Addressing inequalities: The heart of the post-2015 agenda and the future we want for all

Thematic Think Piece

ECE, ESCAP, UNDESA, UNICEF, UNRISD, UN Women
Following on the outcome of the 2010 High-level Plenary Meeting of the General Assembly on the Millennium Development Goals, the United Nations Secretary-General established the UN System Task Team in September 2011 to support UN system-wide preparations for the post-2015 UN development agenda, in consultation with all stakeholders. The Task Team is led by the Department of Economic and Social Affairs and the United Nations Development Programme and brings together senior experts from over 50 UN entities and international organizations to provide system-wide support to the post-2015 consultation process, including analytical input, expertise and outreach.
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“We have a collective responsibility to uphold the principles of human dignity, equality and equity at the global level. As leaders we have a duty therefore to all the world’s people, especially the most vulnerable and, in particular, the children of the world, to whom the future belongs.”¹

–United Nations Millennium Declaration, Paragraph 2, 2000

1. Introduction

Nearly 12 years ago when world leaders adopted the Millennium Declaration, they made an unprecedented commitment to create a more equal and just world, recognizing equality and solidarity as essential to international relations in the twenty-first century. The Millennium Development Goals (MDGs), which emerged as practical and measurable articulation of the Millennium Declaration, have enjoyed sustained interest and support from governments, the global development community, civil society and other stakeholders. Admirable progress has been made in many areas. For example, in aggregate terms, the global goal on access to safe drinking water has been met five years ahead of schedule² and poverty rates as well as the number of absolute poor have declined.³

Despite many of the successes of the MDGs, they have not managed to integrate all principles outlined in the Millennium Declaration, including equality. Furthermore, the MDGs’ focus on national and global averages and progress can mask much slower progress or even growing disparities at the sub-national level and among specific populations. To the extent that accelerating progress towards some targets is easier when resources are concentrated among the better off, the era of the MDGs may have inadvertently seen some channeling of resources away from the poorest population groups or from those that are already at a disadvantage because of the effects of discrimination based on their gender,

¹ General Assembly Resolution, A/RES/55/2, United Nations Millennium Declaration (New York, 2000)
ethnicity, disability or residence. At the very least – and with the exception of the MDG 3 target on girls’ education -- they have not given a clear enough incentive for policy-makers to proactively address inequalities. Redressing such discrimination and inequalities will be essential, if global opportunities for progress are to be shared by those most in need of its benefits.

The availability of data disaggregated by wealth quintile, sex and residence provides ample evidence on how the combination of these factors has led to uneven progress towards achieving the MDGs. Young children in the poorest households are 2-3 times as likely to die or to be malnourished as those in the best-off strata. For example, in India 60% of children in households in the lowest wealth quintile are stunted in comparison to 25% of children belonging to the highest wealth quintile. Progress in reducing stunting in this and other countries has been fastest among better-off households. Stunting is the result of chronic nutritional deficiencies in the first 1000 days of life and can result in lifelong impaired physical and cognitive functionality.

Gender inequalities persist in many countries and contexts. In terms of what is measured by MDG targets and indicators, lower rates of secondary education enrolment (especially in Oceania, Southern Asia, sub-Saharan Africa and Western Asia), significant under-representation in national parliaments, wide gaps in access to decent employment, and the gendered nature of the HIV pandemic, all point to the urgency of addressing gender discrimination. There has been least progress on MDG 5 to reduce maternal mortality, the goal that most depends on achieving gender equality and realizing women’s rights. Inequalities and discrimination based on income, location, disability and ethnicity intersect with gender and are often mutually reinforcing. For example, there are many countries

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where the likelihood of having skilled assistance at childbirth, a critical basic service for preventing maternal mortality and morbidity differs by more than 50 percentage points between wealthy, urban women and poor, rural women.\(^9\)

Income inequality is also on the rise both within and across countries, developed and developing alike. Approximately two thirds of countries with available data experienced an increase in income inequality between 1990 and 2005, despite globally robust economic growth.\(^{10}\) A number of countries, both high and low income, have experienced jobless economic growth, with the result that those at the top end of the income distribution have benefited far more than those at the bottom.\(^{11}\) For example, in the United States, a recent study shows a growing wealth gap between ethnic groups. From 2005 to 2009, inflation-adjusted median wealth fell by 66% among Hispanic households and 53% among African-American households, compared with just 16% among white households.\(^{12}\)

### 2. Making the case: Addressing inequalities is in everyone’s best interest

The obligation to address inequalities is born out of both international treaty standards and human moral perspectives. One would be hard-pressed to find someone who thinks it is acceptable that a child dies before his or her 5th birthday of a preventable disease; that a mother dies giving birth simply because she did not have access to a skilled birth attendant; or that any woman, man or child does not have access to potable water and food. However – and especially in the current environment of fiscal austerity – making the practical case for focusing on the worst-off also involves showing that growing inequalities have negative economic, social and political consequences.

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Firstly, human rights must represent the standard against which all policies, including macroeconomic policies, are judged and held accountable, and not vice-versa. There are a number of internationally long-established human rights principles that are particularly pertinent to macroeconomic policies:13

- The obligation of progressive realization and non-retrogression - which means that governments must move as expeditiously and effectively as possible to realize economic and social rights, and cannot take steps backward;
- Non-discrimination and equality - which means that governments have an immediate obligation for ensuring that deliberate, targeted measures are put into place to secure substantive equality and that all individuals have an equal opportunity to enjoy their rights; and
- The principle of maximum available resources - which entails that a government, even in the face of public revenue limitations, must use the maximum resources available to fulfill economic and social rights.

Secondly, however, increased inequalities are not just bad for the individuals thereby disadvantaged, but for society as a whole. Highly unequal societies tend to grow more slowly than those with low income inequalities, are less successful in sustaining growth over long periods of time and recover more slowly from economic downturns.1415 High levels of inequalities can jeopardize the well-being of large segments of the population through low earnings/wages and have subsequent effects on health, nutrition and child development. Low earnings/wages mean lower effective aggregate demand, which limits the size of the domestic market and hinders structural change in the economy.16

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financial crises through the creation of various ‘bubbles’ and subsequent collapse of asset values and demand which can destabilize the real economy.\(^{17}\) High levels of inequality also reduce the impact of economic growth on poverty reduction.\(^{18}\) Finally, crime, disease and environmental problems are also found to be exacerbated by inequality. When inequality and disparities reach extreme levels, they foment discontent that can lead to political instability and in some cases violence and conflict.

Keeping large numbers of people excluded, including from access to economic resources and employment, health, adequate food, clean water and sanitation, education, skills and technology, will result in a reduction of future productive human potential. The post-2015 agenda needs to emphasize that there is a critical need to adequately and sustainably invest in people – with a recognition that the greatest potential for the most dramatic gains actually exists among those who are the worst off and most excluded.\(^{19}\)

Well designed and sustained investments in areas like maternal and child health, education and social protection can pay major dividends, not just for individuals but for society. For example, reducing child deaths by 4.25 per thousand children born (i.e. about 5%) to mothers with low levels of education can result in an almost 8% increase in Gross Domestic Product (GDP) per capita ten years later.\(^{20}\) In education, a one-year increase in the mean years of schooling has been shown to be associated with a rise in per-capita income of 3-6%, or a higher growth rate of 1 percentage point.\(^{21}\) Conversely, no society can expect to achieve sustained economic and social progress while significant numbers of its people – often disproportionately its women and girls -- are poorly nourished, in poor health and lack the education and/or skills needed for their own and their families’ development.


In sum, economic and political instability as well as deterioration in social relations, health outcomes and human capital negatively affect all citizens from the poorest to the richest, while investments in social services and social protection that are inclusive of the most deprived can strengthen and lengthen periods of development progress, economic growth, peace and prosperity. Addressing inequalities is in everyone’s best interest.

3. Addressing inequalities in the post-2015 development agenda: Equality of opportunities and of outcomes

Addressing inequalities in the post-2015 development agenda means looking at both equality of opportunities (or lack thereof), and entrenched structural factors, including discrimination, all of which effect equality of outcomes. Most of the world’s poor people occupy highly disadvantaged starting positions, which impede the development of their capabilities (as defined by Amartya Sen and others) as well as their ability to capitalize on opportunities. Focusing only on the symptoms and manifestaions of poverty or exclusion (e.g. lack of income, education or health), rather than their structural causes (e.g. discrimination, lack of access to resources, lack of representation), has often led to narrow, discretionary measures aimed at addressing short-term needs. Without attention to the underlying economic, social, cultural and spatial causes of poverty and inequality, the post-2015 development agenda will not help level the playing field or achieve lasting inclusive progress. Potential policy instruments to address structural factors and produce greater equality of outcomes include:

- Macroeconomic policies to ensure that sufficient, productive and decent employment is created to absorb new entrants into the labour force, provide jobs for the unemployed and reduce vulnerable forms of employment (in which women and young people are concentrated);
- Legislative reform and its implementation to address discriminatory and exclusionary practices as well as recourse mechanisms for disadvantaged groups and individuals to claim their rights;
4. Addressing inequalities through the use of goals, targets and indicators

The purpose of this paper is not to pre-empt the consultative process that will be needed to come to a concrete set of goals, targets and indicators for post-2015. However, the consensus of the Post-2015 UN Task Team is that a set of goals, targets and indicators backed by and embedded in a normative framework (i.e. the Millennium Declaration and the related, wider international human rights architecture) is desirable. Goals and the strategies to pursue them should be rooted in human rights principles and standards, which in turn should influence the identification of specific development outcomes that drive the rights for all.

Additionally, we must avoid having a “wish list” of goals, targets and indicators that attempts to cover any and all development issues. An overly complicated framework runs the high risk of collapsing under its own weight – being incomprehensible to government officials and ordinary citizens alike -- and ultimately forgotten. Instead, goals, targets and indicators should be carefully considered and selected so that they most effectively and powerfully address inequalities and the factors perpetuating them.

Whilst avoiding being prescriptive on specific goals, targets and indicators, it is still useful to point to ideas and methodologies for how inequalities could be appropriately addressed in the post-2015 agenda. The options listed below are not mutually exclusive and will require further debate and discussion with a wide range of stakeholders over the next several months and beyond as the process for constructing the post-2015 development agenda gets underway.

- A specific goal on inequality: Inequality being reflected at the “goals level” gives the issue more prominence. There are questions, however, on what would be the best targets and indicators. Much thinking thus far centers on targets and indicators that get at income inequality -- e.g. Gini Coefficient is often mentioned but other indicators might include functional distribution of income (wages vs. profits); existence of minimum wage, and social protection provisions, etc. While income is a
strong predictor of human development outcomes, higher income does not systematically translate into better access to health, education and nutrition or participation in political or social life. A focus on intersecting inequalities makes clear that economic, social, political and spatial inequalities have cumulative, mutually-reinforcing effects that contribute to the systematic disadvantage of some social groups such as youth, older persons, indigenous persons, minorities, persons with disabilities and migrants. Such a focus also requires recognition that gender inequality cross-cuts all other forms of inequality, exacerbating their impact.

- Reflecting inequality in other goals: Another or complementary option is to focus on the dominant inequalities across individual human development indicators such as child mortality, nutrition, maternal mortality, education, access to water & sanitation etc. and establish sub-national targets, which should include sex, income/wealth, and rural-urban disaggregation for all indicators and targets. In addition, disaggregation of reported data could capture other factors, including ethnicity and disability, depending on the inequalities that are most prevalent in each area.

One methodology garnering some attention calls for equity-weighting indicators. That is, to weigh values of each variable of concern by income quintile, according more importance to progress in the lower quintiles.23 In this scenario, progress would be measured not just in absolute numbers, but with a specific focus on and prioritization of those who are most excluded. A similar method could be applied to weigh progress across different social groups or through different regions.

Somewhat related to the idea of equity weighting, would be the option to have specific targets for progress among the poorest or most excluded. That is, progress among the poorest [or most excluded] groups is measured and reported separately, to ensure that they are benefitting from overall progress.24 The MDG target on girls’ education provides an example and precedent for this approach.

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• Gender equality as a specific goal and mainstreamed across other goals: Gender equality has long been recognized as both a core human right and development goal. In addition, discrimination against women has been proven to impair the achievement of all other development goals, and to worsen and deepen the impact on women of the other forms of discrimination to which they are subjected. These are reasons to support the option that the post-2015 agenda both directly addresses the challenge of gender inequality in itself, as well as the need to advance gender equality across all relevant dimensions of the agenda. To be effective, a goal on gender equality should include a much wider set of indicators and targets than MDG 3 currently does.25

• Absolute/universal targets: Under this option, goals and targets would be framed in terms of universal access or coverage, or through problem elimination. That is, none of the goals -- whether on education, poverty, hunger, mortality or other -- could be considered met without reaching zero or near-zero targets.26 This approach, however, would need to find ways to address the risk of the very worst-off continually being “left to the last.”

Regardless of format, setting targets that address inequalities requires substantial investment in disaggregated data collection, data analysis and use. While current international household surveys such as Demographic and Health Surveys and Multiple Indicator Cluster Surveys provide a rich vein of information, they require greater investment in national capacity for disaggregated analysis of the data collected, and possibly more extensive sampling to cover highly deprived populations. Furthermore, it is long overdue to develop large-scale data collection methodologies that go beyond household level analysis, in order to capture gender inequality, particularly in relation to income and control over resources within households.

25 For example: The UN Millennium Project Taskforce on MDG 3 recommended that the goal should include targets on seven strategic areas: Post-primary education (including secondary school, but also other kinds of non-formal education); sexual and reproductive rights and health; investment in infrastructure; property and inheritance rights; employment; seats in national parliaments and local governments; and ending violence against women. See http://www.unmillenniumproject.org/documents/Gender-complete.pdf
Household sample surveys could be complemented by greater community-level locally-led monitoring. This could help better capture data on people not addressed in household surveys such as children living outside of family structures. Social media and other new tools are already being used extensively for this purpose. New technologies hold the promise of greatly widening civic participation in the monitoring of development goals – set, acted on and owned locally as well as sub-nationally and nationally.

Finally, and especially from the perspective of inequalities, measurement and measurability must be seen as a servant, rather than a master, of the post-2015 agenda. Many have identified the format of the MDG agenda as one of its key strengths. However, it is also critical to note that the MDG format served to effectively exclude some key issues from the development agenda that had been explicitly highlighted in the Millennium Declaration, such as ending violence against women and implementing the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW). The format’s ostensibly neutral technical standard of measurability served an inappropriate political function by de-prioritizing some of the issues whose importance had been given great emphasis through global inter-governmental agreements. There seems to have been a fundamental misunderstanding about the relationship between the inequalities and discrimination that may exist in a country, and national priorities for data collection. Where a group of people is socially undervalued, or chronic human rights violations are not being recognized by the State, the relevant data will, correspondingly, not be systematically collected.

There can therefore be a direct inverse relationship between the availability of comparable data across countries, and the seriousness of the development challenge that needs to be addressed. Goals and targets at the global level should be a balanced reflection of the priorities that have received intergovernmental endorsement, including through near-universal ratification of treaties. To enable this responsible prioritization, a suitably flexible standard of measurement must be adopted, that captures, tracks and reflects the dominant inequalities which the development process needs to address and overcome.
5. Addressing inequalities through transformational change

Putting the significant and sustained reduction of inequalities and their causes on the post-2015 compass will generate debate and action. It will also realign the agenda with the original concept of the Millennium Declaration and will hold governments accountable to foster development that is inclusive and non-discriminatory. However, setting an inequality goal or inequality targets and indicators alone will not necessarily help level the playing field. Addressing discrimination and the other structural and underlying causes of poverty and inequality would also imply measures for transformational change such as:

- Placing greater emphasis on inclusive, sustainable and pro-poor economic growth and on the creation of decent work. For example, the post-2015 development agenda should include concrete commitments on the nature of economic growth and additional commitments on productive employment, such as those emerging from the ILO decent work agenda;
- Having tools to assess, monitor and manage the impact of a broad set of policies (including economic policies) on economic, social and cultural rights. For example, the post-2015 development agenda could establish mechanisms (e.g. social impact assessments) to monitor the social impacts of a broad set of policies and strategies, ex ante, to reduce negative social impacts and enhance positive outcomes;
- Decentralization and participation. Federal governments often struggle to set national development policies that promote social justice, as there is often less political capital to be gained in investing in marginalized, remote and poor districts of provinces. Strengthening the capacity of local and municipal governments to provide essential services and commodities and apply local solutions has the merit of not only bringing international goals to local people, but also fostering their participation and shared responsibility and ability to exercise accountability in goal-setting and achievement. It may be a particularly useful solution in contexts where data at the national level may be missing or incomplete. This self-determination, and the participation of all groups in political processes is not only a key principle of a
human rights-based approach, it may also be a key factor in helping to make the post-2015 framework more relevant at the local, municipal or sub-national level;

- Strengthening governance. It is no coincidence that the countries furthest behind on the MDGs are often those where governance is weakest – including conflict and post-conflict countries -- and where the rule of law most difficult to apply. Measures to foster development and social justice must prioritize building government capacity at all levels, with a far stronger focus also on developing the capacities of local government and administrators in partnership with civil society;

- Accountability and transparency. A major omission of the MDGs was the lack of a mechanism for citizens to hold governments accountable for progress towards development goals in their nationally-adapted formulation. While some governments incorporated the MDGs in national development objectives -- and allocated resources and monitoring capacity accordingly -- others did not. Mechanisms should be established for civil society groups to both participate in the setting of priorities, strategies and allocation of resources and in the monitoring of disaggregated goals and targets – including at district and municipal level – and for them to hold governments to account.

6. Concluding remarks

Addressing inequality alongside human rights, peace, security and sustainability should be the cornerstone of the post-2015 agenda. A more inclusive and equal society is more likely to be sustainable. Having better access to quality education and health services, housing and clean water, land, financing and judicial recourse means that poor and excluded people can become better equipped to contribute to economic growth, care for their children and embrace newer low-carbon approaches to production and consumption.
UN System Task Team on the Post-2015 UN Development Agenda

Membership

Department of Economic and Social Affairs (DESA), Co-Chair
United Nations Development Programme (UNDP), Co-Chair
Convention on Biological Diversity (CBD)
Department of Public Information (DPI)
Economic Commission for Africa (ECA)
Economic Commission for Europe (ECE)
Economic Commission for Latin America and the Caribbean (ECLAC)
Economic and Social Commission for Asia and the Pacific (ESCAP)
Economic and Social Commission for Western Asia (ESCWA)
Executive Office of the Secretary-General (EOSG)
Food and Agricultural Organization of the United Nations (FAO)
Global Environment Facility (GEF)
International Atomic Energy Agency (IAEA)
International Civil Aviation Organization (ICAO)
International Fund for Agricultural Development (IFAD)
International Labour Organization (ILO)
International Maritime Organization (IMO)
International Monetary Fund (IMF)
International Organization for Migration (IOM)
International Telecommunication Union (ITU)
Joint United Nations Programme on HIV/AIDS (UNAIDS)
Non-Governmental Liaison Service (NGLS)
Office of the Deputy Secretary-General (ODSG)
Office of the High Commission for Human Rights (OHCHR)
Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS)
Office of the Special Advisor on Africa (OSAA)
Peace building Support Office (PBSO)
United Nations Children’s Fund (UNICEF)
United Nations Conference on Trade and Development (UNCTAD)
United Nations Convention to Combat Desertification (UNCCD)
United Nations Educational, Scientific and Cultural Organization (UNESCO)
United Nations Entity for Gender Equality and Empowerment of Women (UN Women)
United Nations Environment Programme (UNEP)
United Nations Framework Convention on Climate Change (UNFCCC)
United Nations Fund for International Partnerships (UNFIP)
United Nations Global Compact Office
United Nations High Commissioner for Refugees (UNHCR)
United Nations Human Settlements Programme (UN-HABITAT)
United Nations Industrial Development Organization (UNIDO)
United Nations International Strategy for Disaster Reduction (UNISDR)
United Nations Institute for Training and Research (UNITAR)
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United Nations Office for Project Services (UNOPS)
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United Nations Population Fund (UNFPA)
United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA)
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