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U.N. Repeating Past Mistakes in New Sustainable Development Goals

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The United Nation General Assembly is poised to adopt a new set of development criteria called the Sustainable Development Goals (SDGs) this September. The SDGs are intended to replace the Millennium Development Goals (MDGs) that expire at the end of 2015. Like the MDGs, the SDGs will involve a number of objectives that will be used by the U.N. to guide and measure progress on its global development agenda.

Such metrics can be a useful tool to measure progress, but the U.N. has allowed political priorities and slogans to distort the SDGs in a manner that undermines their utility, articulates goals in imprecise language that makes them unmeasurable or subjective, and implicitly endorses a top-down, input-driven development strategy that has not been successful historically. The U.S. should reject the SDGs as flawed and urge the U.N. to focus on encouraging countries to adopt policies known to facilitate economic growth and development: economic freedom and the rule of law.

The Modest Impact of the MDGs

The U.N. Millennium Declaration, adopted at the Millennium Summit in 2000, called for meeting specific development objectives by 2015²—a process that resulted in eight MDGs to measure progress toward that pledge.³

This paper, in its entirety, can be found at http://report.heritage.org/ib4251

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U.N. Secretary-General Ban Ki-moon claims that the MDGs "have been the most successful global anti-poverty push in history." There has been progress toward a number of MDGs, including reducing the number of people in extreme poverty, access to potable water, and lower debt service ratios for developing nations. However, the U.N. is confusing cause and effect when it claims credit for this progress.

On reducing extreme poverty, for instance, *The Economist* observes, "China (which has never shown any interest in MDGs) is responsible for three-quarters of the achievement. Its economy has been growing so fast that, even though inequality is rising fast, extreme poverty is disappearing. China pulled 680m people out of misery in 1981–2010, and reduced its extreme-poverty rate from 84% in 1980 to 10% now." Indeed, much of the progress toward individual MDGs can be attributed to expanded economic growth, private investment, trade, and the policy changes that have facilitated this improvement. Development indicators such as the MDGs or the proposed SDGs can help assess the impact of these changes, but they do not cause them.

What the MDGs were successful at is focusing attention on increased funding for foreign assistance. Indeed, official development assistance has increased from \$81.9 billion in 2000 to \$134.7 billion in 2013.6 However, numerous studies find little evidence that increased official development assistance (ODA) leads to improved economic growth or development, and government development assistance is growing less relevant as private financial flows have grown in recent decades. According to the 2013 *Index of Global Philanthropy and Remittances*, "Of the total financial flows from developed to develop-

ing countries, over 80% are private. Government aid, at less than 20%, is now a minority shareholder, the opposite of 40 years ago."8

Moreover, an independent academic study assessing best and worst practices among aid agencies ranked U.N. agencies among the worst and least effective performers.⁹

Flawed SDGs

The proposed list of objectives for the SDGs is a grab-bag of 17 overarching goals, with over 100 subgoals, designed to satisfy multiple constituencies in the U.N. General Assembly and in the nongovernmental organization (NGO) community.

In some instances, the objectives make sense in that they directly measure desired outcomes of development, such as alleviating poverty and hunger or improving health, education, and equality. Some goals are indirectly related, such as energy access, employment, industrialization, and strengthening the global partnership for sustainable development. Some are unrelated—such as halving the number of deaths from road traffic accidents globally—or even counterproductive, such as

calls to reduce food price volatility through regulation of food commodity markets.

One example is a goal calling on developed countries to "implement fully ODA commitments to provide 0.7 percent of GNI [gross national income] in ODA to developing countries." This goal is economically flawed and makes no sense for development purposes. As stated in a 2005 study by the Center for Global Development:

Originally intended as a political tool to goad rich countries to modestly increase their aid budgets, the specific figure of 0.7% was a compromise between educated guesses based on economic conditions in the early 1960s and on a crude and deeply flawed model of growth.... We find that if we apply the same assumptions that went into the original formulation to conditions present today, that the updated target would be 0.01% of rich country income—well below current aid levels for all major donors.¹⁰

Examples of imprecise or vague goals are replete, such as ensuring "significant mobilization of resourc-

- United Nations, "Introduction and Proposed Goals and Targets on Sustainable Development for the Post-2015 Development Agenda," http://www.foxnews.com/world/interactive/2014/07/21/introduction-and-proposed-goals-and-targets-on-sustainable-development-for-post/ (accessed July 22, 2014).
- United Nations General Assembly, "United Nations Millennium Declaration," September 18, 2000, http://www.un.org/millennium/declaration/ares552e.pdf (accessed July 22, 2014).
- 3. These are: (1) eradicating extreme poverty and hunger; (2) achieving universal primary education; (3) promoting gender equality and empowering women; (4) reducing child mortality; (5) improving maternal health; (6) combating HIV/AIDS, malaria, and other diseases; (7) ensuring environmental sustainability; and (8) developing a global partnership for development. United Nations, "We Can End Poverty: Millennium Development Goals and Beyond 2015," http://www.un.org/millenniumgoals/ (accessed July 22, 2014).
- 4. United Nations, "The Millennium Development Goals Report 2013," p. 3, http://www.un.org/millenniumgoals/pdf/report-2013/mdg-report-2013-english.pdf (accessed July 22, 2014).
- 5. The Economist, "Towards the End of Poverty," June 1, 2013, http://www.economist.com/news/leaders/21578665-nearly-1-billion-people-have-been-taken-out-extreme-poverty-20-years-world-should-aim (accessed July 22, 2014).
- 6. Organization for Economic Co-operation and Development, "Official Development Assistance (ODA)," http://data.oecd.org/oda/net-oda.htm (accessed July 22, 2014).
- 7. See, for instance, Claudia R. Williamson, "Exploring the Failure of Foreign Aid: The Role of Incentives and Information," *Review of Austrian Economics*, Vol. 23, No. 1 (March 2010), pp. 17–33, http://www.nyudri.org/wp-content/uploads/2012/04/driwp88.pdf (accessed July 22, 2014).
- Hudson Institute Center for Global Prosperity, Index of Global Philanthropy and Remittances 2013, p. 4, http://www.hudson.org/content/researchattachments/attachment/1229/2013_indexof_global_philanthropyand_remittances.pdf (accessed July 22, 2014).
- 9. William Easterly and Claudia R. Williamson, "Rhetoric versus Reality: The Best and Worst of Aid Agency Practices," May, 14 2012, http://dx.doi.org/10.2139/ssrn.2058330 (accessed July 22, 2014).
- 10. Michael A. Clemens and Todd J. Moss, "Ghost of 0.7%: Origins and Relevance of the International Aid Target," Center for Global Development, September 6, 2005, http://www.cgdev.org/publication/ghost-07-origins-and-relevance-international-aid-target-working-paper-68 (accessed July 22, 2014).

es from a variety of sources to provide adequate and predictable means to implement programmes and policies to end poverty in all its dimensions" or to "substantially reduce the number of deaths and illnesses from air (indoor and outdoor), water and soil pollution." Targets such as these are impossible to measure and express little more than aspirations.

The opposite problem of overextension is just as prevalent. For instance, under the SDGs it is not enough to improve conditions; the SDGs aim grandly to "end poverty everywhere," "end hunger," "end child labor in all its forms," "eliminate gender disparities," "eliminate all forms of violence against all women and girls in public and private spaces," and "eliminate slums." These are positive aspirations to pursue, but they are not realistic goals to achieve.

Political agendas masquerading as development goals abound. The introduction contains lengthy reaffirmations of commitments to implement various environmental agreements, such as the Rio Declaration on Environment and Development, Agenda 21, and the Plan of Implementation of the World Summit on Sustainable Development. Goal 3.a is a call to "strengthen implementation of the Framework Convention on Tobacco Control." Goal 5.6 calls for ensuring "universal access to sexual and reproductive health and reproductive rights," which is a common euphemism in U.N. discussions for abortion.

The result is a dubious, impractical mix of commitments recycled from the MDGs, vaguely stated objectives that defy precise measurement, and politically popular agendas dressed up as development metrics.

A Better Way

The goal of reducing poverty is admirable and should be supported by the U.S. However, instead of focusing on U.N. metrics that are already tracked by international development agencies, the U.S. should promote policies that actually contribute to development by allowing individuals to pursue their best

interests, which collectively accelerate economic growth, development, and welfare. Specifically, the U.S. should:

- Refuse to endorse the SDGs if they remain substantially similar to their current form. Although some SDGs are unobjectionable and could be useful, on balance they are simply a collection of political agendas and niche NGO causes.
- Seek to narrow the SDGs on core development goals and focus them on their only real purpose: to measure progress. The SDGs should be focused on metrics, not political agendas.
- Lead an effort to promote economic freedom and the rule of law. Numerous studies indicate that policy changes that create a more conducive environment for economic transactions, bolster a free and fair legal system, and strengthen government accountability and responsiveness are far more important to development than the amount of aid a country receives.¹¹

The Importance of Good Policy

While many individual SDG targets are desirable, the SDGs as a whole focus on the symptoms of poverty rather than the causes. If the U.S. is to help poor countries to develop, it should emphasize the importance of good policy in development, especially economic freedom, good governance, and the rule of law.

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^{11.} See, for instance, Robert J. Barro, "Democracy, Law and Order, and Economic Growth," reprinted in Terry Miller, Kim R. Holmes, and Edwin J. Feulner, 2013 Index of Economic Freedom (Washington, DC: The Heritage Foundation and Dow Jones & Company, Inc., 2013), https://thf_media.s3.amazonaws.com/index/pdf/2013/chapter3.pdf (accessed July 22, 2014).