



# GOAL 10 AND OTHER SDGS (5, 8, 13, 16) : PERSPECTIVES FROM EUROPE- LINKAGES BETWEEN SDG

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# ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

## GOAL 5

- While some forms of discrimination against women and girls are diminishing, gender inequality continues to hold women back and deprives them of basic rights and opportunities. Empowering women requires addressing structural issues such as unfair social norms and attitudes as well as developing progressive legal frameworks that promote equality between women and men. While this is an admirable goal, it is still worded in a way that may not necessarily accomplish the goal of reducing inequality even if the target is met.
  - Based on 2005–2016 data from 56 countries, 20 per cent of adolescent girls aged 15 to 19 who have ever been in a sexual relationship experienced physical and/or sexual violence by an intimate partner in the 12 months prior to the survey.
  - Globally, around 2017, an estimated 21 per cent of women between 20 and 24 years of age reported that they were married or in an informal union before age 18. This means that an estimated 650 million girls and women today were married in childhood. Rates of child marriage have continued to decline around the world. In Southern Asia, a girl's risk of marrying in childhood has dropped by over 40 per cent since around 2000.
  - Around 2017, one in three girls aged 15 to 19 had been subjected to female genital mutilation in the 30 countries where the practice is concentrated, compared to nearly one in two around 2000.
  - Based on data between 2000 and 2016 from about 90 countries, women spend roughly three times as many hours in unpaid domestic and care work as men.
  - Globally, the percentage of women in single or lower houses of national parliament has increased from 19 per cent in 2010 to around 23 per cent in 2018.

## PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL GOAL 8

- Globally, labour productivity has increased and the unemployment rate has decreased. However, more progress is needed to increase employment opportunities, especially for young people, reduce informal employment and labour market inequality (particularly in terms of the gender pay gap), promote safe and secure working environments, and improve access to financial services to ensure sustained and inclusive economic growth.
  - In 2016, real gross domestic product (GDP) per capita grew at 1.3 per cent globally, less than the 1.7 per cent average growth rate recorded in 2010–2016. For LDCs, the rate fell sharply from 5.7 per cent in 2005–2009 to 2.3 per cent in 2010–2016. Around 2017, one in three girls aged 15 to 19 had been subjected to female genital mutilation in the 30 countries where the practice is concentrated, compared to nearly one in two around 2000.
  - Labour productivity at the global level, measured as output produced per employed person in constant 2005 US dollars, grew by 2.1 per cent in 2017. This is the fastest growth registered since 2010.
  - Globally, 61 per cent of all workers were engaged in informal employment in 2016. Excluding the agricultural sector, 51 per cent of all workers fell into this employment category.
  - Data from 45 countries suggest that gender inequality in earnings is still pervasive: in 89 per cent of these countries, the hourly wages of men are, on average, higher than those of women, with a median pay gap of 12.5 per cent.
  - The global unemployment rate in 2017 was 5.6 per cent, down from 6.4 per cent in 2000. The decline has slowed since 2009, when it hit 5.9 per cent. Youth are three times more likely to be unemployed than adults, with the global youth unemployment rate at 13 per cent in 2017.
  - In high-income countries, almost every adult has an account at a bank or other financial institution, compared to only 35 per cent of adults in low-income countries. Across all regions, women lag behind men in this regard.

PROMOTE PEACEFUL AND INCLUSIVE SOCIETIES FOR SUSTAINABLE DEVELOPMENT, PROVIDE ACCESS TO JUSTICE FOR ALL AND BUILD EFFECTIVE, ACCOUNTABLE AND INCLUSIVE INSTITUTIONS AT ALL LEVELS

GOAL 16

- Many regions of the world continue to suffer untold horrors as a result of armed conflict or other forms of violence that occur within societies and at the domestic level. Advances in promoting the rule of law and access to justice are uneven. However, progress is being made in regulations to promote public access to information, albeit slowly, and in strengthening institutions upholding human rights at the national level.
  - Nearly 8 in 10 children aged 1 to 14 years were subjected to some form of psychological aggression and/or physical punishment on a regular basis at home in 81 countries (primarily developing), according to available data from 2005 to 2017. In all but seven of these countries, more than half of children experienced violent forms of discipline.
  - More than 570 different flows involving trafficking in persons were detected between 2012 and 2014, affecting all regions; many involved movement from lower-income to higher-income countries.
  - In 2014, the majority of detected trafficking victims were women and girls (71 per cent), and about 28 per cent were children (20 per cent girls and 8 per cent boys). Over 90 per cent of victims detected were trafficked for sexual exploitation or forced labour.
  - The proportion of prisoners held in detention without being sentenced for a crime remained almost constant in the last decade: from 32 per cent in 2003–2005 to 31 per cent in 2014–2016.

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GOAL 16

- Almost one in five firms worldwide report receiving at least one bribery payment request when engaged in regulatory or utility transactions.
- Globally, 73 per cent of children under 5 have had their births registered; the proportion is less than half (46 per cent) in sub-Saharan Africa.
- At least 1,019 human rights defenders, journalists and trade unionists have been killed in 61 countries since 2015. This is equivalent to one person killed every day while working to inform the public and build a world free from fear and want.
- Freedom-of-information laws and policies have been adopted by 116 countries, with at least 25 countries doing so over the last five years. However, that implementation remains a challenge.
- Since 1998, more than half of countries (116 of 197) have established a national human rights institution that has been peer reviewed for compliance with internationally agreed standards (the Paris Principles). However, only 75 of these countries have institutions that are fully compliant.



# INEQUALITY: GOAL 10

# INCOME EQUALITY ALONE IS NOT HELPFUL TO REACH SOCIETAL EQUALITY: GOAL 10

Goal 10: Reduce inequality within and among countries. Target 10.1 ostensibly deals with reducing income inequality: progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average.”

- While this is an admirable goal, it is still worded in a way that may not necessarily accomplish the goal of reducing inequality even if the target is met.
- Take the United States for example, where much of the income growth of the past decades has accrued to the top one per cent of the income bracket, while at the same time income growth for middle and lower quintiles has grown much more slowly. Even if the bottom 40 per cent were to see their incomes grow at faster than average, by the nature of averaging, income inequality could still be rising if the share of the income at the top is rising faster and the share of the quintiles in the middle is declining. OECD findings also on Europe confirm this fact.



# INEQUALITY – ACCORDING TO THE WORLD INEQUALITY REPORT 2018

- Income inequality has increased in nearly all world regions in recent decades, but at different speeds. The fact that inequality levels are so different among countries, even when countries share similar levels of development, highlights the important roles that national policies and institutions play in shaping inequality.
- The global top 1% earners has captured twice as much of that growth as the 50% poorest individuals.

# INEQUALITY

- Economic inequality is largely driven by the unequal ownership of capital, which can be either privately or public owned. Since 1980, very large transfers of public to private wealth occurred in nearly all countries, whether rich or emerging. While national wealth has substantially increased, public wealth is now negative or close to zero in rich countries. Arguably this limits the ability of governments to tackle inequality; certainly, it has important implications for wealth inequality among individuals.
- The combination of large privatizations and increasing income inequality within countries has fueled the rise of wealth inequality among individuals. In Russia and the United States, the rise in wealth inequality has been extreme, whereas in Europe it has been more moderate.
- In a future in which “business as usual” continues, global inequality will further increase. Alternatively, if in the coming decades all countries follow the moderate inequality trajectory of Europe over the past decades, global income inequality can be reduced—in which case there can also be substantial progress in eradicating global poverty.

## INCOME GAPS AND INEQUALITY

- In 2016, the average per-adult annual income of the poorest half of the world population was €3 100, in contrast to the €16 000 global average a ratio of 5.2 between the overall average and the bottom-half average. In 2050, global average income will be €35 500 according to our projections. In the business-as-usual scenario, the gap between average income and the bottom would widen (from a ratio of 5.2 to a ratio of 5.6) as the bottom half would have an income of €6 300. In the US scenario, the bottom half of the world population earn €4 500 per year and per adult rising the global average income to bottom 50% income ratio of 7.9. Average income of the global bottom half will be €9 100 in the EU scenario, reducing the bottom 50% to average income ratio to 3.9.

# INEQUALITY: LACK OF ACCESS TO EDUCATION, HEALTH SERVICES AND MOBILITY

- Inequality has several dimensions disturbing the path to equality.
- : as for example in the excess of education, health services and social education. 264 million children and use of the age between 6 and 17 years have no access to education. (UNESCO) Very often education as well as access to good health services depend on the social background.
- Inequality is also by pay: there is still a big gender gap surely to pay an salary. This has negative effects. The participation of all human beings, the use of their economic and social potentials is crucial for sustainable development – regardless of age, sex, handicaps, ethnic, origin, religion and their economic and social status.



# INEQUALITY - CHALLENGES



## INEQUALITY - CHALLENGES

- The remarkable political polarization in much of the Western world in recent years has been a rude awakening for political and economic elites. Populism and political polarization were considered impossible only ten years ago. But the rise of governments pursuing increasingly nationalistic policies, coupled with strong right-wing and left-wing extremist parties, has affected most Western countries. It has also induced soul-searching for the causes of a growing dissatisfaction among citizens. There is increasing evidence that the rise in economic and social inequality has played a major role in these political developments.
- In the field of economics, inequality in income and wealth distribution had a long been considered an esoteric topic. Then the blame was put on globalization as the main culprit and insisted that national policymakers could do little about it. Rising inequality coincided in many countries with a stronger welfare state and an attempt to use redistribution to assist people who were left behind. This follows the neoclassical assumption that markets generally work as does deregulation when market participants self-regulate. Completely wrong!

# OXFAM REPORT FOR DAVOS 2019

# INEQUALITY – CHALLENGES – GERMANY A COUNTRY OF ONEQUALITY

- Germany's social contract, its social market economy for the past seven decades, has aimed at spreading wealth and providing a broad social safety net for all groups of society. Yet a defining feature of Germany's new economy has been the sharp increase in inequality. In particular inequality of opportunities, as well as inequalities in wealth and income, are higher in Germany than in most other industrialised countries.
- Germany today is one of the most unequal countries in the industrialised world. This surprises many, as Germany had long pursued economic and social policies of moderation and redistribution. Germany faces three major "inequality puzzles". The first is a wealth puzzle: Germany has one of the highest per capita income levels in the world, and German citizens have a high propensity to save. This should logically mean that German citizens have been able to accumulate financial wealth, providing a safety net for retirement in one of the most rapidly ageing societies in the world. The facts, however, paint a very different picture. The financial wealth of the average household in Germany is one of the lowest in all of Europe, amounting to less than half of that in other euro countries.
- The bottom 40% of German households have barely any net wealth, after considering financial debt and other obligations. And in no other country of the euro area do the richest ten per cent of the population have a larger share of net wealth than in Germany.
- Germany has one of the highest levels of inequality in market incomes in Europe. The state is trying hard to reduce this inequality through a comparatively high level of redistribution via taxes and transfers.



## INEQUALITY – CHALLENGES – PROSPECTS FOR THE FUTURE ARE DETERIORATING

- The inequalities in opportunity, income and wealth have risen not only in Germany but also globally over the past several decades. And yet, the increase has been steeper and the level of inequality has grown significantly higher in Germany. Moreover, many indicators project a continued increase in the coming decades. This leads to a vicious cycle in which a lack of equal opportunity itself raises inequalities further.
- More privileged people are able to invest more in education, thus further entrenching inequalities in income and wealth. This also makes it more difficult for less privileged people to get access to good jobs and opportunities. This spiral will intensify if policymakers do not counteract it by providing a level playing field in education and the functioning of the labour market.
- As Joseph Stiglitz has shown, globalisation will continue to benefit those with high skills and qualifications in particular, while it disadvantages those with fewer skills and less education.

# INEQUALITY – CHALLENGES – THE TASK OF POLICYMAKERS

- Two solutions emerge. First: a lower degree of inequality is in the shared interest of all groups in society, not just a few. The detrimental fight for redistribution, which we have been experiencing with increased intensity in recent decades, will further increase until we realise and react to this fact.
- Second, the lack of equality of opportunity is Germany's most important economic and social problem today. It is highly inefficient and counterproductive to deprive citizens of opportunities and then to try and compensate them later through an inefficient and costly system of redistribution via high taxes and transfers. Moreover, freedom has no financial price tag, as financial transfers cannot compensate for the deprivation of opportunities.
- Policymakers need to shift their efforts towards fundamentally changing the German education system and removing other barriers to social and economic mobility. This would also include making the current system of redistribution more efficient and targeted, and thus more successful in reducing harmful inequality. This would ultimately make the size of the economic benefits bigger for everyone, via higher and more equitable growth.

# GENDER EQUALITY AND INEQUALITY

- “The pursuit of gender equality must be a priority to achieve sustainable, inclusive growth for the benefit of every citizen...There is no reason for women to trail behind men in social, economic, and political outcomes. Countries need to do much more to reach the gender equality goals.” (OECD)
- OECD countries identified the three most important gender inequality issues: violence against women, the persisting large gender wage gap, and the unequal sharing of unpaid work. New example: Many countries are now prioritizing these issues in policy, and many are also pushing to get more women into public and private sector leadership.

# GENDER EQUALITY AND INEQUALITY

- Nonetheless, gender gaps persist in all areas of social and economic life across countries, and the size of these gaps has often changed little in recent years. While today young women in OECD countries leave school with better qualifications than young men, they are less likely to study in the higher earning STEM-related fields.
- Women's labour force participation rates have moved closer to men's rates over the past few decades, but in every OECD country women are still less likely than men to engage in paid work. When women do work, they are more likely to do it on a part-time basis, are less likely to advance to management positions, are more likely to face discrimination, and earn less than men. The median female worker earns almost 15% less than her male counterpart, on average, across the OECD – a rate that has barely changed since 2010.
- Women are less likely to be entrepreneurs, and female-owned businesses tend to earn less than male-owned ones. Gender gaps tend to increase with age, reflecting the crucial role that parenthood plays in gender equality. Much more than fatherhood, motherhood typically has sizable negative effects on workforce participation, pay and career advancement. Gender inequalities pervade public life, as well: women are underrepresented in political office, holding less than one-third of seats in lower houses of national legislatures, on average, in the OECD.
- Affirmative action is needed but alone is insufficient to bring about gender equality. Countries also need to invest in female leadership opportunities through for example mentoring opportunities and network supports. At the same time male role models in senior management need to drive the change in gender stereotypes and norms that continue to hamper women's access to leadership.

## GOAL 10

### *Women are more likely than men to live on less than 50 per cent of the median income*

- Global inequality has fallen in recent years, but under-reporting of top incomes suggests the downward trend is at best marginal. The global Gini index stood at 70, 5 per cent in 2008 but could be as high as almost 76 per cent when adjusted for the under-reporting. It is estimated that between 1988 and 2008, 44 per cent of the global income gains in either relative or absolute terms.
- Global economic growth has contributed to a decline in poverty but has done so unevenly, with polarizing effects on the distribution of income within countries. While the extent of global inequality within countries is well documented. In countries income inequality is at its highest level of the last half century. In developing countries, income inequality rose by 11 per cent between 1990 and 2010.
- Inequality within the household – for example, between woman an men – is strong contributing factor to the overall income inequality in society, accounting for up to 30 per cent according to recent study. Women generally earn less than men (see SDG 8), have access to fewer assets and consequently have less wealth than men. Across countries, women are more likely than men to live below 50 per cent pf the median income.
- The largest gender differences are found in the Republic of Korea, South Africa and the United States. In all the countries in the sample, single-, other households are most likely to fall below 50 per cent median income mark. The United States stands out with the highest proportion of single-mother households (44 per cent) falling below the 50 per cent median income mark (followed by Brazil and South Africa with 43 per cent and Luxembourg, Italy and Spain with 42, 41 and 40 per cent, respectively).