

Excerpts from the forthcoming report to the Economic and Social Council of the twentieth session of the Committee for Development Policy (CDP) (UNEDITED TEXT)

Leaving no one behind

One of the pillars of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals, and one which represents a critical improvement over the Millennium Development Goals¹, is the pledge to “leave no one behind”. As part of its contribution to the 2018 theme of the Council², the Committee addressed multiple dimensions of this pledge, which it considers central to any discussion on sustainability and resilience.

Current trends do not point to a generalized achievement of key goals by 2030

Current trends identified by the Committee do not point to a degree or speed of advance compatible with the timeframe of the 2030 Agenda in some of the fundamental elements that are key to leaving no one behind. Even under optimistic assumptions about economic growth and other relevant variables, the goal of eliminating poverty, a central element of leaving no one behind, is unlikely to be fulfilled. Estimates indicate that numerous countries are not expected to meet SDG1. The outlook is particularly challenging for those countries in sub-Saharan Africa where both income levels and growth rates are low and where food price shocks and high fertility rates impose additional pressures. In addition, the world population living in slums is on the rise. In several countries, and despite advances in recent decades, over half the working-age population has only attended primary education or has no formal education. Demographic imbalances in both poor and rich countries generate additional challenges to meet social, environmental and economic goals. Poverty in rural areas remains high, and despite the recognition of the importance of agricultural and rural development, many countries are not taking advantage of the opportunities of inclusive rural development. In a significant share of the least developed countries, economic vulnerability has risen rather than declined in recent years.

Not only are people and countries being left behind, but in many different contexts they are being pushed further behind by a variety of forces, including globalization, technological developments, climate change and other forms of environmental degradation, that all lead to loss of access to land, livelihoods and jobs. In many cases, policies, legislation and investments directed at meeting certain development goals fail to take into account negative impacts on other sectors, groups of people and countries and on future generations.

Many countries, in particular LDCs, still lack the productive capacity necessary to bring them on a path towards sustainable development.³ Economic growth does not necessarily lead to a reduction of inequality, poverty and deprivation, nor to the creation of decent jobs. Many economies have undergone a process of re-primarization in recent years, rather than one of structural transformation towards higher value-added sectors.

¹ See CDP’s analysis on the MDGs in CDP (2012), *The United Nations Development Strategy Beyond 2015*.

² “From global to local: supporting sustainable and resilient societies in urban and rural communities.”

³ See Committee for Development Policy (2017), *Expanding Productive Capacity: Lessons Learned from Graduating Least Developed Countries*.

Inequality is at the heart of resistance to change

Despite the discouraging trends, the experiences of certain countries with industrial development, the improvement of education levels, reproductive health, and the reduction of inequalities show that it is possible to make significant advances in relatively short periods of time. There are also positive experiences in avoiding people being pushed behind, such as programmes addressing the impacts of technological and industrial changes on employment through public-private partnerships.

But leaving no one behind requires making these experiences the rule rather than the exception, which in turn requires the transformation of deeply rooted systems – economic and political systems, governance structures and business models at all levels, from local to global – that are often based on unequal distribution of wealth and of decision-making power.

Extreme inequality persists in multiple dimensions within countries and among countries and it often translates into inequality in decision-making. Segments of the population that are typically excluded from meaningful participation in decision-making – those already left behind in material well-being, education, health and other factors, those that are geographically isolated, as well as future generations – are unlikely to see their interests safeguarded in policy and investment decisions, as is the case for countries that are marginalized in international decision-making structures.

Where changes represent a threat or perceived threat to the established interests of the most influential groups, there is likely to be resistance. Thus, it is not enough to address inequality by focusing on those “left behind” at the bottom. It is also necessary to address the concentration of wealth, income and decision-making power at the top.

Resistance to change is all the more likely in highly unequal societies, where the most influential groups are able to protect themselves through institutional capture and private solutions, from the costs and risks associated with inaction. For example, to the extent that those with greater economic and political power can exclude themselves from the costs of environmental degradation while reaping the benefits, there is no incentive to fundamentally change unsustainable consumption and production practices. The concentration of toxic waste disposal sites in poor areas; the illegal transboundary shipment of hazardous wastes; and the fact that the burden of climate change falls disproportionately on those countries that historically contributed the least to the problem and have the least resilience, are all examples of the dissociation between costs and benefits that is possible because of inequality. Similarly, there is little incentive to allocate resources to investments in building the resilience of low-income communities to extreme weather events if the most influential groups have access to high-quality and safe housing infrastructure in the less vulnerable areas of cities and the poor have no voice in the determination of resource allocation. While political and physical barriers can be erected between poor and rich people and countries, incentives for the latter to meaningfully support the former are scarce. Reactions to migratory flows towards rich countries, for instance, have leaned towards the further strengthening of barriers rather than to a concerted effort to address their root causes.

To leave no one behind, it is not enough to address the problems of those at the bottom but it is also necessary to address extreme intra- and international inequalities and the concentration of income, wealth and political power. It requires breaking the link between economic and social exclusion and decision-making power, including by ensuring the respect, protection and fulfilment of human rights. Institutions need to be re-oriented so that policy is driven from the bottom up by the needs of those who are deprived and disadvantaged. Governments need not only to remove barriers to political and civic participation but to actively ensure that they are accountable to all citizens both through formal processes - such as free and fair elections that are not captured by economic interests-, and through other accountability mechanisms such as a free press, access to information, meaningful multi-stakeholder participation instances at all levels of policymaking, and access to justice.

Even when there is broad political agreement on policy goals, policy choices need to consider trade-offs, distributional effects, short- and long-term consequences.

The pledge to leave no one behind is seldom disputed in principle, but the complexity of its practical implementation is often insufficiently acknowledged. While in the long-run many goals and concepts contained in the 2030 Agenda converge toward each other, trade-offs in the path toward their achievement must be understood and addressed.

The pledge to leave no one behind is grounded in strong philosophical and economic arguments. The policy choices most effective in leaving no one behind are not necessarily those routinely associated with that goal. The best results may come not from targeting specific groups but from macroeconomic and fiscal policies and from the establishment of universal programs that do not express any explicit priority towards any particular group, such as effectively universal (as opposed to stratified) social protection, public schools, public health care, universal childcare and eldercare, with targeted policies playing only a subsidiary role. Policies for poverty eradication that focus on the poverty headcount as opposed, for example, to the poverty gap, can potentially favour those already just below the poverty line to the detriment of those worse off.

To leave no country behind and ensure sustainability and resilience, international action must be coherent and support rather than hinder countries' capacity to enact and finance their development strategies, and enable rather than block channels through which global wealth can be redistributed.

If the pledge to leave no one behind is to be made effective, global rules need to promote a fair distribution of income and development opportunities at the international level, so as to ensure that countries have the capacities and resources required for implementing their strategies. Necessary, though by no means sufficient, conditions are that countries have the ability to build sound, efficient and redistributive tax systems and the policy space to define and implement their own social and economic policies in accordance with social preferences and the priorities of their populations. The insufficiency of tax cooperation at the international level, unregulated global finance, unfair trade rules, intellectual property rights regimes that are skewed against the interests of the poor, and the absence of a mechanism for an orderly, timely and fair procedure for sovereign debt crisis resolution currently stand in the way of that ability.

The deep inequalities that persist among countries are not sustainable. Given the extremely limited fiscal capacity in the poorest countries, it is not enough to rely on measures that will merely remove obstacles to domestic action. In the absence of convergence in global incomes, the international community must take full advantage of all channels that enable income and wealth to flow to the poorest countries in a way that benefits all. These include trading regimes based on fair and equitable terms particularly for the poorest countries; the harnessing rather than the obstruction of the benefits of migratory flows, remittances and diaspora engagement; and to preventing illicit financial flows, including those associated with natural resource exploitation.

While Official Development Assistance (ODA) is crucial in the path towards leaving no country behind and donors must fulfil their commitments in this field, development cooperation needs to shift to a more comprehensive and representative framework. Development cooperation should be an inclusive system that belongs to all countries (new and traditional providers, recipients and countries that are both) and that incentivizes collective action towards ensuring that no one is left behind. Beyond the important goal of fighting poverty, development cooperation policies should also contribute to guaranteeing minimum social standards for all people, reducing international inequality and providing international public goods.⁴

⁴ See also Committee for Development Policy (2014), *Global Governance and Global Rules for Development*

Finally, there needs to be coherence between development cooperation and other policies with international impact. Development cooperation nominally directed at sustainability will be ineffective if climate change continues to threaten countries' and peoples' livelihoods, food security, economies, and lives; if limits to countries' policy space constrains their capacity to work towards productive development; and if inadequate regulation of cross-border financial flows continues to drain their economies. Development cooperation efforts to address leaving no one behind need to be conceived as overall strategies, based on country needs, rather than narrowly targeted and isolated interventions.

Voluntary national reviews of implementation of the 2030 Agenda for Sustainable Development

Voluntary national reviews (VNRs), presented annually at the high-level political forum on sustainable development (HLPF), are a key element of the follow-up and review of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs). Through the VNRs, countries provide information on national approaches to implementation of the 2030 Agenda. The aim of the VNRs is to enable the sharing of experiences with a view to accelerating the implementation of the 2030 Agenda. There has been widespread interest in the VNRs, with more than 43 countries having presented their reports in 2017 and 47 scheduled to do so in 2018.

The VNRs follow a flexible approach, in line with their voluntary nature and the diversity of United Nations Member States. This allows governments, who are encouraged to prepare the VNRs in consultation with all stakeholders, to choose a process and format that best fits their situation and national circumstances. Despite limits to the comparability of VNRs caused by the variety of formats used, analysing the information contained in the many VNRs can yield important messages about the overall approaches to implementation of the 2030 Agenda, as well as reveal lessons learned and best practices which can both be of use to other countries and induce a process of healthy competition among countries.

In 2017, the Committee decided to initiate research and analysis on the VNRs. The CDP's analysis of the VNRs complements the annual synthesis report provided by the United Nations secretariat and the assessments by other organizations by providing an analysis of how the VNRs address key principles and cross-cutting issues, based on the diverse expertise of the Committee. The analysis aims at encouraging governments to address critical challenges in promoting the necessary ambitious and transformative agenda. The work of the Committee is neither an analysis of national implementation of the 2030 Agenda, nor a judgment on the VNRs, but an objective analysis of how they have approached selected cross-cutting issues and principles.

The pilot analyses of all 43 VNRs presented to the HLPF in 2017 covered particularly the key thematic challenges of leaving no one behind (see also chapter II) and addressing policy-trade-offs through policy integration.

The analysis on leaving no one behind focused on reported policies and strategies aimed at implementing the principle with regard to individuals and population sub-groups. It finds that while almost all countries recognize this key principle, only fourteen refer to specific comprehensive strategies implementing it. At the same time, many countries report on strategies and policies in key areas associated with leaving no one behind. However, as discussed in chapter II of this report, an effective implementation of the principle typically requires macroeconomic policies conducive to equitable growth, sectoral policies that expand productive capacities and universal social programs in addition to targeted policies. Hence, VNRs that utilize a broad conceptualization of leaving no one behind may be particularly valuable for sharing best practices.

Most VNRs in 2017 provided few details on how and why strategies related to leaving no one behind are working. Hence, for the VNRs to become an effective mechanism for sharing lessons learned, countries assigning high priority

to this principle should include a more comprehensive discussion on their policy choices. Information on policies that proved to be ineffective and on difficulties in translating the principle into concrete strategies and policies would also be helpful. The Committee also noted that in those VNRs addressing the groups most at risk of being left behind, most countries emphasized women, people with disabilities and children, while relatively few gave special consideration to ethnic or religious minorities or the poorest of the poor. More information in the VNRs on how the most marginalized and vulnerable groups are addressed would be beneficial.

An essential characteristic of the 2030 Agenda is its integrated nature, which demands that policy choices be considered based on their multidimensional implications. It therefore requires policy-makers to not only identify and harness synergies between policy objectives, but also to address trade-offs, where measures directed at one objective can have negative impacts for other objectives, for different groups of people, for other countries or for future generations. While almost all countries mention in their VNRs that they have frameworks (such as strategic planning or intuitional coordination mechanisms) in place that allow for setting policies in an integrated manner, only eight countries refer to specific mechanisms that enable the identification and resolution of trade-offs. Less than half of the VNRs explicitly mention trade-offs and in most cases, these references are very general. Only nine countries reported on specific trade-offs faced and how they have been addressed. Given the importance of addressing trade-offs for achieving progress towards sustainable development and the inherent difficulties in finding solutions for them, more attention in VNRs to describing concrete trade-offs and policy mechanisms for addressing them could significantly increase the value of VNRs to share experiences that accelerate the implementation of the 2030 Agenda.