

Strategies for Attaining the Sustainable Development Goals¹

1. The unprecedented challenge of the SDGs for Development Coordination, Financing and Strategy

The Addis Ababa Agenda specifies a range of initiatives to support efforts for sustainable development in the period 2015-30. These necessarily include both efforts to mobilize financial resources needed to make necessary investments and non-financial efforts needed to provide a supportive framework.

a. Scale of the resource requirements and adequacy of flows

Efforts to estimate the cost of attaining the goals, although necessarily based on “guesstimates” suggest that a very sizable investment is needed, which will have to come from public as well as private sources. The resource requirements are estimated by UN DESA as being “on the order of trillions of dollars annually,” with the cost of basic infrastructure investment in developing countries alone being “estimated to be between \$1 trillion and \$1.5 trillion annually”.² Unfortunately, the experience in the MDG era suggests that the required resources may not be straightforward to generate. For example, although ODA was a Goal 8 indicator, and despite prominent arguments (see e.g. Sachs (2005)) for substantial increases in aid flows as a condition for achieving the goals, the actual experience was quite mixed. In particular, although in absolute terms aid flows from the OECD countries increased by around sixty percent between 1990 and 2014 (from 85.43 billion to 134.38 billion in 2013 USD) they have fallen as a share of national income (from 0.32% in 1990 to 0.29% in 2014). Although they have risen from 0.22% in 2000, this is only because that level was near an all-time low.³ These flows are moreover

¹ Sanjay G. Reddy; Associate Professor of Economics, The New School for Social Research; reddysanjay@gmail.com. Background Paper prepared for the Department of Economic and Social Affairs, United Nations, February 15th, 2016.

² See <http://www.un.org/esa/ffd/wp-content/uploads/sites/2/2015/07/DESA-Briefing-Note-Addis-Action-Agenda.pdf>. The cost of other tasks, including such basic aspects as generating the data required for SDG monitoring, may also be sizable (see e.g. Jerven (2014)). However as pointed out by Reddy and Heuty (2008a and 2008b) in relation to the MDGs, cost estimates must be treated with extreme caution, given the uncertainties involved about the factors influencing ultimate costs.

³ See <http://www.oecd.org/newsroom/aid-to-developing-countries-rebounds-in-2013-to-reach-an-all-time-high.htm> and in particular the tab on the bottom figure entitled “ODA 1960-2014 Trends”. It is unclear whether these figures are strictly comparable over time due to changes in the reporting rules of the OECD Development Assistance Committee (DAC), which has changed its rules (under an initiative to take note of ‘Total Official Support for Sustainable Development’ or TOSSD). A number of items are newly counted as aid, including expenditures on refugees resettlement within the donor country, climate change related international-transfers, and support for private companies in the recipient country – often linked to donor countries’ economic interests. The new rules appear to have also included a shift toward counting only the ‘concessional’ component of loans as opposed to their entire face value. These changes may well go in different directions in terms of their impact on estimated level of aid and the impact on the estimated trend is also uncertain.

now considerably smaller than non-ODA flows to developing countries including remittances and private investments.⁴ Non-ODA flows have also been increasing much more rapidly than ODA since 2000. The aggregate quantity of remittances is estimated as being \$351 billion USD in 2012 and of inward FDI at 703 billion USD with portfolio flows being smaller but also sizable.⁵ There are three important observations to make about these flows in regard to the requirements of financing the SDGs. The first observation is that it is net rather than gross flows that matter and both, but especially net flows, fall markedly short of the required scaled of resources. Net private flows to developing countries at market terms (inclusive of foreign direct investment, portfolio investment and export credits) are estimated as being 308 billion USD in 2012⁶. This is likely a substantial overestimate due to the scale of likely illicit capital flows from developing to developed countries, which there is reason to believe may be very large, and easily more sizable than ODA, even if difficult to quantify.⁷ The contribution of flows from developed countries is therefore, if not increased multifold, likely to be a mere fraction of the estimated overall SDG resource requirement. For instance, even if all SDG requirements other than that for basic infrastructure are ignored, and illicit capital flows to developed countries are neglected, the total magnitude of the current private flows is a third to a fifth of the estimated requirement. Substantial domestic resource mobilization can partially make up for this shortfall but it is improbable that it will suffice. The second observation is that the different kinds of resource flows are often assumed to be interchangeable in regard to resource mobilization but in fact are not. For instance, while remittances play an important role in reducing the foreign exchange constraints faced by developing countries, they cannot be assumed to provide resources which may be freely deployed by governments, since they are not only in private hands but most often used for specific private purposes. A dollar of remittances, even if accruing in the coffers of a central bank, is likely to be equivalent to rather less than a dollar of resources that may be used directly for SDG financing, whether through public or private expenditures. The same point can be made in relation to other private flows. The third observation is that Non-ODA flows are received disproportionately by particular countries but so is ODA, often for reasons unrelated to development needs. Each has its own uneven geographical pattern which may not match adequately the real resource requirements for the SDGs.

- b. Qualitative dimensions: demand on institutions and policies for concerted, coordinated and innovative action

⁴ See <http://www.oecd.org/dac/stats/beyond-oda-remittances.htm> .

⁵ See “Mobilizing Resources for Sustainable Development”, OECD Development Cooperation Report 2014 (http://www.oecd-ilibrary.org/development/development-co-operation-report-2014_dcr-2014-en).

⁶ See Table A.2 in OECD (2014), op cit.

⁷ See e.g. Baker and Joly (2008) and the resources on <http://www.gfintegrity.org/> .

In addition to the demand for aggregate financial resources there is also a need to coordinate what resources are made available in order to ensure effective resource use. Strategies to achieve the SDGs must pay attention simultaneously to the total quantity of resources and the methods of their deployment. There is an economic as well as a political rationale for a concern with efficacy of resource use. The extent to which given resources can be used to achieve the goals will in practice depend on such efficacy. The perceived legitimacy of the demand for resources, and its persuasiveness, will also depend on perceptions of efficacy. However, efficacy may require focused action on the part of individual agents, as well as their intentional coordination. As such, it requires active monitoring, reflection and an ongoing preparedness to identify worthwhile innovations and to revise approaches.

2. The MDG experience: A Glass Half Full?

Although the Millennium Development Goals period has been widely conceived of as one of successful attainment of the goals, a careful review motivated by the question of what can be learnt about how best to achieve the SDGs, leads to a mixed assessment.

a. Criteria of Success

A number of distinct criteria for the success of the MDGs can be potentially identified (see Reddy and Kvangraven (2015)). These include shortfall assessment, which compares the outcomes actually attained with the outcomes aspired to in the goals, progress assessment, which compares the realized outcomes with starting points, and counterfactual assessment, which compares the outcomes actually realized with those that would have been realized if no goals had been specified.

Although the focus in official discourse on the MDGs has been on comparing achievements during the MDG period to the initial baseline, a counterfactual assessment is that which is most relevant to determining whether the MDGs were a success in contributing causally to shared goals or to the development process. Progress assessment is the approach generally taken in UN assessments of the MDGs (see e.g. UN 2015, which states that the “...MDGs helped to lift more than one billion people out of extreme poverty...”, indicating that poverty reduction in the world is being attributed to the MDGs. A counterfactual assessment is implicitly appealed to here but not undertaken. It is in fact implausible that there would have been no poverty reduction in the absence of the MDG, especially since much of the poverty reduction observed arose due to factors unrelated to the acceptance of the MDGs).

In practice, the identification of counterfactuals often relies on empirical aids to judgment. For example, in the MDG context data on trends in outcomes even before the MDGs were announced or adopted are pertinent to identifying what might have taken place even in the absence of the goals. Studies by Friedman (2013) and

Fukuda-Parr et al. (2013) are the only studies to our knowledge that employ a method of counterfactual assessment to systematically assess the impact of the MDGs on trends in poverty reduction and these show limited evidence of the MDGs having contributed to accelerated progress.

b. Accidental achievements?

It may be argued that a number of the MDGs were partially or wholly achieved. However, an effort to identify the causes of these achievements suggests that in many cases they cannot be attributed to intentional collective efforts to achieve them that were spurred by the goals. To a considerable degree, the MDG achievements that were realized may have been “accidental”, in particular owing to the ongoing robust process of economic growth in specific countries (especially China, which has been considerably responsible for poverty reduction globally (see e.g. Jayadev, Reddy and Lahoti (2015), Reddy and Lahoti (2015) and Reddy and Minoiu (2007)) as well as to the global commodities boom of the first decade of the millennium, which contributed substantially to economic growth, poverty reduction and public revenues in many developing countries which had had poor growth records in the recent past (in particular, although not only, in Latin America and Sub-Saharan Africa).

c. Insufficient financial resources

Although early estimates of the cost to donors of achieving the MDGs were modest as compared to corresponding preliminary estimates for the SDGs, in the range of 60-150 billion annually⁸, it appears that these initial estimates were insufficient (on which see Atisophon et al, 2015). In any case, as pointed out by Reddy and Heuty (2008a and 2008b) *op cit*, such estimates rested on shaky conceptual ground. Whereas the Monterey Consensus and pursuant Doha Declaration both reiterated the importance of the 0.7% ODA target, as previously noted there has been no substantial increase in ODA measured according to this relative standard over the longer period and indeed what increase there has been has reflected a recovery of ODA from a near all-time low at the turn of the Millennium. There have also been decreases in aid effort as assessed by the aid-to-GNI ratio in some countries. Aggregate absolute ODA flows have increased by a modest amount (roughly in line with the lower end of the range of previous MDG cost estimates, on the order of fifty billion USD annually). It is far from straightforward to argue that the MDGs were responsible for bringing about the mobilization of greater resources.

d. Insufficient data infrastructure?

⁸ See “Who’s Going to Pay for the MDGs?” by David McNair (2012), on <http://www.theguardian.com/global-development/poverty-matters/2012/jan/23/whos-going-to-pay-for-mdgs>

The monitoring of the MDGs required the identification and development of measures suitable for the purpose. Unfortunately, there is little evidence of the development of additional data resources or of the development of statistical systems and infrastructure as a result of the adoption of the goals. If anything, some unsuitable measures may have enjoyed reinforcement and increase in institutional and public acceptance as a result of their formal incorporation as indicators or targets for the goals (the role of poverty indicators of doubtful reliability is one example that comes to mind⁹). MDG monitoring took available measures as its basis and there is little evidence that the MDGs did much to contribute either to improvements in their quality or in their range, since there was insufficient systematic effort to improve statistics to support the MDGs, despite the repeated recognition of the need for such an effort.¹⁰

e. Insufficient innovation?

A prominent current in regard to the MDGs emphasized the desirability of employing on a large scale interventions which were assumed already to be known to work (e.g. Sachs (2005), Millennium Project (2005)). The generalization of some such interventions may have had potential or actual benefits. On the other hand, there was no systematic encouragement within the international development system to develop, identify, modify and generalize new and innovative methods, whether technical or institutional, in order to increase progress in addressing development challenges during the period, although many of the initiatives thought to work and recommended for generalization are those which were the product of past innovations¹¹. As recognized widely in recent literature on technological and organizational innovation, it is necessary to have institutional structures that facilitate not only the creation but also the dissemination and revision of new ideas to ensure that they find efficacious application and contribute in turn to further innovation.¹² It cannot be assumed that there is a set of “best practices” that is already in place that ought merely to be emulated. Rather, in the terrain of development, there is a wide-range of unsolved problems and others that are

⁹ See e.g. Reddy (2011).

¹⁰ In this regard see relevant reports for annual sessions of the United Nations Statistical Commission, between 2000 and 2015, which may be reviewed on its website, at http://unstats.un.org/unsd/statcom/commission_past_meetings.htm. See e.g. “Indicators for monitoring the Millennium Development Goals and for follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields” (2004), “Report of the Friends of the Chair on Millennium Development Goals indicators” (2006) and “Indicators for monitoring the Millennium Development Goals” (2007, 2011, 2013). The last set of reports (of the Secretary General) summarizes the state of affairs in regard to MDG indicators. Although there is increasing coverage of countries over the period, much of the data remains estimated rather than actually collected, and there is little evidence in these texts of institutional effort to improve the quality of statistical concepts or methods, as opposed to coverage of countries and years, for the chosen MDG indicators, despite known deficiencies.

¹¹ See e.g. Reddy and Heuty (2005).

¹² See e.g. Sabel, de Burca and Keohane (2014) and related prior contributions by Charles Sabel.

“under-solved” in the sense that there is a need for improvement in our understanding of how they can best be addressed, especially in applied contexts in which they may form part of broader complexly interlinked social, economic, ecological and technological realities, giving rise to difficult to resolve “wicked problems”.¹³

f. A mirage of accountability?

Is it possible to identify whether specific actors undertook sufficient effort to achieve the goals? Was there even a discernible additional effort during the MDG period to achieve the goals, as distinguished from the ‘rebranding’ of existing efforts under new headings? Although the MDGs, and development goals generally, have often been assumed to increase accountability, there are reasons to doubt this claim. As already noted, there is little evidence of an increase in the trend rate of improvement of MDG indicators during the MDG period as compared to prior. However, the question of whether individual institutions maximized their *effort* to achieve the MDGs in the period cannot be read directly from the empirical record, since constraints and contextual factors may also have changed. The deeper problem is that development outcomes on the national, regional and global scale are caused by the joint effect of the actions of multiple actors. As a result, the determination of who was responsible and to what degree for specific outcomes having been realized, or not, can be difficult, both in terms of conceptual identification and practical inference. Although it may be possible to determine, when a shortfall took place, that it was due to a failure of the development system considered as a whole, such an attribution of joint responsibility does not in itself have the effect that is sought by those who pursue accountability, of permitting the identification of specific actors as responsible¹⁴. In practice, countries have often been taken as being in the first instance responsible for progress toward development goals within their borders but such an attribution gives insufficient attention to the causal role of other actors and more generally of the problem of the joint causal impact of diverse actors in the international system.

3. Overcoming Inertia in the Global Development System

The impetus toward the adoption of global development goals has been grounded above all in the idea of moving beyond ‘business as usual’ and overcoming inertia in the international development system, by motivating actors, focusing resources and

¹³ On the concept of a “wicked problem” see e.g. Rittel and Webber (1973) and the subsequent literature.

¹⁴ For a discussion of problems of attribution of causal responsibility and their complex relationship in turn to questions of moral and legal responsibility, see the extensive literature in law and philosophy on the subject, e.g. Hart and Honore (1959), Barry (2005), and Moore (2010). On the theory of causal inference generally see Pearl (2009).

efforts on priorities, and providing a framework for evaluating progress. As discussed by Reddy and Kvanraven (2015) there are a few distinct roles that can be envisioned for global development goals. These include the epistemic, the motivational and the coordinative. In its epistemic role a goal may provide a cognitive reference point and thereby also a framework for organizing information in relation to that reference point. In its motivational role, a goal may help to encourage efforts on the part of agents through its psychological, social, political or institutional effects. In its coordination role, a goal may become the focus of coordination between persons, thereby helping to use resources or to achieve ends more effectively. To ensure that the goals serve any or all of these roles, however, it is necessary to ensure that they are defined and approached so as to do so. It cannot be assumed that the goals will automatically serve these functions without specific intent, an appropriately supportive institutional framework and appropriate practices.

It is useful to revisit the idea of accountability in this connection. Two ideas concerning accountability should be distinguished. One concerns the idea that the definition of goals will permit identifying shortfalls as well as responsibility for shortfalls. The second is that actors will be moved to make progress toward the goal as a result. Even if the former is true (which as we have argued earlier may not be the case due to difficulties of causal attribution) the second may not be true. An example is provided by the set of aid-related indicators for Goal 8 of the MDGs which while referring to aid allocations to specific categories of countries and expenditures did not refer to the historic target of 0.7% of national income. If it had done so, it would clearly have provided for retrospective identification of responsibility for shortfalls, since this is a requirement of each individual developed country. However, it is far from obvious that it would have motivated further aid increases, since the presence of the target in other contexts has hardly had an impact (as we have seen aid allocations relative to national income have stagnated) and it is difficult to imagine that merely including the target formally within the framework of Goal 8 would have greatly changed the underlying national political economy which led to these choices. Clearly, something more is needed.

a. The role of periodic review, learning and course-correction

What will work in development, both in individual sectors and systemically, is not entirely known in advance, both because knowledge of what might work evolves on the basis of experience in similar contexts and because that knowledge must often be applied in conjunction with knowledge about each individual context that is the product of 'learning by doing'. As a consequence, processes of learning that incorporate periodic review and course correction are required to effectively collect and apply knowledge in the development process. Periodic review can also provide a framework for identification of shortfalls from goals, comparison of the methods used to promote goals in different places (which have succeeded in attaining them to different degrees) and the determination of resource requirements.

It is not implausible to argue that in the context of the international development system as a whole the institutionalization of such efforts has been insufficient. Methods of institutionalizing periodic review, learning and course-correction could take various forms, but must have a systemic character to achieve their potential and subject those being reviewed to insights from diverse quarters (e.g. from diverse countries with both similar and different economic positions, and from non-governmental as well as governmental sources) so that the process is adequately substantive.¹⁵

b. Mechanisms for fostering, sharing and building upon innovations

To harness possibilities for learning in development requires not merely the presence of effective mechanisms for sharing of lessons but methods for enhancing the pace of learning, in particular by encouraging potentially valuable experiments and bringing knowledge systematically to bear in new ways. Some development institutions (such as the CGIAR) have notably had such an orientation in the past. There is a need to identify specific possible instruments for encouraging such systemic learning in critical areas today.

c. Forward-looking identification of individual and collective responsibility

The mere identification of goals (especially ones specified in terms of outcomes and the joint product of the actions of multiple actors) without the determination of specific responsibilities for particular actors to undertake the actions that promote them is unlikely to be wholly effective. An approach that may be more effective in terms of generating accountability is to tie outcome goals to a program of action requiring specific well-defined efforts on the part of individual actors, or to emphasize process goals.¹⁶ Both the required efforts and those actually taken should be publicized and subject to periodic review. In turn, reasonable expectations of efforts require an attempt to link those efforts to plausible outcomes through a causal analysis. If the desired outcomes suppose a level of effort on the part of individual actors that is unrealistic (e.g. because of resource limitations) then this must be identified in the course of a review, making it possible to ask how the specified efforts must be adjusted in order to 'add up' to the requirements appropriately. For instance, such a review may lead to the identification of the need for additional resource flows to specific countries or for specific purposes or for the need for relevant policy adjustments. As argued by Reddy and Heuty (2005) such a system of review can link the determination of actions needed and an appropriate distribution of obligations that would facilitate those actions (including but going beyond obligations to provide financing).

¹⁵ For a specific example of the form that such a system could take, see e.g. Reddy and Heuty (2005).

¹⁶ For the distinction between goals of these different kinds see Reddy and Kvangraven (2015).

4. Making All Resources Count

A central focus of the Addis Ababa Agenda is to identify ways of generating adequate resources for projected sustainable development investment requirements. We can think of these requirements in turn as being possible to disaggregate into three primary components: mobilizing and making the best use of public resources, using private resources effectively and complementarily, and enhancing societal resources over time through sustainable, inclusive and endogenous economic growth. We consider these in turn.

a. Mobilizing and making the best use of public resources

Raising sufficient public resources for development depends on there being a supportive domestic and international context for such resource generation. For instance, it requires attention to the aspects of the global economic environment that support or detract from public resource mobilization efforts. For instance, international policy and tax coordination can increase feasible taxation levels (by changing the likelihood of reductions in the tax base due to capital movements) as well as decrease losses arising from tax avoidance and evasion. The global economic environment can also encourage or discourage the adoption of a more expansionary fiscal stance through its policy framework for determining the stringency of foreign exchange, fiscal and monetary constraints. For example, the demand of developing countries for greater SDR allocations can be seen in this light. At the national level, a comprehensive review of revenue generation approaches is needed, to modernize tax collection methods and to update the infrastructure of tax collection so as make fuller use of the available tax handles. The success of specific developing countries in this regard shows that unused possibilities may be significant.¹⁷

A similar issue arises in regard to how to spend the available resources. Where detailed questions of how best to choose to deploy available resources are often an aspect of sectoral development policy. However, the presence of wastage in government, often in a cross-cutting fashion, raises systemic issues concerning how to decrease leakages and improve resource use, including through measures to reduce corruption.

b. Using private resources effectively and complementarily

In recent decades, as noted earlier, gross private resource flows to developing countries have come substantially to surpass public flows. The policy framework in many developing countries has also become more encouraging of private flows. As a consequence, it has seemed necessary to ask to what extent private flows can

¹⁷ Brazil is one noteworthy case, possessing both a higher level of tax revenue relative to national income than other Latin American countries, and having had a considerable rate of increase of tax revenues. See e.g. OECD/ECLAC/CIAT (2012).

provide for the investments needed in sustainable development. Various Financing for Development conferences, most recently in Addis Ababa, have understandably drawn attention to this question, and adopted a progressively more favourable attitude toward private flows. Nevertheless, the question of whether and to what extent private flows can play the role required should be approached analytically, after a suitably disaggregated view of the kinds of flows required and the likelihood of their being provided by various kinds of actors. For instance, it seems much less likely that private flows can directly provide adequate resources for basic social investments in the education or health sectors or than that they can directly provide for infrastructural investments. Indeed, even within such sectors as infrastructure, they are more likely to provide for certain kinds of investments (e.g. large-scale infrastructure for which cost recovery through user charges is likely to be possible) than for others (e.g. rural roads or waste disposal systems, for which there are substantial but diffuse benefits and for which user charges may be difficult or undesirable to impose). It is more likely that private flows will be of indirect use insofar as they will enable governments to free resources for use in sectors other than those to which the flows enter. The likely benefit to individual countries over the SDG period is likely to vary greatly, if the historical pattern, in which flows have disproportionately benefitted certain countries, provides any indication. From this perspective too, a reliance on private flows to meet sustainable development investment requirements is likely to prove unsatisfactory.

c. Enhancing resources over time through sustainable, inclusive and endogenous economic growth

The most effective means of raising resources for sustainable development, and of doing so in a sustainable fashion, is to unlock the conditions for countries to enter a self-sustaining cycle of endogenous economic growth. Doing so may require a suitable policy framework, institutional reforms, and strategic investments. The requirement for external financing of sustainable development investments can be expected to decrease over time if such an approach is successful, which enhance the case for 'front-loading' of such external investments as do take place. The exact formula of the 'elixir of economic growth' is unknown, and so any program of investments and policy reforms aiming at developing such a process must allow for revisions in light of experience. A periodic external audit of national policies and investment strategies in light of whether they are growth enhancing, accommodating plural perspectives as to what factors underpin the development process, can be a part of a suitable strategy for sustainable development.

5. The Means of Implementation

The SDGs can only be achieved through suitable means of implementation. Some of the possible means have been identified as part of the formal definition of the SDG targets. However, it is self-evident that the means required must go beyond these and encompass a much larger range of supportive actions. (To take one example,

where SDG 4 aims to “Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all” the means explicitly identified to promote it are three-fold, viz. “4.a Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all, 4.b By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries 4.c By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially least developed countries and small island developing States”. On any reasonable account, these measures, although they would be valuable, are quite partial and would be grossly insufficient to attain the goal as a whole.

As such, the periodic assessment of progress toward the goals in each regional and national context is essential. Such an assessment should provide for each goal and context a comprehensive inventory of relevant circumstances, existing or planned policies and actions bearing upon the attainment of the goals. It is in the essence of such an exercise that the role ascribed to individual means must be permitted to vary according to changing circumstances as well as available knowledge as to what is most likely to be helpful. The identification of the ‘binding constraints’ in a given circumstance is one way to think of the need to take note of such contextual variation.¹⁸ The form of review required is “high dimensional” in the sense that it must involve a sufficiently comprehensive portrayal to have contextual value and operational relevance. At the same time, there must be possibilities for “feedback” from such contextual assessments (local and national) to the determination of the means of implementation at cross-national (regional and global) level that can have the greatest benefit and that should be the focus of efforts. A clear implication is that there must be means of monitoring and periodic review as well as explicit identification of required actions to identify and enhance the means of implementation. It is thus necessary to see the identification of means of implementation as an ongoing process rather than as a one-off initial specification. This process must involve a process of diagnosis at multiple levels of the global system as well as communication between these levels, therefore extending over both time and space. The most effective institutional form of such a process is likely to be some form of institutionalized review involving peers and partners (such as international organizations). To ensure that it is sufficiently substantive the process should incorporate broad-based stakeholder participation extending beyond governments and official representatives.

¹⁸ In this connection, see the important literature on growth diagnostics, e.g. Hausman, Rodrik and Velasco (2005), Rodrik (2007) and Hausman, Klinger and Wagner (2008).

6. Coordinating actors with diverse interests and aims: the political economy of goal attainment

Implicit in the formulation of global development goals is the hope that they can play a useful role in motivating diverse actors or in helping them to coordinate. However, such coordination cannot be assumed to happen automatically, merely because goals, or even targets and indicators, have been announced or accepted. To serve such a role, a goal must be a subject of explicit reference in the work programmes of these actors as well as of explicit coordination. However, whether actors have an incentive to pursue a specific goal may depend on a complex range of factors including whether perceived marginal gains are greater elsewhere (e.g. with reference to a distinct goal or indeed a non-goal objective) and whether and how the attribution of achievements or shortfalls is likely to affect specific actors (in effect, whether there is a common pool problem in regard to achievement or attribution). The lesson that emerges is once again that an institutional mechanism for structuring such coordination, going beyond the mere statement of the goals themselves, is essential.

7. The value of flexibility in the interpretation of the goals and the roles assigned to targets and indicators

Goals and targets can be directive but detract from broader aims of ultimate importance, and provide insufficient flexibility, due to their specificity. Alternatively, they can be general enough to capture aims of ultimate importance, and provide needed flexibility, but fail to be directive. (See Reddy and Kvangraven (2015) on the concept of a paradox of specification¹⁹). Between these two errors, the former is rather more serious, insofar as it threatens to cause the misdirection of resources and efforts. There is therefore quite a strong case for adopting flexibility in the interpretation of the goals (especially in regard to which targets are to be foregrounded in specific contexts) while recognizing that diverse targets have been identified precisely to capture the diverse considerations that are of evaluative importance, that cannot be reduced one to the other. For instance, it might be appropriate to give greater weight to a target involving the reduction of child mortality than to one reduction of the incidence of a specific disease, if data on the latter is not available or if it is known to be not greatly prevalent in a specific context. On the other hand, deaths from a specific illness or cause of death (e.g. maternal mortality) can draw our attention to overlooked concerns of a pressing kind, for which goals can have a valuable epistemic and motivational (and perhaps also coordinative) purpose.

¹⁹ On the one hand, highly abstract goals are not confining but lack directive implication. On the other hand, highly specific goals possess directive implication may be very confining.

8. Building Upon the Addis Ababa Action Agenda: Specific short-term and medium-term proposals for monitoring and enhancing progress and implementation

In order to achieve development goals, it is necessary to form a realistic framework for identifying actions and policies that can generate the required cumulative progress over successive relevant time horizons. Such actions and policies must be identified for each national context but it must also be determined that they cumulate appropriately at the global level. In other words, they must be found to be suitably coherent and summative both over space and over time.

Since in the complex global environment it is unrealistic to suppose that a determination of such compatibility or aggregation through any form of joint determination. Instead, it is desirable to look for mechanisms that can achieve the requisite coherence and goal orientation through appropriate forms of review and revision of decentralized decision-making. An institutional framework for facilitating such a process might include the following elements:

- Periodic review and revision of actions and policies
- Assessment of coherence and cumulation over time
- Assessment of coherence and aggregation over space

The system of Voluntary National Reviews envisioned as a part of the 2030 Agenda can help to actualize peer and partner review, in order to achieve these goals. To the extent that it encourages countries to formulate explicit inventories of actions and policies, which are then opened to public notice and deliberation, it can be more successful in these functions. These inventories ought to be reviewed both within each country and beyond it, through the involvement of the general public, civil society actors, relevant experts, and appropriate government agencies and multilateral organizations. The review process, in order to be most effective, ought to include an assessment of the likelihood of specific national plans helping to realize particular goals over the required time scale as well as of national plans supporting goals at the global level. Recommendations arising from the review process can be used to inform and influence revisions of actions and policies during the period of the goals. Among the actions and policies to be shaped by the review process would be allocation of resources, insofar as the review would help to identify what is the scale of resources required to be generated and expended in order realistically to attain the goals on a country by country basis and indeed globally. Indeed, such a process is not only potentially beneficial but is necessary in order to ensure that decentralized national activities in support of the SDGs cumulate adequately, and are supported by the international system in the manner that is necessary.

The overall orientation of such an approach ought to be to facilitate decentralized-innovation and context-appropriate choice of actions and policies, while also aiming to share lessons across contexts in order to foster learning, and to identify through

mid-course assessments what resources and adjustments to policies and actions are needed to cumulate to the attainment of the goals.

A review process of this kind can not only serve a vital epistemic role in determining what is needed to attain the goals but also play an important motivational role, as it can provide a public institutional mechanism for developing social legitimacy and shared understanding in regard to actions and policies aiming to promote the goals. For periodic Voluntary National Reviews to help in policy formulation, monitoring and revision, they must receive real scrutiny and generate meaningful debate which in turn enters the policy-making process within countries. Whether this will be the case remains to be seen.

REFERENCES

Atisophon, V. et al (2011), "Revisiting MDG Cost Estimates from a Domestic Cost Mobilization Perspective", OECD Development Centre Working Paper No. 306, available on <http://www.oecd.org/social/poverty/49301301.pdf>.

Baker, R. and E. Joly (2008), "The Issue of Illicit Financial Flows", *Commentaire*, Vol. 31, No. 124.

Barry, C. (2005), "Applying the Contribution Principle", *Metaphilosophy*, Vol. 36, Issue 1-2, pp. 210-227.

Friedman, H. S. (2013), "Causal Inference and the Millennium Development Goals (MDGs): Assessing Whether There Was an Acceleration in MDG Development Indicators Following the MDG Declaration", MPRA Paper 48793. Available on: http://mpra.ub.uni-muenchen.de/48793/1/MPRA_paper_48793.pdf

Fukuda-Parr, S., J. Greenstein & D. Green (2013), 'How Should MDG Success and Failure be Judged: Faster Progress or Achieving the Targets?', *World Development*, vol. 41, pp. 19-30.

Hart, H.L.A. and A.M. Honore (1959), *Causation in the Law*, Oxford: Clarendon Press.

Hausman, R., B. Klinger and R. Wagner (2008), "Doing Growth Diagnostics in Practice: A 'Mindbook'", CID Working Paper No. 177, available on <http://www.hks.harvard.edu/content/download/69216/1249674/version/1/file/177.pdf>

Hausman, R., D. Rodrik, and A. Velasco (2005), "Growth Diagnostics", working paper available on <http://www6.iadb.org/WMSFiles/products/research/files/pubS-852.pdf>

Jayadev, Lahoti and Reddy (2015), "Who Got What, Then and Now? A Fifty Year Overview from the Global Consumption and Income Project," working paper, available on http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2602268

Jerven, M. (2014), "Data for Development: Benefits and Costs of the Data for Development Targets for the Post-2015 Development Agenda", available on www.copenhagenconsensus.com/sites/default/files/data_assessment_-_jerven.pdf

Millennium Project (2005), *Investing in Development: A Practical Plan to Achieve the Millennium Development Goals*, London: Earthscan.

OECD/ECLAC/CIAT (2012), "Brazil Country Note", in *Revenue Statistics in Latin America*, Paris: OECD Publishing, available on http://www.oecd.org/ctp/tax-global/Brazil%20country%20note_EN_final.pdf

Pearl, J. (2009), *Causality: Models, Reasoning and Inference*, second edition, Cambridge: Cambridge University Press.

Reddy, S. (2011), "The Emperor's New Suit: Global Poverty Estimates Reappraised", in *Poor Poverty: The Impoverishment of Analysis, Measurement and Policies*, Ed. Anis Chowdhury and Jomo KS, London: Bloomsbury. Circulated previously as DESA Working Paper No. 79 (2009).

Reddy, S. and A. Heuty (2005), "A Forceful Message, but Will it End Poverty?", *The Hindu*, April 22nd, 2005, available on <http://www.thehindu.com/2005/04/22/stories/2005042202131000.htm>

Reddy, S. and I. Kvangraven (2015), "Global Goals: If at All, Why, When and How?", working paper available on http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2666321

Reddy, S. and R. Lahoti (2016) "\$1.90 a Day: What Does it Say?", *New Left Review*, Vol. 97, Jan Feb.

Reddy, S. and C. Minoiu (2007), "Has World Poverty Really Fallen?", *Review of Income and Wealth*, Series 53, No. 3.

Rittel, H. and M. Webber (1973), "Dilemmas in a General Theory of Planning", *Policy Sciences*, Vol. 4, pp. 155-169.

Rodrik, D. (2007), "Doing Growth Diagnostics Well", available on http://rodrik.typepad.com/dani_rodriks_weblog/2007/11/doing-growth-di.html

Sabel, C., G. de Burca and R. Keohane (2014), "*Global Experimentalist Governance*" in *British Journal of Political Science*, Vol. 44, No. 03.

Sachs, J. (2005), *The End of Poverty: Economic Possibilities for Our Time*. New York: Penguin Books.