

An inequality approach to the 2030 Agenda

*by Ricardo Fuentes Nieva**

In a few weeks, leaders from the 193 member states of the United Nations will gather in New York to ratify the document “Transforming Our World: The 2030 Agenda for Sustainable Development”. This agenda seeks to be the guide to “free the human race from the tyranny of poverty and want and to heal and secure our planet” during the next 15 years.

It is a universal agenda that seeks to go beyond the work of the Millennium Development Goals (MDG) by integrating the three dimensions of sustainable development: the economic, social and environmental; through 17 Sustainable Development Goals (SDG) and 169 targets. It is without a doubt an extraordinary achievement and a milestone in the history of the UN that needs to be recognized and celebrated.

An important part of the success of this agenda is the participatory process it brought about to become an “agenda of the people”. The agenda had the inputs of over a million people around the world, and the active and unprecedented role of civil society in its development is a phenomenon that should be replicated in future UN negotiations.¹

What about inequality?

Nevertheless, it is natural that in such a complex agenda, there are omissions and things that are left out. I worry especially about the lack of attention that was given to the issue of extreme economic inequality both in the preamble and in the declaration. Objective 10 focuses on reducing inequality within and among countries, and it touches upon several important issues, like economic growth; fiscal, wage and social protection policies; and the voice of developing countries in global international economic and financial institutions. However, economic inequality cannot be reduced to one objective without considering its systemic impact.

Inequality also has negative effects in each of the SDG: extreme poverty, gender inequality, access to health and education services, etc. Inequality is a root cause of these problems and of the lack of success there has been in the previous efforts to solve them.

The SGD could have been the perfect place to change the vision on inequality - and it does a lot more than previous efforts but it's not enough. The language is reduced to a

¹ South-South News (2015), “What the Post 2015 process got right, and what it didn't” Available at <http://www.southsouthnews.com/south-south-news/ssn-features/451-development-news/global-development/66846-what-the-post-2015-process-got-right-and-what-it-didn-t> (Accessed August 24, 2015).

few references in the context of other forms of social inequality, like gender inequality, without looking at how wealth concentration is itself an obstacle to the achievement of many of the targets.² In order to achieve the SDG targets, countries need to be prepared to analyze and question the interests of the 1%, who concentrate a large amount of the resources needed for the implementation of the objectives.

The case of Mexico

Oxfam has been talking for a while about how inequality affects not only the economic performance of countries, but how it also affects its democratic systems and societies in general, with high costs to citizens. A paradigmatic example of this can be found in Mexico.

In June 2014, Oxfam Mexico launched the report “Extreme Inequality in Mexico: Concentration of Economic and Political Power”, which presented data on how during the last 20 years, the Mexican economy has not only stalled, but extreme inequality has increased. Economic growth in Mexico has been quite low during the past two decades and poverty rates have remained constant, which means that the little growth that has occurred is concentrated in the highest spheres of the distribution.

The data in the report shows that in Mexico, the richest 1% of the population gets 21% of the nation’s total income, and the wealth of the 16 richest men in Mexico represents 9% of the GDP. This has not only clear economic and social consequences, but it also has excluding effects on the political system, which turns inequality into a vicious cycle.

The way forward

In spite of the lack of emphasis on extreme inequality, the 2030 Agenda has a lot of merits, like a solid human rights approach, a good use of the concepts of universality and the effort to leave no one behind. Now, governments need to take the idea of fighting inequality to the implementation of the SDG, and to keep a systemic view on the nature of the targets. This means that extreme poverty will not be eradicated if extreme concentration of income does not decline in the next 15 years.

Luckily, inequality is increasingly present in national and international agendas. Countries like Brazil and Indonesia have made explicit commitments to fight inequality and respected economists like Joseph Stiglitz and Thomas Piketty, as well as growing number of institutions considered in the economic orthodoxy (WB, FMI, OECD) have addressed the issue in recent years. Organizations like Oxfam Mexico are committed to

² *Ibid.*

mobilize people to demand governments to pay attention to this problem. We will work, together with other civil society actors, to invite the Mexican government to recognize the implications of extreme economic inequality and to adopt the 2030 Agenda as a guide for national public policy during the next 15 years.

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