

Intersessional OWG on SDG's 22 November 2013

Background paper for Session 2: SDGs designed to eliminate inequalities and poverty

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I Introduction and definition

The final report of the global thematic consultation on inequalities says, "Inequalities manifest in unequal access to opportunities, essential goods, services and other resources, differences in treatment or status and differences in the ability to participate in and influence decision-making. They are often mutually reinforcing and may create and perpetuate cycles of poverty over generations."

Inequalities are conditions by which marginalized individuals and groups lag behind in the enjoyment of one particular right due to lack of access to other rights such as decent jobs, food, housing, health, sexual and reproductive health rights, information, education, participation, physical integrity or judicial remedies. Inequalities predominantly affect individuals and groups suffering multiple human rights deprivations, such as a lack of decent jobs, food, housing, health, sexual and reproductive health rights, information, education, participation, physical integrity or judicial remedies. Multiple rights deprivations and inequalities are often closely associated with and reinforced by specific forms of discrimination in the enjoyment of civil, political, economic, social and cultural rights. Examples include, but are not limited to, discrimination related to: gender, age, caste, race, ethnic and indigenous identity, minority status, (dis)ability, place of residence, marital and family status, HIV status, and sexual orientation.

Even as poverty has declined in some areas, inequalities have risen precipitously in the past two decades. This means that as economic growth has increased wealth but that this wealth has been concentrated in the hands of the few, who already hold much. For example, in 2005, the combined wealth of the top 1.75% of the world's wealthiest is equal to the combined wealth of the poorest 77% (1). Despite the financial and economic crisis, the number of billionaires has increased in 2012. Great power imbalances continue to exist between countries. Each year 400 billion USD go from developing countries to industrialized countries. This 'capital flights' is much more than enters from industrialized countries in the form of Overseas Development Aid (ODA). Corporations take valuable resources from developing countries, often without paying taxes, but leaving pollution and damage behind. Tax heavens worldwide harbour more than 3 trillion USD. Partly this is money was evaded in taxes and should instead have gone to development and public services. Current taxation policies often perpetuate inequalities based on gender, race and age. The Asian Development Bank reports that many more people could have escaped poverty if inequalities had not increased (2). Inequalities are a development issue: The International Monetary Fund reports that addressing inequalities can encourage additional growth (3).

A development justice framework, combined with rights-based programming, offers practical applications for use in sustainable development. A development justice framework is based on the concept that development should be people-centred and focused on the realization of their human rights. It requires a number transformational shifts: redistributive justice, to more equally redistribute wealth, resources and power; social justice, including gender justice, to eliminate all forms of discrimination and marginalization; economic justice, to ensure economies that work to fulfil people's rights and meet their needs; and environmental justice, which recognizes the historical responsibilities of countries and elites to address the consequences of climate change. A development justice framework must have accountability to peoples at its core (4).

Rights-based programming has made inroads in promoting greater inclusion of marginalized individuals and groups. For example, a rights-based framework has led to the inclusion of marginalized groups in the fight against HIV in planning and implementing interventions to prevent the transmission of HIV. Sex workers, people who use drugs, and youth have designed and continue to implement HIV-prevention interventions among their peers, with earmarked funds from the Global Fund to Fight AIDS, Tuberculosis and Malaria.

II Existing practical applications

For a development justice framework to be effective, it must guarantee the human rights of marginalized groups and individuals, including the right to participation in decision-making. This applies to women, indigenous peoples, caste and ethnic or racial and other minorities, migrants, disabled people, youth, the elderly, PLWHA (People Living with HIV Aids), and people of all sexual orientations and gender identities.

Programmes designed and implemented by groups intended to benefit from said programming have been the most successful even in the most adverse circumstances, including criminalization. This can be applied to the post-2015 development framework by addressing the needs identified by the poorest people themselves in ways that the poorest and most marginalized people themselves articulate.

In many cases, this people-centered approach may first focus on addressing basic human needs, such as food sovereignty, access to water and sanitation, and access to education, especially for girls, and access to financial services. For example, the USHA Cooperative in Kolkata, India, offers banking and financial services including savings and loans to sex workers. The coop has over sixty thousand members, who benefit first by saving in interest bearing accounts, which are inaccessible to sex workers in India through traditional banks. Lack of access to financial services had formerly promoted physically saving valuables, which were vulnerable to theft and made sex workers targets for violence. Now, the coop finances health promotion programmes including a condom-buying cooperative for the sex workers, and offers loans that have supported children's education and entrepreneurship.

Indigenous peoples worldwide face major social inequalities, and particularly in education, employment, gender, and health. One reason indigenous groups experience inequalities is their exclusion from decision-making processes, which is further exacerbated by extreme poverty and a lack of access to natural resources and basic services. The most important international instruments which aims to rectify these inequalities is the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), ILO Convention No. 169, and ILO Convention No. 111, along with the International Convention on the Elimination of all Forms of Racial Discrimination.

Indigenous peoples are not alone in this exclusion. Additionally, stigma and discrimination in work, health and other settings, reinforcing the marginal status of indigenous people and others, including racial and ethnic minorities, people of different sexual orientations, and people whose sexual and drug-related behaviour may be the object of social and legal opprobrium. The SDGs framework must address these social inequalities in order to most effectively reach the most marginalized, achieve social justice, and a possible goal of elimination of income inequalities and poverty reduction for all. A rights-based approach, as described in the background paper for session 1, offers the greatest return on investment in efforts to reduce inequalities.

III Status of discussions on Inequalities in the current SDG/post2015 processes

Some progress has been made toward the Millennium Development Goals, but progress is very unequal, in particular for MDG1 on halving extreme poverty. In Least Developed Countries no or hardly any progress on MDG1 has been seen. One reason lays with the way the indicator for MDG1 is defined as measuring poverty only in one simplistic monetary term (1USDp/day). Poverty amongst marginalized groups which depend on subsistence livelihoods and precarious and informal sectors, are often invisible through these indicators. Those countries where inequalities and poverty were reduced – many based in Latin America – have achieved this through targets policies to end discrimination, eliminate formal and non formal barriers for marginalized groups to access services and finance and a redistributive tax system (taxing the rich). There is also unfinished business on each goal, especially universal primary education, promoting gender equality, improving maternal health and reducing child mortality, ensuring environmental sustainability and the need for a global partnership for development. However, we are closer to achieving health-related goals including combating HIV/AIDS and malaria and other diseases. The ways these advancements have been achieved, particularly using a rights-based approach and inclusion of the most marginalized (in this

case, key populations such as people who use drugs and sex workers), and building a global partnership that specifically addresses these most vulnerable groups, are models for other goals. Such inclusion could make the greatest gains in the eradication of extreme poverty, by directly reducing inequalities in accessing decision-making processes.

The Interim Report on the work of the Open Working Group (A/67/941) reiterates that “poverty eradication remains the overarching objective of the international community and needs to be central to a proposal on sustainable development goals and the post-2015 United Nations development agenda” with attention to enablers and drivers and rights-based and human rights strategies. This document refers to many admirable goals, including food security, sustainable management of natural resources and ecosystems, employment, and access to clean water and education. While the document addresses rural poverty and migration, as well as the plight of specific groups including migrants, it fails to address the way poverty and inequalities are promoted and perpetuated through stigma and discrimination against particular members of society. While women account for almost two-thirds of the world’s poorest people (4) and 60% of the working poor (5) gender inequality has been under-addressed in discussions so far and the role of stigma and discrimination in perpetuating poverty and inequality among women and specific groups was not included in the interim report and issues which are of particular importance to women have not been given due attention. For example, guaranteeing sexual and reproductive rights, which is critical for gender equality and women’s empowerment, was omitted from the report, despite clear support for this from civil society and the majority of member states at the Fourth Open Working Group meeting.

Data on indigenous peoples and the MDGs illustrate the situation faced by approximately 300 million to 370 million indigenous peoples around the world. While they constitute approximately 5 per cent of the world’s population, indigenous peoples make up 15 per cent of the world’s poor. Furthermore, they constitute about one third of the world’s 900 million extremely poor rural people (IFAD (2007), Statistics and key facts about indigenous peoples.) and face huge disparities in access to, and in quality of, education and health.

Other inputs to the SDG/Post-2015 development agenda have made recommendations that would contribute to a development justice framework, such as the High Level Panel’s recommendation for a goal to achieve gender equality and women’s empowerment or its emphasis on the fact that goals should not be considered achieved unless they are achieved **equally by all groups**. However, their and other recommendations generally do not go far enough in promoting the transformations necessary to achieve the kind of development justice that civil society is calling for.

The Women’s Major Group, for example, has called for a gender equality goal that would prioritize to women’s autonomy and gender justice; women’s political autonomy and full citizenship; women’s freedom from all forms of violence; women’s sexual autonomy and sexual and reproductive health and rights. They emphasize that this should be embedded in a human rights-based framework that is focused on achieving justice and accountability across the board.

Asia Pacific Civil Society has emphasized the need for the framework to prioritize redistributive justice and economic justice by guaranteeing peoples’ control over and access to land; reforming tax policies; setting specific budget allocations to ensure the allocation of the maximum available resources to guarantee rights; enacting living wage laws and guaranteeing access to decent work; and universal social protection, among other things (8).

[\[SK1\]](#) V Concluding Questions for the session

Goals and targets to eliminate income inequalities and poverty need to focus on building a strong state, and regulating the market. Goals will need quantitative and qualitative indicators. Indicators will need to measure income inequalities and set targets for reducing them at the top and the bottom end. The GINI co-efficient is one of the indicators of use. Furthermore, redistribution of wealth should be set as targets, and measured with indicators, including redistribution of land and assets. Indicators which monitor the “Care Economy” are needed, for example, the proportion of

men in care activities, - which is a redistributive indicator – next to the number of women in the employment market.

The principal means for monitoring equitable inclusion is that of disaggregating data on targets and indicators, by gender, age, disabilities and more. Better monitoring and evaluation of development efforts requires better indicators, designed to measure inequalities in social and political inclusion, access to education and services, and wealth with specified, preferably quantifiable targets. This can include disaggregation by gender (including transgender people), age, ethnicity including indigenous people, caste, ability, employment, and also education level, social mobility, access to services including health, water and sanitation, financial services, and indicators related to specific health issues faced by marginalized groups (for example, diabetes among indigenous peoples, MDR-TB among prisoners, HIV among sex workers and hepatitis-C among people who inject drugs).

The development of indicators should be an inclusive process, with meaningful involvement of the poorest and most vulnerable members of society determining what should be measured and how. This can be achieved by prioritizing the involvement of the most marginalized and dedicating resources to this end. Ideally this will lead to the identification and addressing of institutionalized patterns of inequality, particularly those related to age, disability, ethnicity, caste, sexuality and the special needs of children.

Monitoring and evaluation are only the first step: in addition to the development of new indicators, responses to the indicators will be necessary to address the problems identified. This will necessitate investment not only in monitoring and evaluation but continued commitment of resources to benefit the world's poorest, who are particularly vulnerable due to stigma and discrimination and who may be denied services and resources because of their social and economic status as a result of the adoption of a central framework based upon equality, equity and human rights that deliberately seeks to improve the life chances of the poorest and most vulnerable with a focus on resources for the most marginalized.

Guiding Questions:

Should there be stand alone goal on eliminating income inequalities?

Should targets include affirmative action and quota for women, indigenous peoples, ethnic minorities ?

Should targets include all countries to improve their GINI co-efficient?

Should goals include the elimination of the gender pay gap?

Is reducing extreme wealth important to eliminating inequalities?

VI Important links

1. <http://www.worldwewant2015.org/ru/node/299198>

2. [http://www.idf.org/sites/default/files/201212 - IDF Submission Indigenous Peoples + P2015 Development Agenda.pdf](http://www.idf.org/sites/default/files/201212_IDF_Submission_Indigenous_Peoples_P2015_Development_Agenda.pdf)

3. Women Major Group, Discussion Paper on Sustainable Development Goals “Gender Equality, Women’s Rights and Women’s Priorities : Recommendations for the proposed Sustainable Development Goals (SDGs) and the Post- 2015 Development Agenda“

http://www.womenrio20.org/policy_statements.php

4. LINK TO BEYOND 2015 ADDRESSING INEQUALITIES?

5. High Level Panel Report <http://www.post2015hlp.org/wp-content/uploads/2013/05/UN-Report.pdf>

References

1. Warner, D., Rao, D., Griffiths, W., & Chotikapanich, D. 2007. Global Inequality: Levels and Trends, 1993-2005: How sensitive are these to the choice of PPPs and Real Income measures? Paper prepared for *32rd General Conference of the International Association for*

Research in Income and Wealth. Retrieved 31 October 2013 from:

<http://www.uq.edu.au/economics/abstract/436.pdf>.

2. Kwasi Fosu, A. 2010. Growth, Inequality and Poverty Reduction in Developing Countries: Recent Global Evidence. *OECD Development Centre*, OECD: Paris.
3. Berg, A., & Ostry, J. 2011. Inequality and Unsustainable Growth: Two Sides of the Same Coin? *International Monetary Fund*, IMF Research Department: Washington, D.C
4. Asia Pacific Forum for Women, Law and Development, 2013. *We Need Development Justice*, APWLD: Chiang Mai, Thailand.
5. United Nations Development Programme, 2011. *Gender Equality: Fast Facts*. New York: UNDP, page 2.
6. International Labour Organization, 2009. *Global Employment Trends for Women*. Geneva: ILO, page 43.
7. The Report of the High Level Panel of Eminent Persons on the Post-2015 Development Agenda. 2013. New York: United Nations. Retrieved November 1, 2013 from <http://www.post2015hlp.org/wp-content/uploads/2013/05/UN-Report.pdf>, page 19.
8. <http://apwld.org/bangkok-civil-society-declaration-from-inclusive-to-just-development/>

Proposed Speaker: Ranja Sangubda, TWN