments and many non-state actors – civil society, NGOs, academia, the private sector – are needed to make a global agenda move. Should an accountability framework go beyond the usual suspects – governments – to include the non-state actors? The High Level Panel argued that as the number and importance of non-state development actors grows, including them is essential for the effectiveness of the agenda. They suggest indicative targets to incentivise businesses, for example, to adopt transparent and green accounting practices and codes of behaviour which strengthen accountability norms.

For Member States it will be important to define what "common but differentiated responsibility" for a universal and transformational sustainable development agenda means. It could mean, for example that:

- developing countries, particularly the poorest, look for a commitment from developed countries to provide "bedrock" public financing for sustainable development, which would be used in a catalytic way to attract and grow new sources of financing. That would mean the provision of reliable and sufficient levels of ODA, along with specific funding to enable poor countries to deal with pressing global and developmental challenges, including climate change. At some point, this must mean taking an overview of all funding streams – climate finance for addressing adaptation and mitigation, for example, is directly related to advancing sustainable development.
- developing countries could commit to implement and fund, according to their abilities, transitions to sustainable development – raising and allocating their own resources, but with funding support for poorer countries as outlined above, and with middle income countries assuming a greater share of the burden of tackling global challenges. All developing countries, however, will want to see firm commitments made by developed countries to technology transfer, knowledge sharing, and capacity building. The developed North will also need to lead the way in adopting sustainable consumption and production patterns at home.

Conclusion

Global agendas matter. They draw attention to critical priorities; they can identify emerging issues; and they can galvanize partnerships for change.

Progress against the MDG targets at the global level has been broadly encouraging. One would not want to assume cause and effect between target setting and a benchmark being reached. Yet with respect to the health MDGs, the rate of decline in the burden of disease in targeted areas is

considered to be rather greater than the pre-MDG trends would have produced. In these cases and no doubt others, the global goal-setting focused action and resources, and got results.

So, what goes into the post-2015 agenda and SDGs matters. They will set the global sustainable development agenda for the next fifteen years – years when we need decisive breakthroughs on poverty eradication in all its dimensions, on achieving greater equality, and on ensuring we live within nature's boundaries while advancing human development.

My final message is: stay engaged. Member States need to continue to hear from their citizens on post-2015. At UNDP and our sister organisations, we will continue to advocate for the voices of the global public to be heard, and for a big, bold agenda. But your voices need to be heard by your governments, and your networks need to be heard by all governments, as they negotiate through the UN process to determine what the next agenda will be.

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