



# **ODUMUNC 39**

Global Sustainable Development Goal Summit

The Eradication of Poverty

By: Kleopatra Moditsi



## Issue Brief for the Global Summit on the Sustainable Development Goals



### *Ending Poverty in All Its Forms Everywhere*

by: Kleopatra Moditsi

Old Dominion University, Model United Nations Society

#### **I. Introduction**

The topic of world poverty has attracted the attention of the United Nations relatively recently. In May 1998, the term “poverty” is defined as “a denial of choices and opportunities, it is a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or a clinic to go to, not having the land on which to grow one's food or a job to earn one's living, nor having access to credit. It means insecurity, powerlessness and exclusion of individuals, households, and communities. It means susceptibility to violence and it often implies living on marginal and fragile environments, not having access to clean water and sanitation.”<sup>1</sup> The first globally coordinated plan for the eradication of poverty was framed and implemented in 2000 with the Millennium Development Goals (MDGs), and ever since the matter has taken up a great amount of discussion and global resources.

The reason why this topic is important stretches beyond the fact that it affects billions of lives around the world. Poverty is connected with other problems, such as injustice or inequality. By eradicating poverty, states tackle corruption, foster better education opportunities, and improve governance. These factors lead

towards domestic prosperity and international competency. Despite the significance of the matter, programs for its resolution stumble across financing. Developing countries need external funding to enforce the proposed changes since they have the biggest problems with poverty, while developing states are reluctant to invest in foreign aid. Inconsistencies in public or private funding is probably the main reason poverty still exists today.

#### **II. History**

Following the end of the Cold War, many developed countries focused on domestic affairs and decided to cut down on foreign aid. In 2000, though, world leaders gathered at the 2000 UN Millennium Summit to address world issues and mainly poverty in a time-bound manner.<sup>2</sup> The Millennium Development Goals (MDGs) are the first globally common framework for promoting global development in history. The MDGs were a set of eight goals: eradicate extreme poverty and hunger; achieve universal primary education; promote gender equality and empower women; reduce child mortality; improve maternal health; combat HIV/AIDS, malaria, and other diseases; ensure environmental sustainability; and forge global partnerships among different countries and actors to achieve development goals.<sup>3</sup> These targets were further broken down into more specific and measurable goals. The time frame for achieving these goals was set to be the end of the year 2015.

---

<sup>1</sup> United Nations. “Statement of Commitment for Action to Eradicate Poverty Adopted by Administrative Committee on Coordination,” Economic and Social Council Press Release ECOSOC/5759 (New York: United Nations, 20 May 2015).

---

<sup>2</sup> John W. McArthur, “Own the Goals: What the Millennium Development Goals Have Accomplished,” *Foreign Policy*, March/April 2013

<sup>3</sup> McArthur “Own the Goals”



## Issue Brief for the Global Summit on the Sustainable Development Goals



### *Ending Poverty in All Its Forms Everywhere*

by: *Kleopatra Moditsi*

Old Dominion University, Model United Nations Society

In order to finance the MDGs, states agreed that all developed countries would contribute 0.7 percent of their gross national income (GNI), a commitment that was not met by many countries.<sup>4</sup> The Group of Eight (G-8), which consists of Canada, France, Germany, Italy, Russia, the United Kingdom (UK), and the United States (US), fell more than \$10 billion short on foreign aid for Africa for the year 2010 alone.<sup>5</sup>

The overall assessment of the MDGs is decent. Some of the targets were deemed very successful, while others failed miserably. Cutting by half the percentage of people living on less than \$1.25 a day, the first goal, has been achieved since 2010.<sup>6</sup> The percentage has dropped from 43% in 1990 to roughly 21% in 2010.<sup>7</sup> Critics of the MDGs claim that the reason for this drop is economic growth in China, but even if one excludes China from the calculation, the percentage of impoverished people has dropped from 38% in 1990 to 25% in 2008.<sup>8</sup> However, other goals, such as the reduction of maternal and child mortality rates are far from being met.

### **III. Current situation**

With the MDGs almost expired, world leaders have started talking about the next step. The Sustainable Development Goals (SDGs) consist of 169 targets grouped in 17 goals, while the deadline is set to the end of

2030.<sup>9</sup> These goals are narrower and they cover more issues related to the initial goals, such as urbanization, infrastructure, and climate change. Poverty tops the list with states pledging to end poverty in all its forms everywhere. Instead of addressing problems in the developing world only, the SDGs apply to many developed countries as well. Financing the program will probably be the biggest challenge, since rough estimations put the cost of providing a social safety net to eradicate poverty at \$66 billion a year, but funding other goals such as infrastructure could amount up to \$7 trillion.<sup>10</sup>

Critics express concerns about the states' ability to finance the SDGs. Developed states failed to provide the 0.7% of the GNI. With the cost of the SDGs being way higher than that of the MDGs, it is doubted that states will be able to keep up. In addition, the SDGs seem a bit ambitious and address more numerous and complex issues. Critics claim that the SDGs are too many and set no real priorities. The UN secretary general's special adviser said it was hard to reduce the goals, so trying to leave some targets out would cause resistance by NGOs or some states that find them absolutely necessary. Still there are a lot of details to be worked out, since the implementation of the SDGs probably will not start until the beginning of 2016.

---

<sup>4</sup> Ibid

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

---

<sup>9</sup> "The 169 commandments: The proposed sustainable development goals would be worse than useless," *The Economist*.

<sup>10</sup> Liz Ford, "Sustainable development goals: all you need to know," *The Guardian*, 19 Jan 2015.



## Issue Brief for the Global Summit on the Sustainable Development Goals



### *Ending Poverty in All Its Forms Everywhere*

by: Kleopatra Moditsi

Old Dominion University, Model United Nations Society

The goal of poverty eradication is an ambitious one. In the MDGs, goals regarding poverty looked to improve the situation, but the SDGs seek to finish the job. Poverty has several tiers, and the worst level of poverty is absolute (or extreme) poverty. The subsequent levels of poverty range from extreme poverty to moderate poverty and each have corresponding accepted levels of income. The World Bank defines the absolute poverty line at those living on less than 1.25 USD per day, and the moderate poverty level line at less than 2 USD per day. Many states set their own official levels of income to decide those who qualify as impoverished.

While the MDGs successfully improved the position of the world's poor, especially in East and Southeast Asia, much is still to be done to improve the lives of roughly one billion impoverished people. A way to better address the plight of many of the world's extreme poor is by looking for regional action. Poverty is most likely where there is other poverty. Those impoverished find themselves in an endless feedback loop of inequity of wealth, unavailability of social mobility, and a lack of access to credit or gainful employment makes poverty a self-sustaining cycle. Sub-Saharan Africa accounts for the region with the greatest percentage of those living at or below the poverty line of \$1.25 with 47%, and India is home to the greatest number of those living in absolute poverty, with the figure in the hundreds of millions of people. Regional cooperation and integration could help to bring these countries to pull their people from poverty. Together with other regional states or international organizations and

Non-Governmental Organizations (NGOs), federations of the poor (localized government subsidized credit unions that make credit and loans available to the poor) and other housing development and assistance programs can be established and effectively managed. States can together sponsor developmental programs to reach the goals of eradication of poverty, but the task is no small matter.

#### IV. UN action

The main outcome document stemming from the MDGs is the Monterrey Consensus, while the SDGs are established based on the Addis Ababa Action Agenda and the Open Working Group proposal for Sustainable Development Goals.

##### *Monterrey Consensus of the International Conference on Financing for Development*

In this document, world leaders pledge to foster the fulfillment of the MDGs and outline the funds devoted to the MDGs. They pledge to mobilize domestic resources, engage in international trade and encourage international financial and technical cooperation among states.<sup>11</sup> The document emphasizes that states are responsible for their own policies for economic and social development, while globalization should be “fully inclusive and equitable” as developing countries are expected to effectively participate in overcoming challenges they may face and catching up

---

<sup>11</sup> United Nations, *Monterrey Consensus on Financing for Development* (Monterrey: United Nations, 2002), pp. 2-11.



## Issue Brief for the Global Summit on the Sustainable Development Goals



### *Ending Poverty in All Its Forms Everywhere*

by: Kleopatra Moditsi

Old Dominion University, Model United Nations Society

with the developed countries.<sup>12</sup> States are encouraged to implement sound economic policies and improve infrastructure in order to encourage the flow of capital in the country, especially from multinational corporations. Transparency and fighting corruption are deemed vital to the fight against poverty.

#### *Addis Ababa Agenda (AAA) of the Third International Conference on Financing for Development*

Recognizing the effect of the 2008 world financial and economic crisis that brought growth levels below pre-crisis levels, the AAA urges states to strengthen their public policies, as well as regulatory frameworks. Changes in consumption and production patterns in order to support sustainable development are highly encouraged.<sup>13</sup> Developing countries are once again defined as the most vulnerable group of countries, while Africa is still the focal point of a positive socioeconomic transformation.<sup>14</sup> Tax issues are addressed extensively. States pledge to improve the tax systems around the world in order to avoid tax evasion, combat illicit flows of capital, and increase corporate transparency and accountability of all companies.

---

<sup>12</sup> United Nations, *Monterrey Consensus on Financing for Development*

<sup>13</sup> United Nations, *The Addis Ababa Action Agenda of the Third International Conference on Financing and Development*. (Addis Ababa: United Nations. 2015), pp 1-7.

<sup>14</sup> United Nations, *The Addis Ababa Action Agenda of the Third International Conference on Financing and Development*.

#### *Open Working Group proposal for Sustainable Development Goals*

This proposal outlines the SDGs that are taking effect at the beginning of 2016. Poverty is the number one goal and it's broken down into the following targets. World leaders will attempt to reduce at least by half the proportion of men, women and children who live in abject poverty.<sup>15</sup> Social protection systems and measures for all will be established to ensure that everyone has equal rights to economic resources, access to basic services and property.<sup>16</sup> Part of this goal is to reduce the vulnerability of the poor, especially when it is related to extreme climate events. Least developed countries (LDCs) will get help from a significant mobilization of resources including but not limited to enhanced development cooperation in order to develop and implement pro-poor, gender-sensitive policies to accelerate the eradication of poverty.<sup>17</sup>

#### **V. Key Arguments**

The existence of the SDGs is important. The countries that invested in the MDGs were rewarded with greater economic growth rates, allies around the world and prestige

---

<sup>15</sup> United Nations, "Statement of Commitment for Action to Eradicate Poverty Adopted by Administrative Committee on Coordination," *Economic and Social Council Press Release ECOSOC/5759* (New York: United Nations, 20 May 2015).

<sup>16</sup> United Nations, "Statement of Commitment for Action to Eradicate Poverty"

<sup>17</sup> Ibid.





## Issue Brief for the Global Summit on the Sustainable Development Goals



### *Ending Poverty in All Its Forms Everywhere*

*by: Kleopatra Moditsi*

Old Dominion University, Model United Nations Society

about their development or generosity. Globally, these goals change billions of lives and allow states to reap the benefits of globalization while sharing its burden. Cooperation among states can also function as a great way to overcome conflict and respond to emergencies. Developing countries seem to be pretty happy about the SDGs mainly because they are the first to gain from them. NGOs are content with the goals covering more than just financial interests and expanding to matters of the environment or gender equality. Developed countries seem to like the availability of new markets and expanding their sphere of influence is never a bad thing.

On the other hand, there are dangers to the SDGs with the most eminent being financing. Developed states may love the prospect of new markets, resources or profit, but they are reluctant to pay their share in helping the developing countries. Goals that fail to be completed because of lack of funding may cause distress and distrust among countries. NGOs are concerned that some goals will be neglected because they are somewhat uncomfortable, like those related to the environment, and do not agree with the closed door negotiations process. Middle- and low-income countries are concerned that their voices are not heard and are left without any benefits from the arrangement.

#### **VI. Country positions**

##### *African Union*

Since the African continent is the main recipient of the financial support, the African Union is very positive about the SDGs. However, the limitations or control that may accompany the funds are not as welcome, which is the reason donor countries or corporations are viewed with much suspicion.

##### *China*

This country supports the SDGs because a lot of its national interests are at stake. With a good proportion of poor people living in China, the government is more than eager to accept any help that specifically allows full freedom to the Chinese for its use. Most of all, Chinese companies are willing to invest in countries with a plethora of natural resources. The only thing China does not stand by has to do with environmental issues.

##### *European Union*

The European Union is divided on the matter. Northern European countries are willing to donate plenty of funds, while the Southern and Eastern countries are not particularly happy with the arrangements, but they still support the SDGs. The EU has historically been the largest financial aid spender.

##### *Non Aligned Movement (NAM)*

Economic development is the focus of these countries' interests. They are very keen on the elimination of trade barriers in Europe, North America, and East Asia. They are also



## Issue Brief for the Global Summit on the Sustainable Development Goals



### *Ending Poverty in All Its Forms Everywhere*

*by: Kleopatra Moditsi*

Old Dominion University, Model United Nations Society

supportive of environmental goals and targets. On the other hand, policy changes seem to be hard to undertake.

#### *Russia*

Recent financial problems have forced Russia to turn its interest in its domestic affairs. As a result, Russia is cutting down on foreign aid and refuses to reduce trade barriers. It uses its natural wealth to compete economically with NAM countries. Funding the SDGs is not one of Russia's priorities now.

#### *United States*

While the US is very active in these issues domestically, there is much opposition to sending financial or humanitarian support to a lot of countries. Foreign intervention in terms of domestic industries or impoverished people is generally not welcome.

## VII. Essential questions

Here are some questions to think about before entering debate:

- What are some ways to ensure cooperation between states?
- Keeping in mind the nonbinding character of the UN regulations, how would states ensure that every country does its part?
- Is there anything that could be added or modified in the SDGs?
- What can be done to ensure the success of these goals?
- How can the cycle of poverty be ended?
- What long term programs can the UN, Member States, or other NGOs and International Organizations establish to help eradicate poverty?
- How can gainful employment and upward social mobility be opened to the impoverished?



**Issue Brief for the Global Summit on the  
Sustainable Development Goals**



***Ending Poverty in All Its Forms Everywhere***

*by: Kleopatra Moditsi*

Old Dominion University, Model United Nations Society

**VIII. Bibliography**

[Ford, Liz. "Sustainable development goals: all you need to know," The Guardian, 19 Jan 2015](#)

[McArthur, John W., "Own the Goals: What the Millennium Development Goals Have Accomplished," \*Foreign Policy\*, March/April 2013](#)

"The 169 commandments: The proposed sustainable development goals would be worse than useless," *The Economist*, 28 March 2015.

[United Nations, \*Monterrey Consensus on Financing for Development\* \(Monterrey: United Nations, 2002\), pp. 2-11.](#)

[United Nations. "Open Working Group proposal for Sustainable Development Goals" \*Sustainable Development Knowledge Platform\*.](#)

[United Nations. "Statement of Commitment for Action to Eradicate Poverty Adopted by Administrative Committee on Coordination," \*Economic and Social Council Press Release ECOSOC/5759\* \(New York: United Nations, 20 May 2015\).](#)

United Nations. *The Addis Ababa Action Agenda of the Third International Conference on Financing and Development*. (Addis Ababa: United Nations, 2015), pp 1-7.