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Priority setting – or rather not? Positive concerns for SDGs

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Priority setting – or rather not? Positive concerns for SDGs

Bonn, 12 September 2016. No priority is the priority – this seems to be the *modus operandi* for the implementation of the Sustainable Development Goals (SDGs) adopted in September of last year. No doubt, it is essential to understand that in today's world of interconnected complex systems, the causes of some of the major economic and social failures can be traced to alarming environmental distress such as climate change. There is not much leeway to deny that we are living in the Anthropocene – the epoch in which human activity is primarily responsible for the changes in the Earth's climate and biodiversity.

Climate change threatens livelihoods. This needs to be addressed immediately. However, the legitimate question of whether and how to prioritize the various development goals of the agenda's three pillars – economic, social and environmental sustainability – arises particularly in the developing and least developed countries. For a resource constrained developing country, a value-based development standard like the Agenda 2030 is in the end a critical economic challenge.

While it is crucial to understand the ethical merit behind the idea 'no priority is the priority', it is not very difficult to recognize a natural pattern of crudely ordering these three pillars of development: For the developing world the priority is economic first, then social and then environmental. Any other understanding of development priority – or even an emphasis on holistic development – requires strong democratic leadership and coherent policy dialogues; not only between the developing countries and the international institutions like the International Monetary Fund (IMF), the World Bank (WB) or the United Nations. This dialogue also has to occur within these international institutions.

Many developing countries have reservations about the transition towards a green economy. This stance was reflected for instance in the 2011 five-year growth strategy document of Pakistan. It focused on achieving economic growth by enhancing productivity through better governance, market development, and competitiveness. There was a very limited emphasis on social inclusion. Sustainability measures were not mentioned at all. Although the recent roadmap document Pakistan 2025 raises the issue of inclusive growth and environmental concerns, it still conforms to the priority order mentioned above.

The set of macroeconomic policy measures that has been prescribed by the IMF and WB to achieve economic growth in developing countries – known as the Washington Consensus – does squeeze the budget for

social progress. Austerity measures have been highly criticized by economists like Amartya Sen and Paul Krugman in the context of the potential exit of Greece from the Eurozone and the impending Brexit. This debate becomes particularly relevant in the context of the Agenda 2030. Amartya Sen has repeatedly been arguing in favour of an increase in social sector spending in order to create 'capability' in developing countries. He argues that India cannot develop with an uneducated and unhealthy labour force. India and Pakistan ranked 130 and 147 respectively out of 188 countries in the 2014 Human Development Index. Yet India has cut its already very low budget allocation to health and education in the past two years. In July this year, at the meeting of the G20 finance ministers and central bank governors in Chengdu (China), the IMF suggested that countries like the United States and Germany should spend more on infrastructure to help boost global growth. This statement can indicate a strengthening of fiscal policy responses globally, which is an important step towards a coherent international policy effort for achieving the SDGs.

Having no priority in implementing the SDGs leaves space for economic growth to be the means and eventually the 'end in itself'. The strong possibility is that the holistic development we are aspiring to achieve by 2030, will be impossible without a prioritization of the 17 ambitious SDGs. And without the notion of priority it may also be very confusing and chaotic for the implementing authorities – no matter how specialized they are.

The 'no priority policy' can also be stressful to the local needs and preferences springing from culture, history, and traditions. Bhutan for instance – the only carbon negative country in the world – had the clear preference of achieving 'happiness' over economic growth; a choice that is fundamental and inspiring. The country invested and financed innovatively in ensuring good health and education to its citizens. The country has achieved one of the highest per capita gross national income (US\$ 2409 in 2014) in South Asia over the past decade and a half.

We can overlook the problem of priority in implementing the SDGs in developing countries and continue to campaign for no priorities. But in the end, the resource constraints will reveal the preference, which may not be the outcome that we are aspiring to. Therefore, the ideal would be to recognize the priority problem and undertake an analytical scrutiny for a probable weighing scheme. The task will be to map the universal goals to national needs. This exercise is complex and challenging. But can we afford to delay it?