

Reducing Inequality: The Missing MDG

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Introduction

The Millennium Development Goals have received unprecedented political commitment and forged a strong consensus on poverty eradication. Yet implementation lags, raising questions about weak commitment ownership. A content analysis of current PRSPs and donor policy statements found these documents reflect a high degree of commitment to MDGs as a whole, but are selective in which of the 34 goals and 60 indicators are adopted as priority objectives. The key issue is not whether there is ownership of MDGs as such but how MDGs are being used - *which* of the MDG priorities are being implemented, and *what poverty reduction strategies* are being adopted, and how the MDGs are being utilized as a policy tool – and whether they reflect the objectives that the world leaders adopted in the Millennium Declaration at the 2000 UN Summit.

Which of the MDGs?

Both PRSPs and donor policy statements consistently emphasize income poverty and social investments for education, health and water but not other targets concerned with empowerment and inclusion of the most vulnerable such as gender violence or women's political representation. Neither the PRSPs nor donor policy statements explore the partnership efforts required to remove the constraints to poverty reduction posed by the global market environment and initiatives required to move the trade and aid agendas forward.

What strategy for poverty reduction?

The strategy in the majority of the PRSPs focus on economic growth and investment in the social sectors and reflect an assumption that 'trickle-down' would achieve the poverty reduction objectives of the MDG agenda. Most do not contain a strategy for 'pro-poor growth' and pro-poor social investments. Nor do they contain strategies of building democratic governance – creating an environment to empower the poor and addressing institutionalized obstacles to their participation in economic, social and political life.

The growth and social investment approach, reminiscent of the 1980s, ignores much that has been learned during the 1990s about the multi-dimensional nature of poverty and the important role of empowerment and participation as strategies for poverty reduction. The 2000 *World Development Report* for example, notes that while labour intensive growth, social protection and social investments are necessary for poverty reduction, they are not sufficient. It then goes on to expand the strategy by proposing opportunity, empowerment and security as pillars of an effective poverty reduction strategy.

MDGs as a tool

Global goals like MDGs can be used as planning tools, benchmarks for evaluating progress, or as normative aspirations that command global consensus. While global goals with quantitative and time-bound targets can be powerful in mobilizing consensus over an objective, and in serving as benchmarks because of they are concrete. But applying global goals and targets as national planning targets makes little sense because each country at a given point of time has a unique set of constraints, opportunities and priorities. Yet almost all PRSPs reviewed apply the MDGs as planning targets in a mechanistic fashion by applying selected quantitative targets without adaptation to national realities.

Post-2015 agenda

MDGs were created to serve as 'indicators' of progress in implementing the objectives of the Millennium Declaration. While aligned mechanistically with the MDGs, the policy strategies in the PRSPs do not reflect the core objective of the Declaration to make globalization more inclusive, where the benefits would be more widely shared, rooted in the ethical values of global solidarity and equality. The agenda was therefore to *redress* the increasing inequality between and within countries resulting from liberalization and economic globalization. Just as empowerment of poor people is a core strategy for removing obstacles to equal opportunities, reform of global economic institutions to create a more level playing field was central to integrating marginalized countries into the global economy.

To better align international development to the core objective of the Millennium Declaration, the MDGs need to be refocused to implement a human rights-based approach. First, as an instrument, local adaptation of targets and processes should be promoted so that they could be effective not only as long term objectives but as planning instruments. Second, as policy agendas, they need to focus on pro-poor growth and democratic governance at the national level and systemic reforms in global governance. Finally, as indicators of the complex objectives of the Millennium Declaration, MDGs need to include a goal on reducing inequality within and between countries.

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