

GETTING TO ZERO

How we can be the generation
that ends poverty



Save the Children

Cover photo: Olivia from Malamu, Liberia. Save the Children is supporting life-saving healthcare in this rural area.
(Photo: Aubrey Wade/Save the Children)

GETTING TO **ZERO**

How we can be the generation
that ends poverty

Save the Children works in more than 120 countries.
We save children's lives. We fight for their rights.
We help them fulfil their potential.

Acknowledgements

This report was written by Lisa Horner and Grace Kite, with support from Elizabeth Stuart, Brendan Cox and many other colleagues across Save the Children. We would like to thank Andy Sumner (King's College London), Alex Cobham and Charles Kenny (Center for Global Development), Richard Morgan and Martin Evans (UNICEF), Andrew Shepherd (Overseas Development Institute), and Tom Slaymaker (WaterAid) for their thoughtful comments and inputs.

A technical report by Grace Kite, detailing the research methodology and findings that informed this report, and an input paper on effective enrolment in education in nine African countries by Nicholas Spaul and Stephen Taylor can be found at www.savethechildren.org.uk/resources/online-library/getting-zero

Published by
Save the Children
1 St John's Lane
London EC1M 4AR
UK
+44 (0)20 7012 6400
savethechildren.org.uk

First published 2013

© The Save the Children Fund 2013

The Save the Children Fund is a charity registered in England and Wales (213890) and Scotland (SC039570). Registered Company No. 178159

This publication is copyright, but may be reproduced by any method without fee or prior permission for teaching purposes, but not for resale. For copying in any other circumstances, prior written permission must be obtained from the publisher, and a fee may be payable.

Typeset by Grasshopper Design Company
Printed by Page Bros Ltd

CONTENTS

Executive summary	iv
Report overview	vii
1 Introduction	1
A contribution to the zero goals debate	1
Our projections: accelerating progress to zero	2
2 What do we mean by ‘getting to zero’ and why is it important?	3
Inspiring action beyond ‘business as usual’	3
Achieving zero goals fulfils human rights	3
Defining ‘preventable’ child mortality	4
Additional reasons to strive for zero on extreme multidimensional poverty	4
3 Our research approach	8
The role of growth, income inequality and income poverty in our projections	9
Why focus on income inequality?	9
Governance: a complex phenomenon to measure	10
The importance of environmental sustainability	11
Illustrative findings, not concrete forecasts	11
4 What will it take to get to zero by 2030?	13
Reducing income inequality could accelerate progress towards zero	15
Effective and accountable governance bends the curve even further	16
Going the last mile to zero	16
Fragile and conflict-affected states	21
5 Why are inequality and governance so critical?	23
Income inequality	23
The importance of accountable and effective governance	29
6 What does this mean for the post-2015 framework?	32
Zero goals must be included that finish the job the MDGs started	32
Tackling inequality must be a core objective and be embedded in every aspect of the new framework	33
Goals, targets and indicators must be included on open, accountable and inclusive governance	33
Data to track progress must be collected that is reliable, comparable and disaggregated	33
The framework must be financed	34
All countries and development partners must play their roles in achieving zero goals and advancing global sustainable development	34
7 Conclusion	35
Endnotes	36

EXECUTIVE SUMMARY

At the turn of the 21st century, world leaders promised through the Millennium Declaration to build a more peaceful, prosperous and just world, and to do everything in their power to free the world from poverty. This promise was crystallised in the Millennium Development Goals (MDGs), a set of concrete poverty reduction goals and targets to be achieved by the international community by 2015.

Since their launch in 2002, the MDGs have helped spur unprecedented rates of progress in poverty reduction and human development. The number of people in the world living in absolute poverty – at below \$1.25 a day – halved between 1990 and 2010. Child mortality has fallen by 41%, with 14,000 fewer children dying each day than in 1990. The number of children out of school has nearly halved since 2000.¹

We are now at a critical juncture in the history of human development. An end to extreme poverty is within our reach. The process that is under way to define a new post-2015 development framework to replace the MDGs presents us with a unique opportunity to grasp this vision and translate it into reality.

It is therefore essential that the global development framework that succeeds the MDGs is bold and ambitious – capable of driving forward transformative and sustainable action that is needed to eradicate extreme poverty and fulfil the rights of all children. It is in this spirit that Save the Children is proposing a number of 'zero goals' for the post-2015 framework, which aim to finish the job that the MDGs started, through eradicating specific dimensions of poverty. We initially presented these zero goals in *Ending Poverty in Our Generation*, a report laying out our vision for the post-2015 framework.² The goals included achieving:

- an end to income poverty at levels of below \$1.25 and \$2 a day
- an end to preventable maternal and child mortality, with no mother or child dying from diseases that can be easily treated, or from a lack of access to good-quality health services
- an end to hunger
- an end to people not being able to access improved drinking water and sanitation
- an end to children being out of school, or leaving school without good learning outcomes.

While agreement is emerging that a zero goal for income poverty should be included in the post-2015 framework because it is attainable, at least at the \$1.25-a-day level, questions have been raised as to whether zero goals (or to put it another way, 100% attainment targets) to end other critical dimensions of poverty are achievable.

As a contribution to this important debate, this report makes the case that, provided certain conditions are in place, most of these zero goals *can* be achieved by 2030. To do so, governments must become resolute about addressing income inequality and improving governance. In addition, concerted effort will have to be made to scale up key poverty reduction programmes to reach the poorest and most marginalised groups, particularly in sub-Saharan Africa and in conflict-affected and fragile states.

The aim of the research presented in this report was to project future rates of change for several dimensions of poverty, to see whether zero goals could realistically be achieved under 'business as usual' trajectories. If not, we wanted to assess whether making macro-level improvements in the distribution of income and quality of governance might help to bend the curve towards zero. To do this, we projected, up to 2030, current global trends in rates of change in child mortality, access to water and sanitation, and educational attainment, in three different inequality and governance scenarios: 'business as usual', 'tackling income inequality', and 'tackling both income inequality and governance'.

We found that if current trends in income inequality continue and the quality of governance remains static, we are highly unlikely to see the achievement of zero goals by 2030, even with strong economic growth. But this changes dramatically if we reduce income inequality to the lowest level that each country has seen in the past 30 years, and improve governance. In this scenario we see poverty rates fall to within 1 and 6 percentage points of zero across all of our focus areas. We find that by 2030 we could:

- bring global child mortality rates down to 20 per 1,000 live births (our proposed upper threshold for deaths that can be deemed preventable), saving 1.8 million children's lives a year³
- ensure that 99% of the world's people have access to improved water – the equivalent of nearly 280 million more people than under 'business as usual' conditions
- increase the coverage of improved sanitation facilities to 94%, reaching 920 million more people than in our 'business as usual' scenario
- ensure that 98% of children who start primary school reach the final grade.

So if governments make the changes in income inequality and governance required under our projection scenarios, the battle to get to zero will be almost won. **However, our assessment is that all countries can go the final mile and get to zero on these goals if, in addition to making the required changes to income inequality and governance, they work with development partners to scale up those poverty reduction programmes that make the biggest difference in the lives of the poorest and most marginalised groups.**

Of course, some regions, countries and population groups have much further to go than others. Our projections show that while rates of progress in Latin America and the Caribbean and South Asia could match or exceed global averages in our three scenarios, many countries in sub-Saharan Africa are likely to continue to carry a disproportionate burden of global multidimensional poverty. Countries that are experiencing or emerging from conflict are also likely to find it relatively harder than others to get to zero under the post-2015 framework. Conflict resolution and prevention are essential preconditions for the elimination of poverty.

However, no country or marginalised group needs to be excluded from a zero-path. The post-2015

framework should not set up high-burden countries to fail; it should set them up to succeed, through ensuring that they have access to effective development partnerships that can help them to harness the financial and technical resources they need in order to eradicate poverty once and for all.

The projections that we present in this report are of course illustrative. They incorporate only a small number of selected drivers of change at the macro level, and do not include factors that affect poverty rates at local and intermediate levels, such as access to specific medical treatments and public services, or urbanisation and migration patterns. We also do not attempt to predict the occurrence of events and trends that will speed up or slow down poverty reduction, such as conflict, technological change and economic shocks. One important area that we excluded from our analysis, because of a lack of appropriate indicators and data, was environmental sustainability, although we recognise that both getting to zero and staying there will depend on pursuing development pathways that respect planetary boundaries and tackle climate change.

Our analysis cannot be expected to paint a precise picture of the future. But it suggests that tackling income inequality and improving governance, coupled with scaled-up poverty reduction programmes to reach the poorest and most marginalised groups, will be essential for eradicating critical dimensions of poverty within a generation. This will not be easy, and will require courage and strong political leadership to correct the current course of change, orienting the world on to a direct, equitable and sustainable path to poverty eradication. This will not happen without support for national leadership from the international community. Getting to zero on multiple dimensions of extreme poverty is a shared commitment that must be made at the global level, with all countries being prepared to take responsibility to get us there.

The post-2015 framework has a critical role to play in driving forward this course-correction, articulating through its goals and targets the compelling idea that we could be the generation that ends extreme poverty. The process of defining the new framework therefore presents us with an opportunity that we cannot afford to miss: a chance to inspire a generation and to galvanise the international community into embracing the vision of ending critical dimensions of poverty once and for all, and, through zero goals, to translate this vision into reality.

UN member states must ensure that the post-2015 framework is structured to achieve these aims, including through the following:

- **Placing at the centre of the post-2015 agenda zero goals that finish the job the MDGs started.** These must include goals to:
 - eradicate extreme income poverty at levels of below \$1.25 and \$2 a day and reduce relative poverty
 - end hunger and ensure universal access to sustainable food, water and sanitation
 - end preventable child and maternal mortality and provide universal healthcare for all
 - ensure all children receive a good-quality education and have good learning outcomes
 - ensure all children live a life free from all forms of violence, are protected in conflict and thrive in a safe family environment
 - deliver sustainable energy to all.
- **Embedding the mission to tackle inequality in every aspect of the new framework.** This must include targets to spur pro-poor policy-making and tackle discrimination, and indicators to track reductions in income inequality between the top 10% and bottom 40% as well as differential rates of progress between advantaged and disadvantaged groups across all goal areas. As recommended by the High Level Panel on the post-2015 development agenda,⁴ no target must be deemed to have been met unless it is met for the poorest and most marginalised groups in society. Rates of progress should be published as part of the reporting process under the new framework, in order to monitor change and recognise success.
- **Including a stand-alone goal to advance open, accountable and inclusive governance,** with targets to improve transparency, participation, civil liberties, rule of law, efforts to fight corruption, and effective public service provision. Legal and political space for the free and independent operation of civil society must be preserved.
- **Putting systems in place for the collection of data that is reliable, comparable and disaggregated.** Improvements must be made in the coverage, quality, transparency and regularity of data collection, with all data being disaggregated by income, gender, ethnic, religious, rural/urban, regional, age and disability groups.
- **Ensuring that adequate financing is available for the complete eradication of extreme multidimensional poverty,** including through domestic resource mobilisation and commitment by donors to meet official development assistance targets. There must also be commitment from the international community to improve development effectiveness and to tackle illicit financial flows and other weaknesses in the international financial system that rob developing countries of vital resources.
- **Securing commitment from all development partners to do what it takes to advance sustainable development and get to zero on extreme multidimensional poverty,** including through policy coherence for development, working for environmental sustainability and tackling climate change.

REPORT OVERVIEW

This report presents the findings from projections of multidimensional poverty reduction rates to 2030, and places them in the context of wider debates about how best to structure and implement the post-2015 framework. In Chapter 2 we explore what we mean by the term ‘getting to zero’ and why it is such an important vision for the international community to embrace. Chapter 3 explains how we approached our post-2015 projections, looking at how we incorporated measures of economic growth, income poverty, income inequality and governance into our models.

Chapter 4 presents the results from our projections at the global level, demonstrating how tackling inequality and bolstering government effectiveness and accountability will be critical for getting to zero in the post-2015 era. We also look at some of the regional and country-level trends that underlie this bigger picture, and consider the potential for scaling up sector-specific poverty reduction strategies to ensure that even those countries that carry a disproportionate burden of the world’s poverty can get to zero by 2030.

In Chapter 5 we discuss why tackling income inequality and improving governance hold such strong potential for accelerating multidimensional poverty reduction; we look at what governments can do in practice to make progress in these areas. Chapter 6 examines how the post-2015 framework should be structured in order to make the vision of eradicating extreme multidimensional poverty by 2030 a reality.

Chapter 7 concludes the report. We argue that, while eradicating specific dimensions of extreme poverty within a generation will not be easy, it is a challenge that must be embraced, and that there is analysis to suggest it is not simply wishful thinking. Getting to zero is an inspirational vision, with the power to mobilise the global community to take the necessary action above and beyond business as usual. This vision must be embedded within the post-2015 framework through the inclusion of zero goals, motivating governments across the world to honour their Millennium Declaration promise to spare no effort in the global fight against poverty.

I INTRODUCTION

“We will spare no effort to free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty... We are committed to making the right to development a reality for everyone and to freeing the entire human race from want.”

(Millennium Declaration)

At the turn of the 21st century, the world’s leaders came together at the United Nations to reaffirm their commitment to working together to build a more peaceful, prosperous and just world. The result was the Millennium Declaration, through which governments promised to do everything in their powers to uphold fundamental principles of human dignity, including equity, and free the world from poverty.

This declaration gave birth to the Millennium Development Goals, a framework that crystallised these promises into concrete goals and targets to be achieved by 2015. Since their launch in 2002, these goals have helped to spur unprecedented rates of progress in poverty reduction and human development. The number of people in the world living in absolute poverty at less than \$1.25 a day halved between 1990 and 2010. Child mortality has fallen by 41%, with 14,000 fewer children dying each day than in 1990. The number of children out of school has nearly halved since 2000, from 102 million to 57 million in 2011.¹

Although much of this progress has been driven by rising prosperity in some of the world’s most populous countries, most notably China, poverty has fallen considerably in all developing regions over the past decade.² We are now one step closer to realising the vision that world leaders articulated through the Millennium Declaration: freedom from extreme poverty for all people. While we must not lessen our attention to an accelerated push to achieve the MDGs in 2015, the time is ripe to prepare for the final steps: to shape a post-2015 framework that finishes the job that the MDGs started – eradicating critical dimensions of extreme poverty once and for all.

It was in this spirit that Save the Children proposed a number of ‘zero goals’ in *Ending Poverty in Our Generation* – a report that sets out our vision for the post-2015 framework. Among those goals we proposed were:

- an end to income poverty at \$1.25 and \$2 a day levels
- an end to preventable maternal and child mortality, with no mother or child dying from diseases that can be easily treated, or from a lack of access to good-quality health services
- an end to hunger
- an end to people not being able to access improved drinking water and sanitation
- an end to children being out of school, or leaving school without good learning outcomes.

A CONTRIBUTION TO THE ZERO GOALS DEBATE

No one would disagree that these goals are desirable. However, there is much debate about what can feasibly be achieved in the 15 years that a post-2015 framework is likely to span. This report contributes to the debate by presenting results from new analysis to assess whether some of the zero goals (or 100% attainment targets) that we proposed in *Ending Poverty* could be achieved by 2030. Our focus is on the importance of tackling income inequality and improving the quality of governance in order to achieve these goals; we build on previous Save the Children research into the damage being caused to children across the world by the persistence and growth of multiple dimensions of inequality.³ We also consider the potential for countries to go the last mile to zero by scaling up their poverty reduction programmes to reach the poorest and most marginalised people.

The goal areas we have focused on in this report are: ending preventable deaths of children under the age of five; achieving universal access to improved water and sanitation; and ensuring that all children

who start primary school reach the final grade. Although there is insufficient international data to examine the feasibility of a 100% target for learning outcomes from education, we present new research from southern and east Africa to provide insights into current trends and potential rates of change. We also test our proposition that it will be feasible to halve stunting rates by 2030. We chose not to focus on ending hunger, for which there was inadequate data, or extreme income poverty, which others have addressed (see Boxes 1 and 3).

In this report we refer to our focus issue areas collectively as aspects of ‘extreme multidimensional poverty’. This is in order to distinguish the focus of our analysis on non-income dimensions of poverty from other studies that have projected future rates of change in income poverty. We, of course, recognise that our discrete set of focus issues does not constitute an exhaustive list of all of the different forms of deprivation and exclusion that make up multidimensional poverty. They are, however, critical dimensions of poverty that we believe can, and should, be eradicated under the post-2015 framework, and for which there is sufficient cross-country comparable data available to test this hypothesis.

OUR PROJECTIONS: ACCELERATING PROGRESS TO ZERO

To investigate the feasibility of achieving zero goals under the post-2015 framework, we projected rates of change across our selected dimensions of poverty to 2030 in different scenarios of economic growth, income inequality and governance.

We found that if current trends in income inequality continue, and indicators of the quality of governance remain static, we are highly unlikely to see the achievement of zero goals by 2030, even with strong economic growth. However, this picture changes dramatically if we reduce income inequality to the lowest level that each country has seen in the past 30 years, and if we make feasible improvements in accountability and effectiveness of governance. Using this scenario, we see poverty rates falling to within 1 to 6 percentage points of zero across all of our focus zero goal areas.

There are a number of ways in which income inequality interacts with multidimensional poverty,

including its effect on the amount of disposable income that poor people can spend on improving their health, their sense of self-worth and aspirations, and the extent to which they can influence public policies that affect their lives. Governance also has strong links with poverty reduction: effective and accountable governments are more likely to tackle poverty successfully through fiscal, monetary and social policy, and through ensuring access to good-quality basic services and infrastructure.

Our analysis is intended to provide illustrative insights into the potential macro-level impact of tackling income inequality and improving governance. This is a very important part of the picture, but of course we do not claim that it is the entire picture. In reality, our focus dimensions of poverty are closely related to each other; for example, malnutrition and inadequate water and sanitation are leading causes of child mortality. Change in one dimension, therefore, has the potential to accelerate change in others.

Multidimensional poverty rates are also affected by a wide range of additional factors, including – for example – discrimination against marginalised groups, the availability of particular medicines, food or educational materials, and norms and institutions that govern international trade and financial systems at the macro level. The inequality and governance scenarios that we model in our projections are likely to translate into change in some of these areas; for example, improvements in government accountability and effectiveness will probably have an impact on poverty rates through the provision of better-quality public services. But additional interventions to reach the poorest and most marginalised have the potential to accelerate rates of change over and above our scenarios, such as tackling discrimination, increasing the coverage of essential services and investing in the most marginalised communities, and increasing the amount of resources available for poverty reduction.

Our analysis indicates that tackling income inequality and improving governance has huge potential to accelerate rates of multidimensional poverty reduction. When coupled with the continuation of sector-specific poverty reduction and development programmes, and their scaling-up to reach groups that carry a high burden of global poverty, it is feasible that we could see the complete eradication of extreme multidimensional poverty by 2030.

2 WHAT DO WE MEAN BY 'GETTING TO ZERO' AND WHY IS IT IMPORTANT?

INSPIRING ACTION BEYOND 'BUSINESS AS USUAL'

The power of the MDGs lies in their ability to galvanise the international community around a discrete set of convincing and ambitious human development targets. The post-2015 framework must do the same, and more. We need a compelling vision and accompanying goals and targets that motivate everyone, everywhere, to step up a gear in the fight against poverty and the drive for sustainable development.

Getting to zero on extreme poverty is just such a vision. This idea, initially promoted by the Global Agenda Council on Benchmarking Progress,¹ has been inspired by the dramatic reduction in global rates of income poverty that we have seen over the MDG period. The MDG target of halving the proportion of people living below the absolute poverty line of \$1.25 a day was met in 2010, with rates falling from 47% of the world's population in 1990 to approximately 22% in 2010.² While much of this progress stems from rapid rates of poverty reduction in China, the pace of poverty reduction across developing countries as a whole picked up in the 2000s, including in sub-Saharan Africa. Average rates of reduction outside of China stood at 0.4% a year in the late 1990s, but increased to 1% a year in the 2000s, lifting an extra 280 million people out of poverty.³

This dynamic has brought into the realm of possibility the notion that we could be the generation that eliminates critical dimensions of extreme poverty. This is an idea that is capable of capturing the public imagination, providing a clarion call for citizens, governments and civil society organisations across the world to mobilise behind the vision of ending extreme multidimensional poverty once and for all.

ACHIEVING ZERO GOALS FULFILS HUMAN RIGHTS

An important reason for including zero goals in the post-2015 framework is that all of the dimensions of poverty that are covered by the MDGs involve human rights. They must, therefore, be realised for all people, without discrimination of any kind. Simply reducing suffering for some people, while others remain in poverty, is unacceptable and breaches global commitments to universal human rights.

Being framed as they are in absolute rather than proportional terms, zero goals are rooted in the principle of universality and are, thus, in line with the existing human rights and child rights commitments that most of the world's countries have already agreed to fulfil. The United Nations Convention on the Rights of the Child (UNCRC) is the most widely ratified human rights treaty in history, and covers many of the dimensions of poverty included in the existing MDG framework (among many other rights that all children enjoy): the UNCRC, for example, commits government to fulfilling every child's right to survive and develop healthily (Art. 6), to good-quality healthcare (including safe drinking water and nutritious food) (Art. 24), to a standard of living that is good enough to meet their physical and mental needs (Art. 27) and to a primary education, which should be free (Art. 28).

Under Article 4 of the Convention, and under other international human and children's rights conventions, governments have an obligation to take steps towards achieving human rights, to the maximum of their available resources. Setting time-bound, interim targets to spur progress, like the MDGs, can be an important component of this principle of progressive realisation of rights. For example, we do not believe that a zero goal for stunting is achievable by 2030, and so in our report *Ending Poverty in Our Generation* we proposed a

stepping-stone target to halve stunting rates by 2030 (see Box 1). However, it is important that the job is not deemed to be finished once interim targets are met.

Because they are human rights that we believe can be fulfilled within the time frame of the post-2015 framework, all of the zero goals that we are proposing should be accompanied by 100% or absolute zero targets at the national level. That means, for instance, that we want to see 100% of the population with access to improved water and sanitation, and 100% of children in school and learning.

It also means that we want to see the complete eradication of income poverty. The World Bank Group has set itself a corporate target of eradicating extreme poverty by 2030, but has defined this as no more than 3% of the global population living under \$1.25 a day. The Bank argues that this is an ambitious target, requiring continuation of the unprecedented rates of economic growth that have been achieved in developing countries over the past decade. However, while this would represent significant progress, a global 3% poverty rate would still see millions of people

living under the \$1.25-a-day line – a line which is much lower than most countries' own national poverty lines and at which it is virtually impossible for basic human rights to be met. Save the Children wants to see ambition to move beyond this, including through strong action on income inequality so that zero goals on both \$1.25- and \$2-a-day poverty can be achieved.⁴ This must be coupled with strategies to move as many people as quickly as possible above \$1.25- and \$2-a-day thresholds towards the \$10-a-day line – a level at which people start to be truly secure from poverty.⁵

DEFINING 'PREVENTABLE' CHILD MORTALITY

All of the zero goals that Save the Children is proposing for the post-2015 framework should translate into absolute zero or 100% attainment targets at the country level. However, for child mortality, it is impossible to set a 'zero' target in literal terms. Sadly, a small number of children in any country will always die before their fifth birthday, owing to intractable health problems or tragic circumstances. Even high-income

BOX 1: HALVING STUNTING RATES BY 2030 – A STEPPING-STONE GOAL TOWARDS ZERO

We believe that a zero goal to eradicate hunger should be included in the post-2015 framework. However, we opted not to conduct projections for hunger for this report, owing to a lack of appropriate indicators and data. The most commonly used FAO indicator for hunger – prevalence of undernourishment – focuses on calorie intake and does not reflect nutritionally important aspects of the diet. Nor is the construction of this indicator sensitive to the distribution of food, emphasising availability rather than accessibility. The minimum calorie threshold within the indicator is set too low, and the three-year average on which it is calculated does not capture short-term episodes of severe hunger that can have lifelong effects on health and wellbeing, especially for children (FAO, 2012; Haen et al, 2011).⁶ More work is needed to define and collect data for more appropriate indicators of hunger for the post-2015 framework.

We therefore elected to test our proposed target for stunting rather than hunger. Save the Children has not proposed a zero target for stunting for

the post-2015 framework, instead recommending a target of halving stunting rates from their 2010 levels by 2030. It is this target that we have tested through our analysis for this report. Stunting must be targeted by the post-2015 framework, as it has severe impacts on human development throughout an individual's life cycle. Unfortunately, it is an area that has been relatively neglected by the development community until recently. As a result, we have seen very slow progress in reducing stunting levels over the MDG period. Furthermore, because the causes of stunting are multiple and complex, and include intergenerational factors such as maternal nutrition levels, rates of change are relatively slow. Therefore, while there is scope to accelerate the reduction of stunting significantly under the post-2015 framework, it is unlikely that a zero target is feasible for 2030. We have therefore proposed a stepping-stone target of halving stunting rates from 2010 levels by 2030 – a target that is broadly in line with the WHO target of achieving a 40% reduction by 2025.

countries with the best available technology do not have a child mortality rate that is at absolute zero.

For this reason we propose a zero goal for the eradication of *preventable* child deaths. By this we mean deaths that would be fully preventable if mothers and children in developing countries had access to key universal health and other services. For example, pneumonia and diarrhoea account for 29% of all under-five deaths, amounting to 2 million lives lost every year.⁷ These are two causes of mortality which are easily preventable, but which persist because of inadequate health, education and infrastructure services, and inequitable coverage of essential interventions. Eighty-eight percent of diarrhoeal diseases are associated with inadequate water, sanitation and hygiene.⁸ Chopra et al estimate that scaling up existing interventions, such as antibiotics and oral rehydration therapy, to 80% coverage levels would eliminate 95% of all deaths from diarrhoea and 67% of deaths from pneumonia. Malnutrition is a contributory factor in 45% of all child deaths.⁹

As part of our proposals in our *Ending Poverty* report for a global zero goal to end preventable child mortality, we recommended a universal upper threshold for each country of 20 child deaths per 1,000 live births. The threshold is proposed in order to shape a shared definition of what constitutes 'preventable' mortality in low- to middle-income countries or, in other words, the bare minimum that health services and existing technologies should be able to deliver.

This upper threshold for child mortality is in line with the benchmark set by the Child Survival Call to Action (CSCA), a global multi-stakeholder coalition of governments, multilateral agencies, companies and civil society that is working to speed up international progress on reducing child mortality. This coalition has pledged to bring child mortality rates down to at least this level in every country by 2035.¹⁰ The benchmark was informed by modelling exercises, including using the Lives Saved Tool (LiST) from the Johns Hopkins Bloomberg School of Public Health, which estimates the impact on health outcomes of different health intervention packages and coverage levels.¹¹ These modelling exercises estimated that the 20/1,000 target could be achieved by scaling up simple but life-saving interventions to achieve universal and equitable coverage, including, for example, antibiotics for the treatment of pneumonia, supported by accompanying efforts to tackle underlying causes of mortality through education, economic and environmental policies.¹²

ADDITIONAL REASONS TO STRIVE FOR ZERO ON EXTREME MULTIDIMENSIONAL POVERTY

While there is emerging consensus that a zero goal for absolute income poverty should be included in the post-2015 framework, albeit at the \$1.25-a-day level, there is much debate about whether zero goals should also be included for other dimensions of poverty. Some have questioned whether such goals can really be achieved by 2030, and have expressed concern about placing too much pressure on countries that are furthest behind in the fight against poverty, setting them up to fail before the race has even begun.

These are important concerns which must be taken seriously. It would be dangerous to set new global development goals that are so wildly ambitious that they are written off as being unachievable. This would be demotivating, and would probably lead to the new framework failing to gain the political traction that it will certainly need for success. However, the goals contained in the post-2015 framework do need to be inspiring enough to motivate action beyond 'business as usual', spurring decision-makers and practitioners to increase their efforts and investment in poverty reduction in order to yield maximum impact for children and adults everywhere.

The analysis in this report suggests that the zero goals that Save the Children is advocating are feasible, if coupled with commitment from the international community and national governments to step up action beyond 'business as usual'; and on these grounds they should be included in the post-2015 framework. As we have already discussed, their inclusion is imperative in order to meet international human and child rights obligations. It is also a moral imperative and an inspiring vision that will motivate and galvanise governments and the international community into action.

There are two further reasons why zero goals are important. First, zero goals that finish the job of the MDGs will help to maintain continuity between the MDG and post-2015 frameworks. Over the course of the past decade, the MDGs have become embedded in international and national development policy and practice. Many national poverty reduction plans are geared towards achieving them, and substantial financial and institutional architecture has been built around them. By maintaining continuity with the MDGs, the post-2015 framework could further

strengthen this architecture and allow for the acceleration of existing development partnerships, thereby maintaining momentum in poverty reduction. Zero goals would recognise and build on the progress that has been made under the MDGs, and raise ambition to the next level.

Second, aiming for zero goals is an important strategy for ensuring that the poorest and most marginalised are reached under the post-2015 framework. Most of the MDGs are framed as fractional targets, including, for example, halving absolute poverty rates, reducing under-five child mortality by two-thirds and halving the proportion of people without access to improved water and sanitation. This gives governments and development practitioners little incentive to tackle inequalities; targets can be met through reaching groups and individuals who are already quite near to poverty thresholds, and therefore relatively easy to be lifted over them, with the poorest and most marginalised groups continuing to be left behind.¹³

The gap between haves and have-nots is growing in too many countries and across too many dimensions of poverty and inequality. In our report *Born Equal*, Save the Children presented a range of evidence that illustrates the scale of the problem and the impact that it is having on children and wider society. Our research found that, in a sample of 32 countries, a

child in the richest 10% of households has 35 times the effective available income of a child in the poorest 10% of households. It also found that the gap has grown by 35% since the 1990s. In Nigeria, children in the poorest households are twice as likely to die of preventable causes than children in wealthier households; and children living in rural China are six times more likely to be stunted than their urban counterparts. Marginalised children, such as children with a disability or those living on the streets, are also more regularly subject to abuse and lack of protection.

As the report demonstrates, such levels of inequality have damaging impacts over the course of children's lives, stifling their opportunities and damaging their health and wellbeing. Inequalities of outcome for adults translate into inequalities of opportunity for their children, trapping families in vicious cycles of inequality and poverty.

The post-2015 framework gives us the opportunity to reverse worrying trends of growing inequality. As the High Level Panel stressed in their report to the UN Secretary-General, the new framework must "leave no one behind".¹⁴ Zero goals are an important part of the set of tools that should be employed to tackle exclusion and inequality under the framework (see Box 2).

BOX 2: A POST-2015 TOOLSET FOR TACKLING INEQUALITIES AND REACHING THE POOREST AND MOST MARGINALISED

Zero goals are an important part of a post-2015 toolset to tackle inequality between and within countries. The new framework should also include the following features:

- Indicators to track gaps between rates of progress for the poorest 40% and the richest 10% for all target areas, including income inequality.
- A commitment to consider no target met unless it is met for every social and economic group.
- All data collected to monitor progress is to be disaggregated by gender, age, region, urban/rural location, ethnicity and other social groupings and disability.
- A strong focus on accountability and ensuring that people have the voice and power they need to monitor progress, influence decisions that affect their lives, and speak out when development processes are failing them.

BOX 3: GOALS AND TARGETS INCLUDED IN OUR RESEARCH

Save the Children <i>Ending Poverty</i> zero goal proposal	Target tested through our research	Indicator
End preventable child and maternal mortality and provide healthcare for all.	<ul style="list-style-type: none"> Reduce under-five mortality to a maximum rate of 20 per 1,000 live births in each country. 	<ul style="list-style-type: none"> Under-five mortality rate
Eradicate hunger, halve stunting, and ensure universal access to sustainable food, water and sanitation.	<ul style="list-style-type: none"> Halve stunting rates from 2010 levels (from 26.7% to 13.4%). Ensure universal access to improved water. Ensure universal access to improved sanitation. 	<ul style="list-style-type: none"> Stunting rate of children under five Percentage of the population with access to improved water and sanitation (as defined by the WHO/UNICEF Joint Monitoring Programme)
Ensure that all children receive a good-quality education and have good learning outcomes.	<ul style="list-style-type: none"> Ensure that all children who start primary school reach the final grade. 	<ul style="list-style-type: none"> Proportion of children enrolled in primary school who reach the final grade

The table above provides an overview of the goals and targets that we have tested in our projections. The goals are drawn from a more comprehensive set in Save the Children's report, *Ending Poverty in Our Generation*. The targets were selected on the basis of cross-country data availability and – for example, in the case of education – because they are the best available measures of the poverty reduction outcomes we want to see. They do not include all the issue areas for which we believe zero goals should be included in the post-2015 framework:

- We have not included **income poverty** in the analysis, as a substantial amount of work has already been done in this area (see Edward and Sumner, 2013; Ravallion, 2013; Chandy et al, 2013).¹⁵
- We have not included the **protection of children from violence and conflict**, owing to a lack of cross-country comparable data in this area.
- For **education**, we have examined the UNESCO indicator of survival rates to the last grade of primary school, a proxy for primary school completion rates, because of a lack of internationally comparable data on learning outcomes. However, although we believe that this is the best measurement available, we recognise that it still a poor proxy for measuring quality and it does not measure learning; therefore, we are advocating direct measures of learning in literacy and numeracy to be monitored under the post-2015 framework. Chapter 4 of this

report presents the findings of research into learning outcomes in southern and east Africa where data is available, in order to provide insights into current trends and rates of progress that can be achieved. Appropriate cross-country comparable data to measure the quality of education and learning outcomes must be collected under the post-2015 framework.

- For **hunger**, the most commonly used FAO indicator, 'prevalence of undernutrition', does not capture the complex nature of hunger, such as issues around accessibility and nutritious quality of diets (see Box 1). For this report we therefore elected to focus on **stunting** as the best available indicator of chronic malnutrition, and to test our proposed target of halving stunting rates by 2030. Given the complex and intergenerational causes of stunting, we consider this target, albeit not a zero goal, to be ambitious while still being achievable.
- We have also included analysis of access to **water and sanitation** in our report. These are important in their own right, and are also important for child health and nutrition. The targets we have tested are the MDG targets of access to safe water and basic sanitation, defined according to the WHO/UNICEF Joint Monitoring Programme (JMP) list of facilities that are deemed to be sufficiently 'improved'. However, we support the JMP's proposals to raise the bar for water and sanitation targets, and to include hygiene (see UNICEF/WHO, 2013).¹⁶

3 OUR RESEARCH APPROACH

The aim of our research was to project future rates of multidimensional poverty to see whether it is feasible to achieve zero goals under ‘business as usual’ trajectories. If not, we wanted to assess whether making macro-level changes in the distribution of income and quality of governance might help to bend the curve towards zero.

The goals and targets that we have focused on are set out in Box 3. This section provides an overview of our research approach, with more details provided in an accompanying technical report.¹

Most projections of future rates of multidimensional poverty examine what trends have looked like in the past and then extend these out into the future, often taking expected population growth into account.² Others look at the impact of more immediate and sector-specific factors on rates of change, such as access to particular medicines or development interventions.³ In contrast, we wanted to look at the bigger picture, focusing on how macro-level changes in income inequality and governance affect multidimensional poverty rates. A similar approach has been used in a number of studies to assess potential future rates of change in income poverty,⁴ but relatively little such analysis has been done on non-income dimensions of poverty.⁵

We produced projections to 2030 for under-five child mortality, the proportion of children enrolled in primary school who reach the last grade, and access to improved water and sanitation. We also projected stunting rates to 2030, although we have proposed a stepping-stone target of halving stunting from its 2010 level rather than a zero goal (see Box 1).

Our projections are based on a sample of 78 low- and middle-income countries, with data spanning from 1995 to 2011.⁶ This sample provides strong coverage of the developing world population (64%, or 83% if

China is excluded) but, because of a lack of statistical capacity in these places, data on some aspects of poverty is patchy. This is particularly true for stunting and continuation to the last grade of primary school, as estimates of these outcomes are only available for a subset of the countries and years included in the study. Our results in these areas are less reliable than for the other dimensions of poverty that we have studied, and the findings must be treated as tentative.

We conducted regression analysis to examine what relationship measures of income inequality and governance have with poverty outcomes in each of our focus areas, and to decide which measures of income inequality and governance to use in our projections.⁷ The drivers we finally included were those with the strongest statistical significance which most accurately predicted known poverty outcomes. These are presented in Box 4. We used the results from the regression analysis to project future multidimensional poverty rates for our sample countries under different scenarios, taking expected population growth into account and aggregating the results to give a population-weighted average. This figure was then scaled to estimate global average figures for future years up to 2030.

We conducted projections within three scenarios:

- 1. Business as usual:** Economic growth proceeds at rates predicted by the IMF, governance measures remain static, income inequality continues to change on current trends,⁸ income poverty rates fall in line with inequality trends.
- 2. Tackling income inequality:** As above, but with income inequality falling to lowest levels that countries have seen since the 1980s – a fairly modest scenario – with associated falls in income poverty.
- 3. Tackling income inequality and improving governance:** As scenario 2, but with improvements in governance measures.

BOX 4: FINAL VARIABLES SELECTED FOR INCLUSION IN OUR PROJECTION MODELS

- Economic growth: GNP per capita in 2005 purchasing power parity US dollars.
- Income inequality: the income ratio between the richest 10% and poorest 40% of the population (Palma ratio).
- Income poverty: percentage of the population living on less than \$2 a day.
- Governance: World Governance Indicators on Government Effectiveness (for water and sanitation projections), Voice and Accountability (child mortality) and political stability (education). Public health spending as a percentage of GDP (stunting).

THE ROLE OF GROWTH, INCOME INEQUALITY AND INCOME POVERTY IN OUR PROJECTIONS

We used IMF predictions for future economic growth rates in all of our models. These tend to err on the side of optimism rather than pessimism, which implicitly builds an assumption of strong and sustained economic growth into our projections. However, even in the case of lower-than-expected growth rates, there is the potential to offset resulting declines in poverty reduction rates with further reductions in income inequality.⁹ Our projections also assume that reducing inequality will increase the impact that growth has on income poverty reduction at the \$1.25 and \$2 levels.¹⁰ Inequality could in theory fall as the result of a pattern of growth that favours the middle classes over the rich, and doesn't affect people living in poverty. However, research suggests that most changes in inequality affect the extremes of the income distribution rather than the middle.¹¹ Our projections are therefore based on the idea that changes in inequality will be propelled by development-oriented efforts, resulting in rising incomes for poor people.

We have not built any assumptions into our models about the impact that rising or falling inequality may in turn have on economic growth. There is much debate in the literature about the relationship between economic growth and inequality – for example, with some arguing that there is a trade-off between equality and the efficiency of growth. However, there is little empirical evidence that growing equality is bad for growth. On the contrary, there is a growing evidence base that suggests that the reverse is true, with reductions in inequality not only increasing the

impact of economic growth on poverty reduction, but also leading to greater economic stability and more robust growth in the long term.¹² The importance of addressing income inequality to spur inclusive and sustainable economic growth has been recognised by the UN Global Compact and the Sustainable Development Solutions Network, both of which have recommended that targets to reduce inequality should be included in the post-2015 framework.¹³

WHY FOCUS ON INCOME INEQUALITY?

As noted above, one of the key objectives of our analysis was to explore how changes in inequality could affect prospects for achieving ambitious post-2015 targets, building on previous Save the Children research into the devastating impact that inequalities are having on children and communities across the world.¹⁴ Poor and marginalised individuals and groups experience a range of different forms of economic, social, cultural and political inequality, many of which intersect with discriminatory social norms. These interact with each other in complex and mutually reinforcing ways. The poorest sections of society often include an over-representation of people who suffer from discrimination on the basis of their identity, age or gender, who have the least access to good-quality basic services and economic opportunities, and have the lowest levels of influence over decision-making.¹⁵

There is very limited cross-country comparable data on these different dimensions of inequality. This was one reason for our decision to include income inequality between individuals in our projections,

for which a reasonable body of comparable data is available. This does not mean that group-based inequalities, including those between gender, age, identity and geographical groups, are not important, or that inequalities in political, social and cultural life do not have significant impacts on multidimensional poverty. Data to measure these different dimensions of inequality must be collected under the post-2015 framework so that they can be tracked and tackled.

However, income inequality is also important in and of itself. Income (or consumption) inequality is often linked to other forms of economic inequality for individuals and households, including in assets, access to good-quality jobs and access to credit and investment. An individual's income influences what opportunities are available to them in life, and whether they can take up those opportunities. It also influences access to basic needs such as clothing, shelter, transport and food. Where public services are weak, income is a strong determinant of access to essential services such as healthcare, education, and water and sanitation. Finally, income can play an important role in determining what social networks people are part of, in turn affecting their access to opportunities, their social status and often their own perceptions of their roles in society and what aspirations they believe they should have (see discussion in Chapter 5).

GOVERNANCE: A COMPLEX PHENOMENON TO MEASURE

Our research also set out to investigate how variations in governance indicators might affect prospects for getting to zero under the post-2015 framework. The term 'governance' has been defined by the UN as "the exercise of economic, political and administrative authority to manage a country's affairs at all levels. It comprises the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences".¹⁶

Governance has risen steadily up the international development agenda since the early 1990s, with increasing recognition that the effective administration of resources and power in societies and economies is critical for poverty reduction. This was reflected in the prominence of governance as an issue throughout the UN-coordinated national and thematic

consultations on the post-2015 agenda, with the consultation synthesis report highlighting the "need to integrate good governance into any future agenda, not just as an end but as a way of achieving any of the priorities before the world community".¹⁷ The My World survey, which so far has been completed by 780,000 citizens from 194 countries, asks respondents to rank a list of 16 priorities based on their own and their family's priorities. "An honest and responsive government" ranked third out of 16 across the world.¹⁸ Good governance is deemed particularly important by young people. A study of the recommendations that young people made to the UN's Post-2015 High-Level Panel found that 80% of them were linked to one or other of the themes: 'Providing Quality Education and Lifelong Learning' and 'Ensure Good Governance and Effective Institutions'.¹⁹

While we tested a range of indicators that provide insights into the quality and accountability of governance to poor communities, the measures that we found to have the strongest and most significant relationship with child mortality rates and access to water and sanitation came from the Worldwide Governance Indicators (WGIs), an index that aggregates results from more than 30 different governance indices.²⁰ The WGIs include six indicators of governance: government effectiveness; voice and accountability; rule of law; political stability and absence of violence; regulatory quality; and control of corruption.

These different aspects of governance are usually related to each other, so we could not include more than one in each model. We therefore selected the indicator that we found through our analysis to have the most statistically significant relationship with each of our focus dimensions of poverty: government effectiveness for water and sanitation, voice and accountability for child mortality, and political stability for education. The fact that these were the indicators we found to be the most significant is interesting, as they reflect the two key strands of governance that are generally highlighted in the literature as being important for poverty reduction: effectiveness and accountability.²¹ That political stability was found to be particularly important for determining whether children complete their primary schooling is also intuitive.

Under our 'reducing inequality and improving governance' scenario, we increased the relevant WGI score for each country by half a standard deviation

from the world average score, or a whole standard deviation in the case of education.²² For stunting, the proportion of public spending on health, expressed as a percentage of GDP, was found to be more significant than the WGI indicators, although it had a clear link with the measure of government effectiveness. We therefore included public spending on health as our governance indicator in our stunting projections.²³

Governance is naturally a very hard concept to measure. No single approach can capture the nuance and complexity that it involves, and how this varies in different country contexts. The WGIs are one of a number of governance indices that have been developed which attempt to capture different aspects of governance, drawing on data of public perceptions and/or recording the presence or absence of particular institutions that are thought to support 'good' governance. These should not be read too literally, given the difficulties of measuring and comparing governance, but they can provide useful insights into variations and trends across different countries.²⁴ We have framed our third scenario in this report as making improvements in the 'effectiveness and accountability of governance', because of the WGIs that our analysis found to be the most significant. However, it should be borne in mind that the impact of improving the quality of governance in our third projection scenario could represent a wide range of things that a 'good' government might do to tackle poverty.

THE IMPORTANCE OF ENVIRONMENTAL SUSTAINABILITY

One key element not fully addressed in our post-2015 projections is environmental sustainability. Tackling inequality is a key component of sustainable development, necessary to ensure that the basic needs of all people are being met and that all people can contribute to, and benefit from, participation in economic and social life. As laid out in our report *Breaking the Mould*, ending poverty will require the transformation of economic development pathways so that they are not only more inclusive and equitable, but also environmentally sustainable. Economic growth has a critical role to play in development and poverty reduction, but the growth paths that the world has pursued over the last two centuries have come at great environmental cost.²⁵ This will ultimately undermine efforts to eradicate poverty for good.²⁶ Poor and marginalised groups, and especially

children, are particularly vulnerable to the effects of climate change and other forms of environmental degradation. These impacts go beyond incomes and livelihoods to include impacts on health, education and other dimensions of wellbeing.²⁷ Environmental degradation can therefore be a key driver of the vicious cycle of poverty and inequality.

Analysing the impacts of environmental changes such as climate change on our ability to get to zero was beyond the remit of this report, as was an analysis of the potential contribution that transitioning to a low-carbon, resource-efficient and socially inclusive economy could play in contributing to poverty eradication. However, it is clear that pursuing development pathways that are both equitable and environmentally sustainable will be critical if we are to get to zero on critical dimensions of poverty, and then stay there. Moreover, environmentally sustainable development should not be seen as a burden that will keep countries behind. On the contrary, investment in climate-resilient infrastructure and renewable energies, for example, offers significant potential for the exploitation of current market gaps, decreasing pressure on natural resources while diversifying economies.²⁸ It is imperative that the international community operates within planetary boundaries in its drive towards poverty eradication, investing in current and future generations.

ILLUSTRATIVE FINDINGS, NOT CONCRETE FORECASTS

Before we move on to present the results from our projections, it is worth noting some points of caution that should be borne in mind in the interpretation of our results. The first relates to the strength of the data on which our projections are based. International data to measure both our drivers of change and our poverty outcomes is notoriously weak.²⁹ There is a desperate need for more and improved data collection so that governments, donors and researchers can better understand the status of global poverty and make evidence-based plans for tackling it. This will be critical to the success of the post-2015 framework. As the most recent international data currently available for our focus dimensions of poverty is from 2010/11, countries may already have made faster, or indeed slower, than expected progress in relation to the 2010 baseline that we have used.³⁰

Second, as already noted, our projections do not capture all of the potential factors that affect poverty rates in different contexts. While they capture the impacts that reducing income inequality and improving governance have on multidimensional poverty outcomes, they do not capture the impact that these outcomes might, in turn, have on income inequality; this could be, for example, through improvements in health and education, helping to boost the livelihoods and earning prospects of poor children.³¹ Our approach of looking at each dimension of poverty separately also means that our analysis does not take into account the potential for progress in one area to accelerate progress in others.³² Although our

projections take anticipated population growth into account, they do not capture the potential impact on poverty rates of wider demographic change regarding, for example, rates and patterns of urbanisation or the age distribution of the population.

These notes of caution underscore the fact that the projections that we present in this report are illustrative rather than concrete predictions of the future. They are intended to provide useful insights into the impact that inequality and governance have on poverty rates, in order to inform the debate about the nature and shape of the post-2015 framework, and our projections should be read in this spirit.

4 WHAT WILL IT TAKE TO GET TO ZERO BY 2030?

This chapter presents the results from our global post-2015 projections. We found that if current trends in income inequality continue, and the quality of governance remains static, we are highly unlikely to see the achievement of zero goals by 2030, even with strong economic growth. However, if governments make the necessary changes in income inequality and governance, the battle to get to zero will be almost won.

At this point, only people in the poorest and most marginalised regions and groups are likely to be remaining in multidimensional poverty. We argue that with support from development partners, additional effort to scale up poverty reduction programmes to

reach these groups should enable all countries to go the last mile to zero by 2030.

As Table 1 shows, under **'business as usual'** conditions we will not get to zero on any of the 2030 targets. In this scenario, we assume that trends in inequality continue along current trajectories and that governance measures remain constant. As Figures 1 to 5 illustrate, global average rates of extreme multidimensional poverty do not come close to our zero targets under these conditions, even with the assumption of strong economic growth. Even on access to improved water sources – an MDG target area that has seen some of the most rapid rates of progress in recent years – we cannot expect to achieve above 95% coverage by 2030 in our 'business as usual' scenario.

TABLE 1: SUMMARY OF OUR PROJECTION RESULTS FOR POTENTIAL RATES OF MULTIDIMENSIONAL POVERTY IN 2030

Goal area	Target	Scenarios			Governance improvements
		Business as usual	Reducing income inequality	Tackling inequality and improving governance	
Under-five child mortality	20/1,000	30/1,000	23/1,000	20/1,000	Voice and accountability
Stunting rate	13.40% (50% reduction from 2010)	18%	14%	12%	Increase public spending on health
Access to improved water	100%	95%	97%	99%	Government effectiveness
Access to improved sanitation	100%	83%	90%	94%	Government effectiveness
Education – reaching last grade of primary school	100%	94%	96%	98%	Political stability

Note: The colours signify how close we are to meeting our zero targets in each area, with red representing poverty rates that are severely off track, amber representing rates that are approaching the target, and green representing rates that fall within two percentage points of the target.

FIGURE 1: PROJECTION RESULTS FOR CHILD MORTALITY

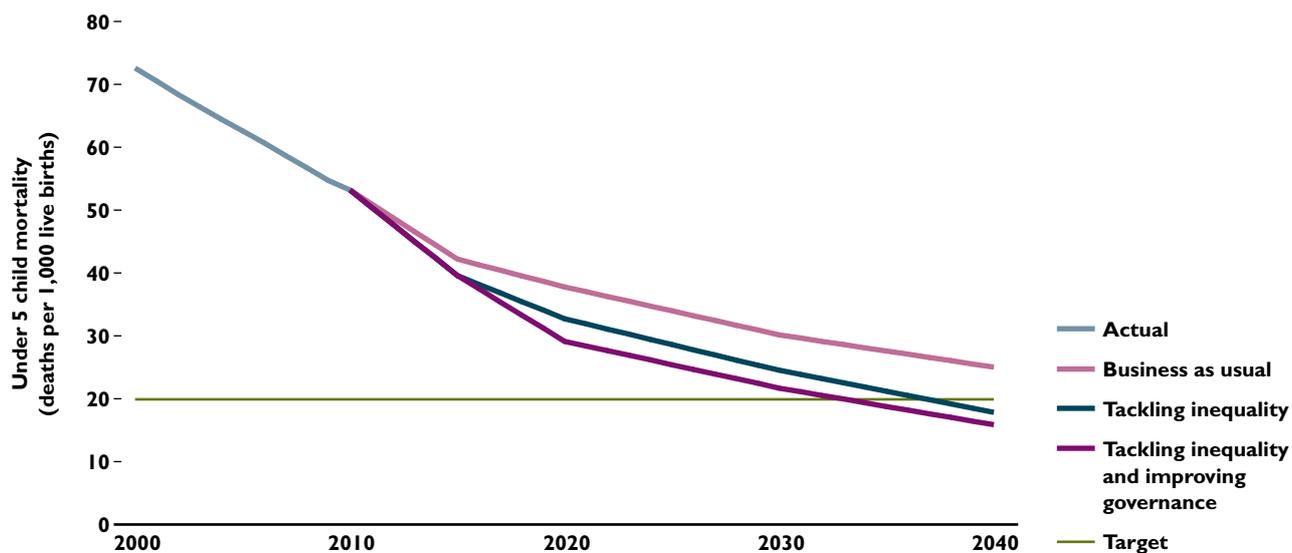
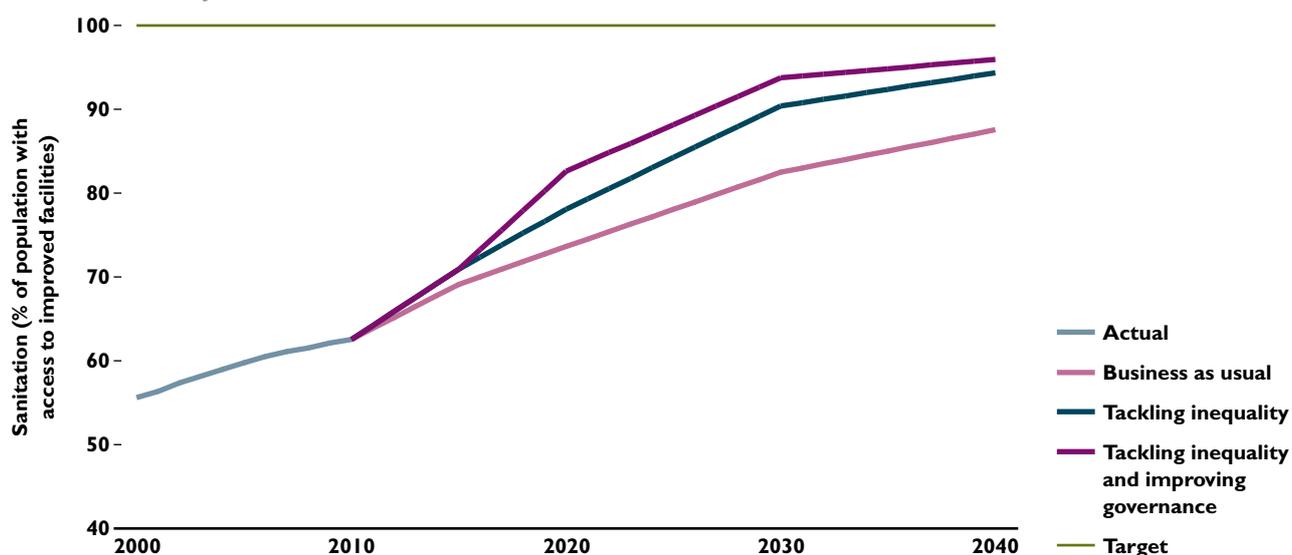


FIGURE 2: PROJECTION RESULTS FOR ACCESS TO IMPROVED SANITATION FACILITIES



REDUCING INCOME INEQUALITY COULD ACCELERATE PROGRESS TOWARDS ZERO

In the **second scenario**, we brought levels of income inequality back down to the lowest level that each country has achieved in recent years (1980 onwards). This is in many cases a modest proposition, with a number of countries in our sample already bringing inequality down towards their best-ever levels, including Niger, Brazil and Thailand. For 18 of the 78 countries in our sample, their best-ever levels of inequality are the most recent that they have on record. So, while this

scenario will be more ambitious for some countries than others, it is by no means unfeasible.

Our results suggest that tackling inequality will be critical for eradicating extreme multidimensional poverty under the post-2015 framework. Reducing inequality significantly accelerates rates of change towards the zero targets within our projections. For example, in this scenario, the global average child mortality rate falls from 30 to 23 per 1,000 live births, saving an additional 1.4 million lives per year by 2030. As noted above, the reductions in inequality that we make in this scenario are relatively modest, and it is likely that making further reductions would increase rates of change even further.

The impact of reductions in inequality on access to improved sanitation facilities is particularly strong, boosting access by seven percentage points. This is the equivalent of 650 million more people being able to use improved toilet facilities than could in the ‘business as usual’ scenario. This is likely to reflect the strong correlation that exists between access to improved sanitation and wealth. For example, in South Asia there have been major gains in access to improved water sources across all wealth quintiles since 1990 (albeit still with a disproportionate reliance on basic facilities such as wells and hand pumps for the poorest groups, rather than piped water to the home). In contrast, while the richest households have seen significant progress in sanitation coverage over the same period, the poorest two wealth quintiles have seen very little improvement. Between 1995 and 2008, the proportion of people who practised open defecation fell by 33 percentage points for the second richest quintile, from 51% to 18%. In comparison, people in the poorest wealth quintile saw a fall of a mere eight percentage points, with the proportion of people practising open defecation decreasing from 94% of the group to 86%.¹

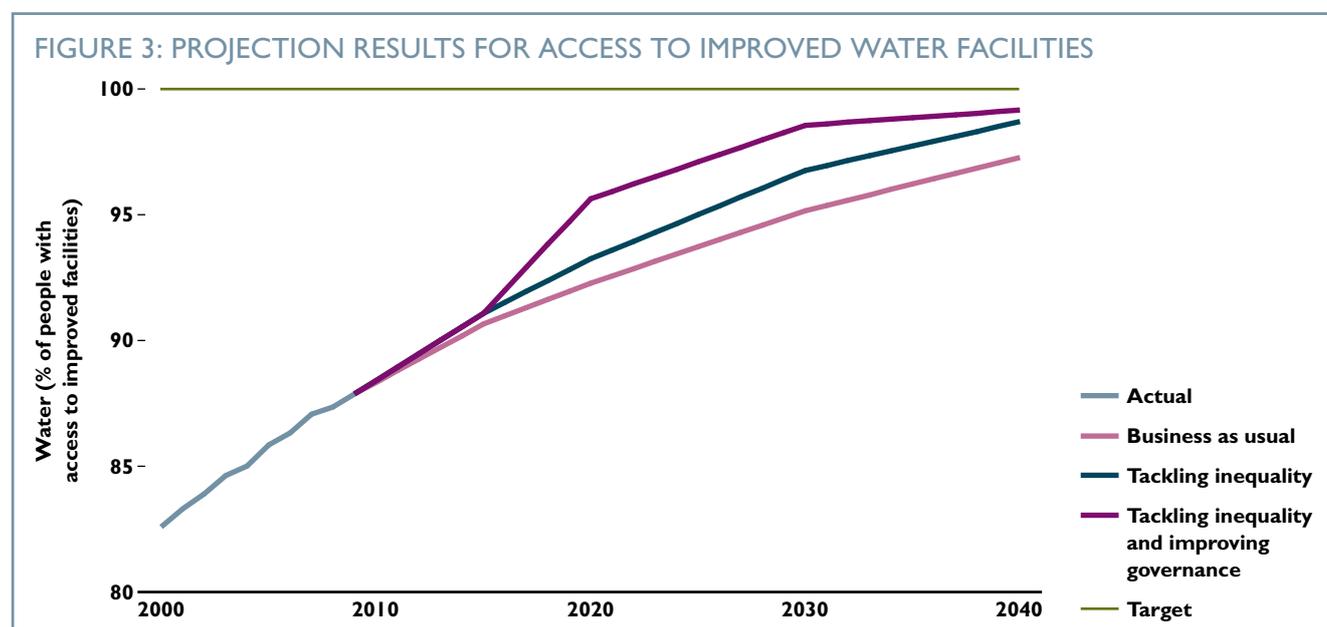
EFFECTIVE AND ACCOUNTABLE GOVERNANCE BENDS THE CURVE EVEN FURTHER

Under our **third scenario**, we looked at what additional measures could be taken to bend our curves even closer towards zero. We examined what impacts boosting measures of governance would have in our

models. For all of our dimensions of poverty, bar access to sanitation, making improvements in governance in addition to tackling income inequality allows us to get within a two percentage point range of our target.

Governance scores in the Worldwide Governance Index tend to remain fairly static over time, and the magnitude of change required in our scenarios would represent quite a significant improvement for most countries. We believe, however, that it is achievable for the following reasons. In our sample, 33 of our 78 countries have seen shifts in government effectiveness of the magnitude required under our scenario for water and sanitation over the past 20 years; they include Côte d’Ivoire, Rwanda and the Maldives. Thirty-five have seen changes in political stability of the magnitude required for our education projection, including Sierra Leone, Thailand, Yemen and Pakistan. More than half of the sample have seen the necessary shift in voice and accountability scores, including Liberia, Niger, Nepal and Burundi.

Our projections indicate how important improving the effectiveness and accountability of governance will be for reaching zero targets under the post-2015 framework. In theory, it could mean another 300,000 children living to see their fifth birthday, over and above lives saved through a reduction in inequality. Taken together, the improvements in access to and utilisation of services and opportunities that could be brought about by reducing inequality and improving voice and accountability, could save 1.8 million lives, and bring global average mortality rates down to around 20 deaths per 1,000 live births.



The results of our projections under this scenario are extremely encouraging for our other dimensions of poverty, too. Compared with our 'business as usual' scenario, we could see primary school completion rates increase from 94% to 98%. We could see a rise in the coverage of improved sanitation facilities from 83% to 94%, reaching 920 million more people. We could also see increases in the coverage of improved water facilities from 95% to 99%, benefiting around 280 million people. Stunting rates similarly decline rapidly under this scenario, from 18% to 12%, resulting in nearly 35 million fewer children suffering from stunting.

Our analysis illustrates the enormous potential that tackling income inequality and improving the quality of governance hold for accelerating progress in multidimensional poverty reduction. Of course, reducing income inequality and improving governance alone will be insufficient for achieving the complete eradication of critical dimensions of poverty, as reflected in the fact that our third projection scenario yields results that are shy of zero. Going the last mile to zero will require the continuation, and in many cases the scaling up, of sector-specific approaches and strategies that are known to be effective for tackling each dimension of poverty.

GOING THE LAST MILE TO ZERO

Some regions, countries and population groups of course have much further to go to zero than others. Although the primary purpose of our research was to examine poverty reduction trends at the global

level, we also conducted regional projections for Latin America and the Caribbean, South Asia and sub-Saharan Africa – regions that had a sufficient proportion of their population included in our sample to provide meaningful insights at this level.²

Our results suggest that in our third scenario, **tackling inequality and improving governance**, by 2030 Latin America and the Caribbean could see a regional average of 98% of people with improved water, 93% with improved sanitation and a child mortality rate of 12/1,000 – nearly half the projected global average. South Asia follows just a little behind, with the potential to achieve 96% coverage rates for access to improved water and 85% for sanitation. This region could in fact see the eradication of preventable child mortality, achieving an average rate of 16 deaths per 1,000 live births.

In contrast, sub-Saharan Africa continues to struggle to converge with global rates of poverty reduction under all of our scenarios. In our third scenario, the region achieves a reduction in child mortality of around 60% by 2030, bringing the average rate down to 44/1,000. By the same date, 86% of the population could have access to improved water sources and 70% to improved sanitation.

Although our research approach was not designed to look at country-level trends, we know that a relatively small number of countries currently carry a particularly high burden of different dimensions of poverty. For example, an estimated 80% of all children who are affected by stunting live in just 14 countries across the world, with India carrying 28% of the

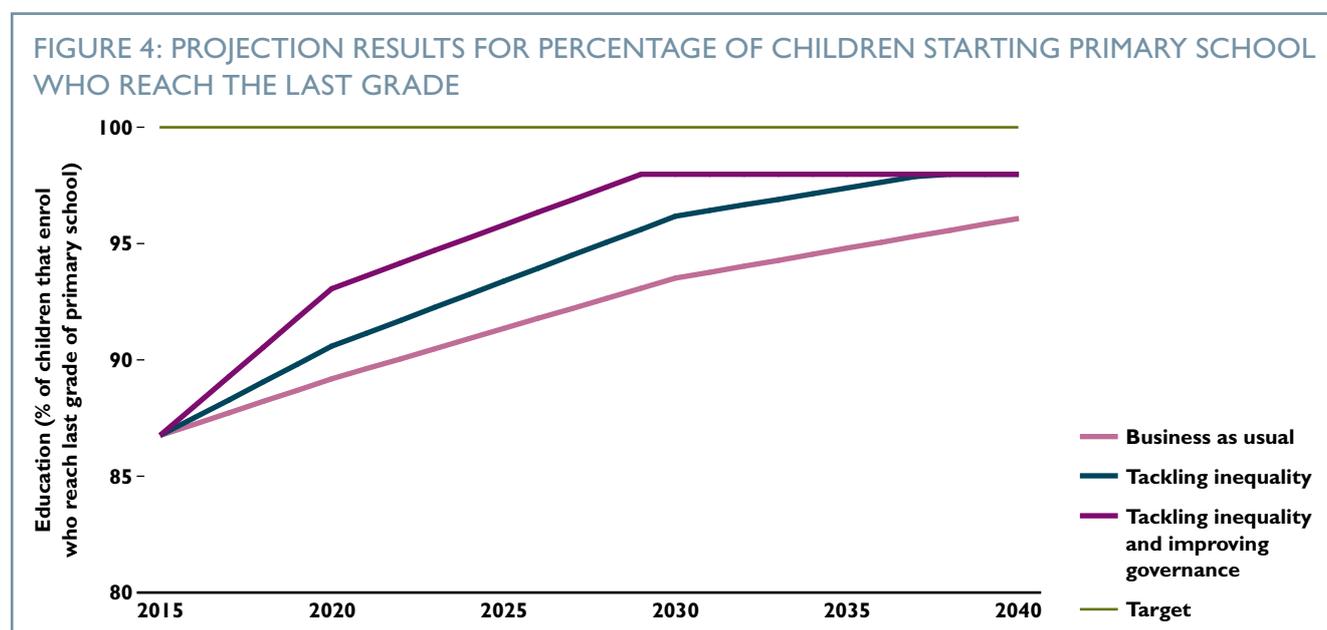
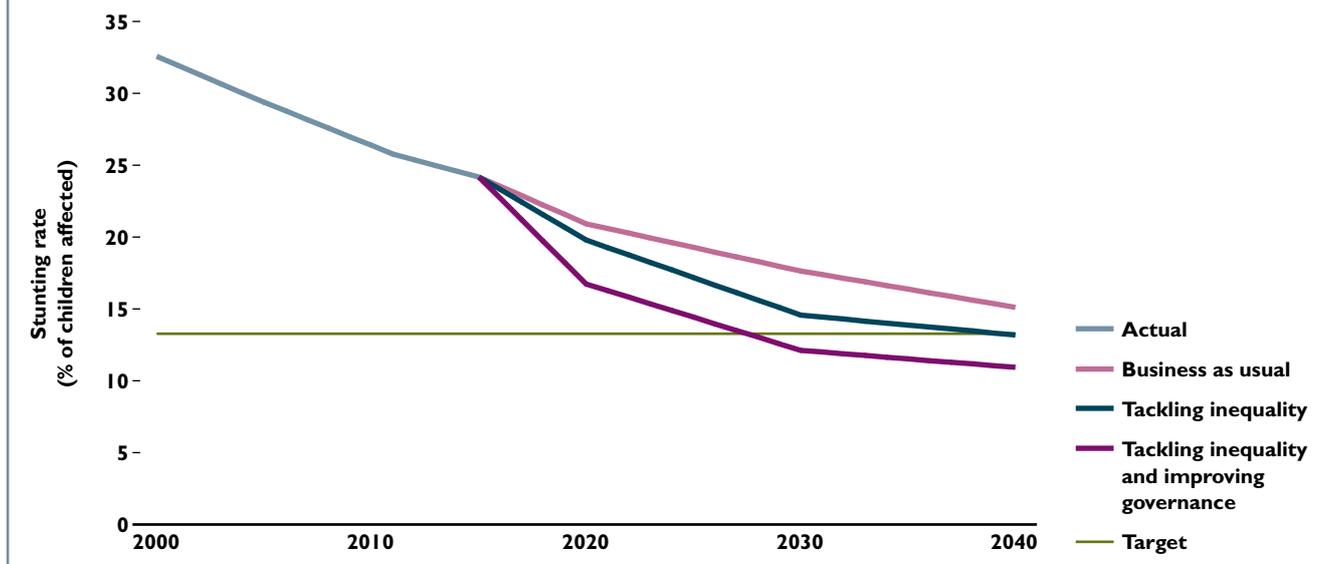


FIGURE 5: PROJECTION RESULTS FOR STUNTING RATES



entire global burden.³ Just 11 countries make up more than three-quarters of the global population without improved sanitation facilities.⁴ Nigeria accounts for nearly one in five of the world's children who are out of school. Inequalities in rates of progress between advantaged and disadvantaged groups within many countries are also high and persisting. For example, children born to the poorest 40% of families in developing countries are 2.8 times more likely to be undernourished than those in the richest 10%, and are likely to go on to earn less than their more affluent and healthier peers.⁵

There is, fortunately, significant scope in most high-burden countries to implement relatively simple and cost-effective programmatic approaches to scale up access to essential services that have been proved to yield considerable acceleration in poverty reduction rates. Our assessment is that, if these focus on improving coverage amongst the poorest and most marginalised groups and are combined with reductions in income inequality and improvements in governance, all countries could get to zero on our critical dimensions of poverty by 2030.

This potential is illustrated with the strides that have been made in recent years by some of the world's poorest countries on the path to zero. In the latest MDG Progress Index, the number of countries classified as 'trailblazers' increased from 27 to 45 between 2011 and 2013. Twenty-six are poor countries and 10 are in sub-Saharan Africa.⁶ Between 1990 and 2011, rates of open defecation in Bangladesh dropped from 32% to just 4%.⁷ For child mortality, 50 of the 78 high-burden countries monitored by the

Countdown to 2015 initiative⁸ saw rates of progress accelerate significantly in the 2000s compared with the 1990s. In the words of the 2013 MDG Report, Liberia and Bangladesh have "defied the odds", achieving reductions in child mortality of over two-thirds since 1990.⁹

Under our third projection scenario, to get to zero sub-Saharan Africa as a whole will require an additional 4% annual increase in the regional rate of reduction in child mortality, over and above the increases achieved through tackling income inequality and improving governance. Between 2000 and 2011, Rwanda has achieved annual rates of reduction in child mortality of more than 11% per annum, Brazil more than 6% and Liberia, Bangladesh and Malawi more than 5%, suggesting that this rate of change is achievable.

Box 5 explores how Niger brought child mortality rates down from 226 deaths per 1,000 live births in 1998 to 128 in 2009, through focused strategies to increase the coverage of essential health services for poor and marginalised women and children. Research suggests that most of the reductions were driven by concerted government policy to tackle child mortality, rather than by macroeconomic drivers, as this period saw limited economic growth and reductions in income poverty. This demonstrates the potential for rapid acceleration in multidimensional poverty in high-burden countries, over and above the changes captured in our projection scenarios.¹⁰

There are examples of countries in all regions of the world that have recently achieved rates of reduction in pneumonia and diarrhoea that will allow them to

BOX 5: HOW SCALING UP POVERTY REDUCTION PROGRAMMES TO REACH POOR AND MARGINALISED GROUPS CAN ACCELERATE CHANGE: DRIVING DOWN CHILD MORTALITY RATES IN NIGER

Niger is one of the world's poorest countries, located at the very bottom of the UNDP's Human Development Index. Despite having struggled with conflict, persistently high income poverty rates and low levels of economic growth over the course of the MDG period, Niger managed to nearly halve child mortality rates in ten years. In 1998, 226 of every 1,000 children born did not live to see their fifth birthday. By 2009, this had been reduced to 128, representing a 5.1% average annual rate of decline, outpacing other countries in the region.

Niger still has among the highest child mortality rates in the world, and still has a long way to go to end preventable child mortality. But that the country achieved progress of this magnitude under extremely difficult conditions is testament to what can be achieved with concerted action.

In-depth case study research by Amouzou et al (2012) attributes this achievement to the combined effect of at least three major initiatives that were undertaken by the Niger government, with support from development partners:

1. The priority given to achieving universal primary healthcare for women and children, with a focus on high coverage interventions that effectively tackle preventable deaths from malaria, pneumonia, diarrhoea and measles. This included investment in community health workers, working as part of the broader health system.
2. Mass campaigns to scale up coverage, and use of insecticide-treated bed nets, vaccination and vitamin supplementation.
3. A focus on tackling child undernutrition through decentralised programmes, including building a network of rehabilitation centres, establishing inpatient and outpatient centres and implementing cash transfers, food-for-work and other targeted emergency initiatives.

Niger's success in tackling child mortality demonstrates how governments operating in difficult contexts can design and implement high-impact and integrated approaches to drive forward change, reaching remote and marginalised communities through improving the coverage of essential healthcare services.

Source: based on material from Amouzou, A, Habi, O, Bensaid, K, Niger Countdown Case study Working Group (2012) 'Reduction in child mortality in Niger: a Countdown to 2015 country case study', *The Lancet*, Vol 380, Issue 9848, pp 1169–1178, 29 September 2012

end preventable deaths from these diseases by 2030, including Rwanda, Mexico, Bangladesh and China.¹¹ Chopra et al estimate that scaling up access to simple treatments, such as oral rehydration therapy, to 80% coverage levels would eliminate 95% of all deaths from diarrhoea. Accelerating improvements in maternal and newborn health will be critical for getting to zero on preventable child mortality by 2030.¹²

Countries achieving the fastest rates of progress in reducing child mortality have done so by improving coverage of essential healthcare for the poorest wealth quintiles, and studies stress the importance of equitable financing and equitable pathways to scaling up access to essential services as a critical strategy for boosting and sustaining progress.¹³ On financing, recent research commissioned by the Rockefeller Foundation, Save the Children, UNICEF and WHO found that boosting pooled funding (health spending from prepaid sources such as general taxes, social

insurance contributions, and voluntary insurance payments) relative to households' out-of-pocket expenditures on health has the potential to bring child mortality rates down significantly. Increasing pooled funding as a share of total health expenditure by 10% per capita could lead to a fall in under-five mortality rates by 15 deaths per 1,000 live births. This effect is amplified in countries where the health system is more equitable. Among the group of 75 countries that carry 95% of the world's burden of child and maternal mortality, more equitable¹⁴ health financing could enable 13 additional countries that are currently not on track to reach MDG 4 to achieve their target. This would represent a 76% increase in countries reaching MDG 4.¹⁵

A further study conducted as part of the same research project also revealed that eliminating wealth inequities in the coverage of a package of essential maternal and child health interventions by

2015 could avert the deaths of 1.8 million children under five, and 100,000 mothers, in a sample of 47 high-burden countries. This would reduce child mortality by one-fifth and maternal mortality by almost one-third.¹⁶

For education, achieving universal primary school completion will require investment in high-quality, publicly funded school systems that are accessible to all children, regardless of their family income, location, gender or other characteristics. Rapid rates of progress are possible; for example, Tanzania increased primary school enrolment from 49% to 98% between 1999 and 2008. The abolition of school fees and increased public spending on education from 2% of GDP in 1999 to 6.2% in 2010 were central to this success.

Getting to zero for education will require a focus not only on enrolment and drop-out rates, but also on learning outcomes. Too many children who are in school are failing to learn basic skills such as literacy and numeracy. An estimated 40% of the world's children are either not in school, have dropped out by grade 4 or are failing to acquire basic skills.¹⁷ Box 6 presents the findings from research conducted for Save the Children into rates of effective enrolment in southern and east Africa, a metric which captures both school enrolment rates and learning outcomes. This shows that there is significant variation between countries in the quality of education that children are receiving, with much to be learned from countries that have achieved rapid rates of progress in recent years. Evidence suggests that public investment in education is critical. Sadly, many countries have failed to match increased school enrolment rates with

increases in per-pupil expenditure. Investing in the quality of teachers is also crucial.¹⁸

Implementation of policies to overcome the specific barriers that particular groups of disadvantaged children face in receiving a good-quality education is also critical. These include children: who live in fragile and conflict-affected states and areas that are prone to natural disasters; who are forced into child labour or early marriage; who experience disability; and who live on the street. While significant progress has been made in recent years towards achieving gender parity in primary education enrolment, more attention needs to be paid to breaking down the specific barriers that prevent girls from receiving good-quality education. In sub-Saharan Africa only 93 girls are enrolled in primary school for every 100 boys. The gap is even greater for secondary education, and has actually grown for tertiary education since 2000.¹⁹

Equitable pathways to zero must be pursued not only for education, but for all post-2015 goal areas, with a focus on reaching the poorest and most marginalised groups and individuals first. The scale of this challenge, particularly among groups who face systematic discrimination and exclusion from social, political and economic life, should not be underestimated. In many countries, this section of the population is likely to include women and girls, people living in remote areas, minority religious, ethnic and identity groups, people living in conflict-affected areas, and people suffering discrimination on account of their age, disability or other social status. Reaching these groups will require careful, context-specific analysis of the causes of discrimination and exclusion, both within households and in public life, and targeted strategies

BOX 6: ENSURING ALL CHILDREN ARE IN SCHOOL AND LEARNING BY 2030

It is critical that the post-2015 framework addresses the failure of the MDGs to track progress on educational quality as well as access. Too many children across the world face a form of hidden exclusion in education; they are in school but are failing to learn. There are signs that learning outcomes are declining in some countries; for example, in India the proportion of schoolchildren aged 10–11 who could do simple division fell by 20 percentage points between 2007 and 2012.

Unfortunately, there is no globally comparable data for us to fully understand the nature of the problem, or to get an accurate understanding of international trends in order to set realistic goals and targets for the post-2015 framework.

One option for a metric to measure learning outcomes which could be included in the post-2015 framework is 'effective enrolment'. This indicator measures both educational access and quality,

continued overleaf

BOX 6: ENSURING ALL CHILDREN ARE IN SCHOOL AND LEARNING BY 2030 *continued*

calculating the proportion of school-aged children (both in and out of school) who have acquired basic numeracy and literacy skills. The indicator was originally developed by Spull and Taylor (2012), combining data from Demographic Health Surveys (DHS) and the Southern and East African Consortium for Monitoring Educational Quality (SACMEQ).

New research conducted for Save the Children by Spull and Taylor investigated rates of change in effective enrolment in nine southern and east African countries between 2000 and 2007. The research found that all countries in the region made progress in levels of effective literacy during this period, but there was significant variation between countries. There was also progress in effective numeracy enrolment in most countries, with one exception being Uganda, where the same number of children achieved basic numeracy skills in 2007 as in 2000.

A number of countries in the region stand out for making particularly strong progress. Namibia tops the rankings for both literacy and numeracy, achieving a 29 percentage point increase in effective literacy enrolment and 27 percentage points in numeracy between 2000 and 2007. Overall enrolment rates only increased by 3 percentage points in this period, suggesting that far more children in school were achieving basic learning outcomes in 2007 than in 2000. Lesotho, Tanzania and Zambia also made significant strides forward, with large increases in access to education accompanied by increases in effective literacy enrolment of between 12 and 14 percentage points. At the other end of the spectrum, Uganda, South Africa and Kenya achieved increases of between three and five percentage points. This sample of countries is diverse in terms of the baselines they have worked from, access to resources and macroeconomic context. This points to a strong potential for government policy to drive forward improvements in learning outcomes.

As well as variation between countries, there is considerable variation within countries in the rates of progress that are being made by children from affluent and poor households. In six out of nine

countries included in the study, the richest 20% of children are on track to achieve good school attendance and learning outcomes in literacy and numeracy by 2017. In contrast, the poorest 40% are on track for literacy in only three countries, and for numeracy in only two. For numeracy, Uganda's poor are actually moving in the wrong direction, with falls in the combined measure of enrolment and learning outcomes between 2000 and 2007. In Kenya, children from the richest 20% of households made faster progress than those from the poorest 40% in effective literacy and numeracy enrolment over this period.

What are the implications of these findings for the post-2015 framework? First, our research demonstrates that learning outcomes can, and should, be tracked alongside enrolment rates. Second, significant progress in learning can be achieved in relatively short periods of time in different country contexts.

Finally, the rates of change observed in some countries in the region suggest that universal learning targets can be achieved by low- and middle-income countries, and therefore should be included in the post-2015 framework. Of the nine countries in our sample, five are on track to achieve 95% effective enrolment rates in both literacy and numeracy by 2030 if they maintain their current rate of progress. All nine could reach this target if they increase their progress rates to match the average of the three best-performing countries in the region. Particular attention must be paid to ensuring that all economic and social groups are making progress, with a focus on improving outcomes for the poorest sections of society.

(For further analysis and discussion, see Spull, N and Taylor, S (2013) *Trends in effective enrolment between 2000 and 2007: Measuring access and basic-quality improvements for nine African countries*, research paper for Save the Children. Figures on education in India are from the Annual Status of Education Report (2012), cited in Save the Children (2013) *Ending the Hidden Exclusion: Learning and equity in education post-2015* London: Save the Children.)

to address them. These might include: the removal of legal barriers; reform of discriminatory policies and improvements in access to justice; proactive measures to meet the specific needs of different groups; tackling social norms through education and public dialogue; and measures to level the social, economic and political playing field between advantaged and disadvantaged groups.²⁰

FRAGILE AND CONFLICT-AFFECTED STATES

Countries that are experiencing or emerging from conflict, and that have limited capacity to perform basic governance functions and are home to widespread child protection failures, are likely to be among those that will struggle the most to get to zero under the post-2015 framework. However, while conflict-affected and fragile (CAF) states are furthest behind in multidimensional poverty reduction, they are also a group that holds huge potential for dramatic acceleration in rates of progress. Liberia is a case in point, having brought child mortality rates down from 241 deaths per 1,000 live births in 1990 to 78 in 2010.²¹ Twenty CAF states have already met one or more of the MDG targets, with eight having halved extreme income poverty ahead of the 2015 deadline.²² Nepal, for example, halved the number of people living in extreme income poverty between 2003 and 2011, and has also met MDG targets on maternal mortality and access to water. Box 7 explores the impressive progress that Cambodia has made in improving access to education since 2000, following decades of civil war and instability.

CAF states must not be written off in the global effort to get to zero by 2030, but rather should be supported through different kinds of partnership and development approaches that meet their particular needs, and that tackle the root causes of fragility. Through the Dili Consensus on the post-2015 agenda, the 18 members of the g7+ group of fragile states expressed their support for universal development goals, but stressed that these must support rather than undermine national ownership of development agendas, and allow for approaches that reflect local priorities and circumstances.²³ Our zero goal proposal explicitly builds on the MDG targets, aligning the new framework with existing development initiatives and approaches. Zero goals for MDG targets would ensure that the new framework is not perceived as

an additional burden that diverts precious resources away from existing national agendas towards new international commitments. It will also ensure that progress towards the MDGs that CAF states are currently making is acknowledged under the new framework, even if they are not able to achieve MDG targets by 2015.

In addition to maintaining continuity with the MDGs, the post-2015 agenda should build on the 2011 Peacebuilding and Statebuilding Goals that were agreed in 2011 as part of the New Deal for Engagement in Fragile States.²⁴ These recognise the need for focus on the political, economic and social foundations that are preconditions for achieving the MDGs, and include fostering legitimate politics, strengthening security, advancing justice, building economic foundations for development and building capacity for accountable revenue management and service delivery. The post-2015 Dili Consensus stresses the particular importance of improving the effectiveness and capacity of government and state institutions in CAF states.

It is critical that the post-2015 framework is designed to support these ambitions, setting up CAF states to succeed rather than to fail. The new framework should support improvements in transparency, accountability and government effectiveness in different governance contexts, and recognise that the absence of conflict is a precondition for sustainable development. Donors and other development partners must not shy away from the particular challenges of working in CAF states; while there may be financial risks involved, the potential pay-offs in terms of progress towards zero could be substantial.

In all countries, including CAF states, tackling income inequality and improving governance holds dramatic potential for accelerating rates of multidimensional poverty reduction towards zero. Our analysis indicates that all countries could cross the finishing line to zero by 2030, through following a three-pronged strategy of tackling income inequality, improving governance, and scaling up sector- and context-specific poverty reduction programmes to reach the poorest and most marginalised groups. The remainder of this report considers what tackling inequality and improving governance will mean in practice for developing countries, before moving on to look at how the goals, targets and implementation mechanisms of the post-2015 framework can support these objectives.

BOX 7: CATALYSING PROGRESS IN CONFLICT-AFFECTED AND FRAGILE STATES – EDUCATION IN CAMBODIA

Cambodia has effectively rebuilt its education system from scratch over the past two decades, following years of civil war and instability. Although the country still has a long way to go in ensuring that all children receive a good-quality education, dramatic improvements in attainment rates have been achieved in recent years, particularly since 2000. Primary enrolment rates increased from 86% in 1999/2000 to 96% in 2009/10, and the percentage of students entering the last year of primary school – a proxy for completion – increased from 47% in 2000 to 80% in 2008. The rate of improvement has been most notable among girls, in rural and remote areas and among lower-income quintiles.

This progress has been driven by five key interventions:

- 1. More effective planning systems:** Since the early 2000s, there has been close cooperation between the government and development partners to create more functional and effective sector-wide administration and planning.
- 2. Financing:** Substantial increases in government expenditure and aid to education have facilitated the implementation of policies and programmes to expand access. Recurrent expenditure on education has increased 14-fold since 1994, with the share in total government expenditure increasing from 8% to almost 20%. Meanwhile, aid to education has increased fivefold since 1992.
- 3. Partnerships with non-governmental organisations (NGOs):** The education ministry has received support from several highly innovative local and international NGOs, which have worked with the most marginalised to improve the quality and relevance of education, fostering community participation and social capital to expand access to the poorest.

4. Access schemes: Abolition of start-of-year school fees in 2000, paired with extensive information campaigns, has led to a surge in enrolment, particularly in remote areas. Meanwhile, many local NGOs have piloted scholarships for the poorest girls (and later boys), to address demand-side constraints (such as the cost of transport), promote enrolment in lower secondary education, and incentivise completion of primary education. These pilot projects have subsequently been scaled up by donors and have been integrated into the national Education Sector Plan.

5. Infrastructure and training: Between 1990 and 2010, the number of primary schools increased by 40% and the number of secondary schools nearly fourfold. This has been instrumental in facilitating access to education, particularly in rural areas. Furthermore, the government has prioritised recruitment of teachers from remote areas and minority ethnic groups to teach in under-served schools.

Although considerable progress has been made in recent years, significant challenges remain. Achieving universal good-quality education will require the problems of corruption and low institutional capacity to be addressed, in addition to improvements in the quality of teaching. Further progress is likely to depend on increasing decision-making powers at the local level, coupled with advancing accountability, transparency and community participation in governance of the system. Such efforts could help to address perceptions among parents of the lack of relevance of the education system, help to combat patronage, and improve quality – for example, through the adaptation of curricula to local needs.

Source: Engel, J and Rose, P (2012) *Rebuilding basic education in Cambodia: Establishing a more effective development partnership*, ODI Development Progress Series, Overseas Development Institute

5 WHY ARE INEQUALITY AND GOVERNANCE SO CRITICAL?

INCOME INEQUALITY

Our projections indicate that tackling inequality holds huge potential for accelerating rates of multidimensional poverty reduction, and will be critical for ensuring that we get to zero on extreme multidimensional poverty by 2030. In our regression analysis we found that, holding all of the other variables constant, increasing the income ratio between the poorest 40% and richest 10% of the population by a factor of one was associated with:

- a 17% increase in the odds of a child dying before the age of five
- a 23% decrease in the odds of a child reaching the last grade of primary school
- a 16% decrease in the odds of someone having access to improved water facilities
- an 11% decrease in the odds of having access to basic sanitation.

THE RELATIONSHIP BETWEEN INCOME INEQUALITY AND MULTIDIMENSIONAL POVERTY

The evidence base concerning the relationship between income inequality and average rates of non-income poverty is mixed. This is perhaps because of the complexity and context specificity of the causal pathways involved and the intersecting relationship between different dimensions of inequality.² However, taken as a whole, evidence from research and analysis in this area points towards a relationship that operates through three main pathways.

First, reductions in income poverty that stem from reductions in income inequality mean many households have more disposable income, allowing people to buy food, invest in healthcare, pay school fees, and invest in better water and sanitation facilities. This, in turn, can have knock-on effects on human development outcomes.³ The relationship between income inequality and income poverty is well established in the literature, with high levels of income inequality indicating there is a problem with the way the economy is structured.⁴ Additional resources

that flow into the economy as a result of economic growth are likely to benefit affluent groups more than people living in poverty, thereby lessening the impact that economic growth has on poverty reduction rates. As Ravallion (2005) demonstrates, both initial levels of income inequality and how the distribution of income changes over time can have significant effects on rates of income poverty reduction.

Second, income inequality has been demonstrated to affect an individual's and/or group's sense of self-worth and wellbeing, because of their awareness of their relative social status. A number of studies have shown that individuals underperform when they are told they are from a poorer and/or marginalised group. In the long term this can affect a person's aspirations, opportunities and productivity⁵ (see Box 8). At the community level, extreme income inequality can weaken social cohesion, as groups feel further and further removed from each other. This can undermine civic and community engagement, and in extreme cases can lead to instability, violence and conflict, particularly when political group-based inequalities intersect with income inequality and have strong historical roots.⁶

Third, income inequality can be both an outcome and a determinant of social policies and public spending patterns. More affluent groups can have greater influence over decision-making and access to political power, with poorer groups less able to influence public policy that affects them. This can lead to lower investment in public services in poor communities, and the poor management of public resources, in turn having an impact on health, education, and other development outcomes.

For example, Subramanian et al explore how vicious cycles between inequalities in income and political voice have undermined the potential for the government's Integrated Child Development Scheme to tackle malnutrition in certain states of India.⁷ They argue that income inequality has led in many cases to public distribution and administration systems that are not geared towards meeting the needs of

BOX 8: THE IMPACT OF INEQUALITY ON PERCEPTIONS OF SOCIAL STATUS AND SELF-WORTH

Research by the Young Lives project, an international study of childhood poverty that is following the changing lives of 12,000 children in Vietnam, Peru, India and Ethiopia over 15 years, reveals how social stigmatisation can have lifelong impacts for children, affecting their experience and attainment at school, job prospects and sense of self-worth. This is illustrated by the experience of

Bereket, a grade 8 student from Addis Ababa in Ethiopia. Despite education and learning making him happy, Bereket misses school for five to seven days a month to earn money washing cars, even though his family disapproves. “When the students come wearing better clothes, I don’t like to feel inferior to them, so it is a must for me to work hard to change my situation,” he said in one interview.

Source: Save the Children and Young Lives (2013) *Growing up with the promise of the MDGs: Children’s hopes for the future of development* London: Save the Children, p 9

the poor and that are subjected to manipulation by vested interests, as poor and marginalised groups can do little to hold leaders to account. This underscores the importance of working at both the demand and supply ends of the governance spectrum, supporting citizens to make their voices heard and demand change, while also building the capacity of the public administration to deliver that change from local through to national levels.

THE INTER-GENERATIONAL CYCLE BETWEEN INEQUALITY OF OPPORTUNITY AND OUTCOME

In the absence of effective and accountable government policy, inequality can quickly lead to the emergence of poverty traps, which, in turn, exacerbate inequality. Cycles of poverty and income inequality are transferred between generations, with children born into poor families suffering from the same inequalities of outcome experienced by their parents. Low levels of social mobility result in persistent inequality; for example, one study estimated that at least one-quarter of inequalities in earnings in Brazil are linked to household characteristics, such as birthplace, belonging to particular ethnic and other identity groups, and parents’ educational attainment.⁸

Figure 6 illustrates how the opportunities that children have are affected not only by inequalities that they experience directly, but by the outcomes that their parents have experienced. Children also suffer disproportionately from the impacts of income inequality, with lifelong impacts on their health, opportunities and wellbeing. Save the Children’s research has shown that, in a sample of 32 developing countries, children in the richest 10% of the population

have 35 times the income that is available to children in the poorest 10%. This is double the size of the gap faced by the total population, and has grown by 35% since the 1990s.⁹ Government policy has a clear role to play in tackling this problem.

TACKLING MULTIDIMENSIONAL INEQUALITY AND DISCRIMINATION

Income inequality usually intersects with other economic, political and social forms of inequality, which are often linked with group-based inequality along identity, geographical location, age or disability lines. Gender inequality cuts across all of these dimensions of inequality, so that women and girls from disadvantaged groups usually suffer the most.¹⁰

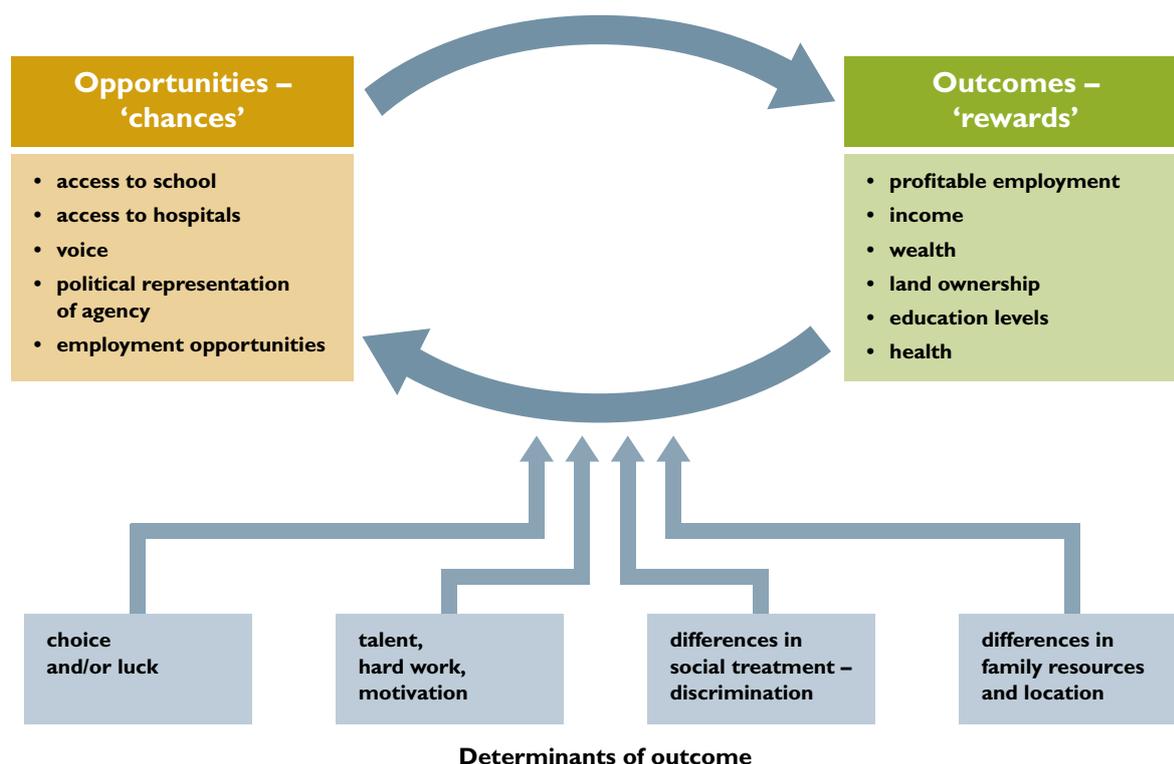
Groups of people who suffer from multiple and mutually reinforcing dimensions of inequality are likely to be disproportionately represented in the final few percent of people who are still not reached by the improvements made to inequality and governance in our final projection scenario. Reaching these groups must be a priority for all governments – it is not acceptable for anyone to be left behind.

HOW CAN GOVERNMENTS TACKLE INCOME INEQUALITY?

This section has unpacked the reasons why rising income inequality will slow down multidimensional poverty reduction in the post-2015 era, and why tackling it in ways that benefit the poor will be a key strategy for getting to zero on critical dimensions of poverty.

But how can this be achieved in practice? There is, of course, no quick fix for reducing income inequality.

FIGURE 6: THE CYCLICAL RELATIONSHIP BETWEEN INEQUALITY OF OPPORTUNITY AND OUTCOME



The distribution of income in society can be a politically sensitive issue, and appropriate strategies for ensuring that the poorest and most marginalised sections of society can enjoy a fairer share of national prosperity will vary from context to context. However, it is clear from our post-2015 projections that complacency is not an option.

Research and experience suggest that taking action across the following policy areas can yield pro-poor improvements in income distribution.¹¹

a) Shifting economies on to inclusive and environmentally sustainable growth pathways

Maintaining strong economic growth will clearly be important for poverty reduction. However, it is not only the rate of economic growth, but what form it takes and how its fruits are distributed in society that are crucial.¹² Over the MDG period, different countries have pursued a wide range of growth paths which have had varying impacts on the distribution of wealth in each society. Their diverse experience suggests that there is nothing automatic about the relationship between a country's level of economic development, its economic growth rates, and income distribution patterns.

For example, between 1990 and 2010, growth in Ethiopia was, on average, pro-poor, benefiting people at the bottom of the income distribution proportionately more than people at the top. The country saw an average economic growth rate of 3.3% a year over this period.¹³ In comparison, Nigeria saw levels of economic growth at 2.1% a year; this growth was not only pro-rich but anti-poor, with people at the bottom of the income distribution spectrum seeing a fall in their share of overall consumption. In Vietnam, which has a similar GDP per capita to Nigeria's in purchasing power parity dollars, growth averaged 6% a year and was on the whole equitable, with all segments of the income distribution seeing fairly equal increases in their levels of consumption.

While pro-poor growth strategies have to be context-specific, rural development strategies will be crucial for spurring inclusive and sustainable growth in many developing countries, particularly where urban/rural divides are deeply entrenched. These should target improvements in the sectors and jobs that the poorest people work in and rely on. Studies in a number of countries, including India, China, Uganda, Ethiopia and Malawi, have found that investment in rural roads, agricultural research and rural education can have particularly strong impacts

on poverty.¹⁴ The aim should be to empower poor workers and business people to drive forward economic growth from the bottom up, supporting them to contribute effectively and productively to the benefit of themselves and the wider economy.

Throughout their efforts to spur inclusive and equitable growth, governments must be accountable not only to current citizens, but to future generations. The pathways that countries follow towards inclusive growth and reduced inequality must be decoupled from the rising use of primary resources and the environmental impacts associated with their production and consumption.¹⁵ They must also make the most of opportunities to invest in low-carbon and climate-resilient infrastructure, particularly in the energy, transport, water and building sectors.¹⁶ Furthermore, climate change impacts are projected to increase in severity and frequency, with the poor and marginalised in society likely to be the most affected, and with consequent implications for poverty reduction efforts.¹⁷ Governments need to be factoring climate change into their development strategies in order to get to, and stay at, zero on extreme multidimensional poverty.

b) Pursuing equitable approaches to strengthening public services and infrastructure

Investment in public services and infrastructure, particularly in poor and remote areas as part of equitable pathways to achieving universal coverage, is critical for tackling inequalities. Universal healthcare and education are important for reducing inequality of opportunity, particularly for ensuring that all girls and boys have an equal chance to live their lives to their full potential and achieve their aspirations (see Box 9). Public investment in electricity, water and sanitation, roads and other essential infrastructure is also of key importance. There is an urgent need for governments to meet spending commitments that they have made in all of these areas; too many countries are failing to invest enough in sectors that are critical for poverty reduction. For example, only seven of 30 countries monitored by the Government Spending Watch initiative are meeting spending targets in water and sanitation, with just 17% of African countries in the sample meeting their targets.¹⁸

c) Social policy and comprehensive social protection

Social protection floors need to be set that ensure that all people have access to essential social services and basic income security, including access to nutrition, education, care and other necessary goods and services.¹⁹ Mechanisms such as cash transfers, out-of-work benefits, child and maternity benefits, and pensions can help to strengthen the resilience of children and families during times of hardship, as well as promoting equitable opportunities throughout their life cycle (see Box 10).

Labour policies to improve the quantity and the quality of work opportunities for poor and marginalised people not only strengthen people's livelihoods, but can help to increase productivity and boost economic growth. Productive, safe, fairly remunerated and adequately supported jobs are the foundation for individual empowerment, household poverty reduction and shared prosperity. Save the Children research found that policies to ensure minimum wages, humane working conditions and employment benefits have played an important role in helping to reduce inequalities in India, China and Brazil.²⁰ With an estimated 74 million young people out of work across the globe in 2012, focus should be placed on boosting opportunities for young people and ensuring that they have the skills and capacities they need to access work. Importantly, we must ensure that no child is engaged in work that is harmful to their health, safety and development, or that disrupts their education.

In addition to policies to reduce inequality across the income distribution spectrum, equity measures are required to eliminate group-based inequalities and systematic exclusion, including against children, women, identity groups, the elderly and disabled people, both within households and in public life. The norms and attitudes that lie at the heart of discrimination and exclusion must be tackled.

Particular focus must be placed on the disempowerment and marginalisation of women in societies across the world as a cross-cutting and deeply embedded dimension of inequality. Policy measures might include legal provisions to protect against gender discrimination and violence, affirmative action to redress the impacts of previous discrimination, investing in sexual and reproductive

BOX 9: EQUITABLE PATHWAYS TOWARDS UNIVERSAL HEALTH COVERAGE

Universal Health Coverage (UHC) – defined as “all people obtain the health services they need, of good quality, without suffering financial hardship when paying for them” – is fast gaining momentum as a priority at global and national levels. Rooted in the right to health, UHC divorces access to healthcare from ability to pay.

A recent report by the Rockefeller Foundation, Save the Children, UNICEF and WHO emphasises the importance of prioritising equity in pathways towards UHC. The research identified lessons from low- and middle-income countries regarding health financing policy levers, and recommends that countries:

- increase and improve equity in funding for the health system, through:
 - expanding progressive mandatory prepayment mechanisms and revenues from general taxation, scaling contributions by ability to pay
 - eliminating out-of-pocket spending (OOPS) on health for vulnerable populations and priority services
- pool risks and resources at scale, through:
 - consolidating risk pools to increase redistribution across the population
 - establishing universal entitlements to essential services
- carry out strategic purchasing, through:
 - designing a benefit package that meets the needs of the poorest and most vulnerable, including a minimum of free primary healthcare
 - aligning provider incentives through performance-based and other appropriate payment mechanisms.

Thailand has proved that a country does not have to be rich to make great progress towards UHC. In 2001, the Thai government implemented a Universal Coverage Scheme (UCS) to address challenges of fragmentation and low coverage. Fully financed by general government revenues,

despite a gross national income (GNI) of just US\$1,900 per capita at the time, the UCS expanded coverage to the 18 million people previously uninsured. Eliminating user fees has been a critical feature of the reform, which is designed to increase direct public subsidies to cover the needs of the poor and most vulnerable. This led to a substantial decrease in the incidence of catastrophic health expenditures, which push households into financial crisis, to just 2.9% of the poorest quintile of the population in 2009, as well as a fall in impoverishment caused by healthcare costs.

The challenge now is to achieve healthcare coverage that is truly universal. Some of Thailand’s poorest and most vulnerable people – unregistered migrants – do not have access to the Thai health system. Only registered migrants are eligible to access a social security scheme, which is different from the free access to the health system that Thai citizens have, and many do not access the system until they are seriously ill. Unregistered workers, who account for the majority of migrants, and those who accompany registered migrants (spouses, children, parents and relatives) do not have the right to obtain any form of social security or free healthcare unless they buy their own health insurance or can pay for the services. This group includes more than a million people from Myanmar, Cambodia and Laos. Although Thai hospitals and other public medical facilities can subsidise healthcare for migrants who cannot afford it, it is rare for them to do so. Financial barriers compound other obstacles that migrants face to accessing health services, including language difficulties, fear of arrest, distance and lack of transportation (particularly for agricultural workers), and fear of discrimination. As a result, migrant infants are among the most vulnerable to communicable diseases, as well as dying before the age of 5, because they lack proper nutrition, treatment and vaccinations.

Source: Rockefeller Foundation, Save the Children, UNICEF and WHO (2013) *Universal Health Coverage: A Commitment to Close the Gap*

BOX 10: TACKLING INEQUALITY THROUGH SOCIAL PROTECTION

Social protection schemes are important for reducing inequalities in access to basic services and decent livelihoods for the poorest and most marginalised members of society. For example:

In India, the National Rural Employment Guarantee Scheme provides rural workers with 100 days of work at the statutory minimum agricultural wage. The scheme has been designed to tackle inequalities in access to decent work along rural/urban, gender, ethnicity and caste lines – for example, with a one-third quota for women, provision of equal wages for women and men and a focus on works that improve assets such as irrigation on land owned by Scheduled Castes and Scheduled Tribes. The scheme has contributed to rising wage incomes for poor households, with evidence that a proportion of this is being spent on healthcare for family members as well as boosting overall consumption. Improvements to rural infrastructure are also helping to reduce vulnerability and improve livelihood opportunities for poor communities.²²

In Mexico, the Oportunidades scheme provides female heads of household with a fixed food stipend and educational scholarships, conditional on family members getting preventive healthcare and achieving minimum school attainment. The Seguro Popular scheme has also helped to extend health insurance to poor and rural households. Enrolment in the scheme was associated with a mean increase in antenatal visits during pregnancy, with 59% of this being among women who previously had little or no access to healthcare.²³

Oportunidades, and the similar Bolsa Familia scheme in **Brazil**, cost less than 1% of GDP, and research shows that they have contributed to falling inequalities in income and human development outcomes in both countries.²⁴ Bolsa Familia now reaches more than 44 million of the poorest people in Brazil, and helped to bring extreme poverty rates down from 12% in 2003 to 4.8% in 2009. Children who are part of the scheme have a 26% better chance of not being stunted than those who are not in the scheme, increasing to 41% in the case of children aged 36–59 months.²⁵

In Kenya, where public spending on social safety nets grew by 50% between 2007 and 2012, a suite of policies make up the National Safety Net Programme, which aims to reach up to 3.3 million of the country's poorest people by 2017.²⁶ These policies include the Hunger Safety Net Programme, Older Persons Cash Transfer, Persons with Severe Disability Cash Transfer, Cash Transfer for Orphans and Vulnerable Children, and the Urban Food Subsidy Cash Transfer. The Hunger Safety Net programme is an unconditional cash transfer programme which reached 69,000 chronically poor households in northern Kenya by 2011, with plans to scale up to 100,000.²⁷ The programme has accelerated poverty reduction, with participants being 10% less likely to be poor than those not participating. It also helped to reduce households' vulnerability to the 2011 drought, and there is evidence of increased food consumption and dietary diversity and increased spending on education and health among participants.²⁸

healthcare and services, providing gender-sensitive social protection for girls and women, and support to strengthen women's ownership of, and access to, resources. Working with men and boys and shifting public discourse and attitudes via popular media and culture can help to tackle negative norms and values. Finally, ensuring that girls and women themselves feel empowered and have the confidence and capacity to push for equality is critical. Supporting local women's organisations is particularly important for opening spaces for individual women to develop experience and contacts, as well as for enabling collective action and alliance-building.²¹

d) Pro-poor fiscal policy

Opportunities to boost domestic resource revenue for investment in public services need to be utilised to their fullest potential. Increasing domestic tax revenue enables governments to make bigger investments in social sectors such as health, education and social protection, as well as in essential infrastructure such as roads, sewerage systems and electricity. A functional tax system can also strengthen the social contract between the state and its citizens, with the potential to strengthen accountability. Making sure that indirect taxes such as sales, value-added and goods and services tax are

not regressive, and do not place a disproportionate burden on the poor, is a way of helping to tackle inequality directly.

Improving the willingness of citizens and corporations to pay taxes is not only a domestic issue for developing countries. High-income countries have the responsibility to address weaknesses in the international system that enable tax dodging, corruption and illicit financial flows to rob developing countries of precious revenue for investment in development.

THE IMPORTANCE OF ACCOUNTABLE AND EFFECTIVE GOVERNANCE

From this discussion, it is clear why our research found that improvements in governance have the potential to accelerate change towards zero. Effective and accountable governments that are responsive to the needs of poor and marginalised people will be critical on a number of levels for the successful implementation of the post-2015 framework.²⁹

Governments have a key role to play in tackling inequality and levelling the playing field through fiscal and social policy, ensuring that access to social protection and good-quality public services is not subject to a household's or individual's income or socio-economic group. Governments will also need to design and implement policies that enable poor and marginalised people to participate more productively in the economy. It is essential that governments are effective and accountable, in order to drive forward the sector-specific poverty reduction strategies and interventions that will be critical for getting to zero.

Our findings are in line with the recent proliferation of research and evidence showing that good governance has a strongly positive impact on development, and children's rights in particular. For example, the comprehensive study of the 'child-friendliness' of African governments concluded that political willingness to prioritise children in resource allocation is as important, if not more important, for children as how rich or poor a country is.³⁰ A World Bank study similarly confirmed that unless a minimum level of good governance is in place, more investment in health and education for children will not yield the desired results.³¹ A recent multi-country study of the political and institutional determinants of malnutrition underscored the importance of government capacity, accountability and responsiveness for effectively reducing the burden of undernutrition.³²

But how can accountable and effective governance be fostered in practice? 'Good governance' cannot be achieved through technical fixes, and depends heavily on the balance of power between political constituencies and between citizens and the state. While there is no simple recipe for improving governance for poverty reduction, steps can be taken to shift incentive structures, exploit opportunities and build coalitions for change that have the potential to yield significant improvements to pro-poor policy design and implementation. As Alkire and Roche note, countries do not need to have 'perfect' governance institutions in order to make significant progress in multidimensional poverty reduction, although an active civil society is often important in helping to drive change.³³

No single approach or solution is going to be appropriate in all contexts. Accurate diagnosis of underlying political and social barriers to change is essential in each and every situation, in order to identify where political incentives for change can be bolstered and policy incoherence addressed.

Recent research in countries that have achieved unexpected acceleration in reducing stunting rates highlighted three key drivers of change as particularly important for opening up political space for change.³⁴ First, policy-makers need a solid and convincing evidence base, concerning both the nature of the problem and the efficacy of solutions to tackle it, so that a context-specific understanding and narrative can be built around the importance of tackling the problem. Second, success often depends on broad-based political coalitions, sometimes including actors with competing agendas, coming together to tackle the problem. The effective marshalling of knowledge and evidence so that it reaches and convinces the right people can be important for fostering these coalitions, together with active civil societies who are able to push for change and broker partnerships. Finally, human and organisational capacity and resources are critical, and include not only technical understanding of how to tackle malnutrition, but also soft-power skills to help foster the required collaboration across political boundaries and disciplines.

Experience in a range of contexts, including Vietnam, Malawi and Maharashtra in India, demonstrate that when these three drivers operate together in mutually reinforcing ways, political commitment can be developed in short periods of time. The success that Peru has achieved in driving down stunting rates over the past ten years illustrates what can happen when demand from civil society is combined with

windows of political opportunity and focused political leadership (see Box 11). Ensuring that citizens' rights to freedom of association and expression are protected and that spaces for civil society to organise and operate freely are protected are, therefore, critical. The worrying trend of clampdowns on human rights activists and regulation and surveillance of civil society in countries across the world must be reversed.³⁵

Recent studies have highlighted the importance of social accountability initiatives; under certain conditions, social audits, transparency initiatives and citizen report cards can create sufficient pressure for improved service delivery.³⁶ Participatory budgeting initiatives have also demonstrated some success in increasing government investment in public services (see Box 12), supported by transparency and access to information.

BOX 11: CASE STUDY – FOSTERING POLITICAL WILL IN PERU TO TACKLE MALNUTRITION FROM THE BOTTOM UP AND TOP DOWN

In 2006, elections in Peru provided a broad-based coalition of NGOs and international agencies with an opportunity to push the issue of malnutrition up the political agenda. Their ability to do so was bolstered by the evidence that they had been gathering on the extent of the problem, and by effective approaches that could be scaled up to tackle it. The coalition challenged presidential candidates to sign a pledge to focus on reducing malnutrition among under-5s by 5% in 5 years (the '5x5x5' pledge). Through effective lobbying it persuaded even candidates who had never thought about malnutrition to sign up, transforming malnutrition from a neglected policy area into a political issue.

The new government that had been elected drew on evidence concerning the need for integrated, cross-sector and equitable approaches to tackle malnutrition in its design of the 2007 National Strategy for Poverty Reduction and Economic Opportunities. This strategy included: the creation of a common framework for action by government ministries across the social, finance and agriculture sectors in order to maintain policy coherence; decentralised programmes coupled with results-

based financing from central government in order to improve efficiency and accountability; the reorientation of conditional cash transfers to incentivise families to improve nutrition, increase use of care services and improve school attendance as part of a wider effort to reach marginalised groups; and the scaling-up of community-based nutrition programming that has proven impact. Political leadership from above helped to drive forward the implementation of the programme, with the issue of malnutrition being placed under the direct control of the Prime Minister's office.

The success of these efforts is reflected in stunting data. Having remained fairly static since 1995, stunting rates started to fall from 2006/07. The subsequent five years saw stunting levels slashed by one-third, falling from 30% in 2004 to 20% in 2011. Importantly, progress was achieved in the poorest sections of society as well as among easier-to-reach groups, with rates falling from 56% to 44% among children at the bottom of the income spectrum. The challenge now is to maintain rates of progress through reaching groups and regions that still do not have access to the programmes.

Source: based on information from UNICEF (2013) *Improving Child Nutrition: The achievable imperative for global progress*, UNICEF, and information provided by Care Peru

BOX 12: PARTICIPATORY BUDGETING AND INCREASING INVESTMENT IN CHILDREN IN BRAZIL³⁷

Cedeca-Ceará, an NGO in Brazil (supported by a number of donors including Save the Children), has for many years run a project supporting young people to monitor the public budget in a state capital city (Fortaleza in the north-east of Brazil). Fortaleza is a city with both high levels of poverty and economic inequality. Groups of young people in Fortaleza were trained to understand how

public budgets are made, and then to apply this knowledge for analysis and to mobilise their more disadvantaged peers. The results achieved were quantitative and qualitative: an additional R\$2 million for children's development allocated to education and social care, and greater political visibility in public forums of adolescents' organisations.³⁸

Source: The Ceará Centre for Protection of Children and Adolescents – CEDECA-Ceará, *Children and young people in action, participating in budget work*, November 2005; Marques, M M (2011) 'Monitoring the Public Budget with Adolescents: The Experience of Cedeca-Ceará', in Enakshi Gangul Thukral (ed.) *Every Right for Every Child: Governance and Accountability*, 2011 Routledge India.

6 WHAT DOES THIS MEAN FOR THE POST-2015 FRAMEWORK?

The analysis presented in this report suggests that an end to extreme multidimensional poverty could be within sight – we could be the generation that puts an end to critical dimensions of extreme poverty once and for all. However, transforming this vision into concrete reality will not be easy, and will require significant changes in the ways that we all approach human development.

As argued in this report, it will require tackling the income gap between rich and poor sections of society in ways that genuinely result in the interests and needs of the poorest being put first. It will also require political and public institutions to be accountable to the poorest and most marginalised people, including through the effective delivery of accessible essential services that meet their needs.

The previous chapter of this report explored what this might mean for national governments in practice. It examined some of the policy options and approaches that could be pursued to tackle income inequality and improve the quality of governance in the interests of poor people. Governments, of course, do not need to wait for the post-2015 framework to undertake reform in these areas. Many are already doing so, and much can be learned from their experience of what works and what doesn't. Planning for zero must begin now, with careful consideration of what resources, policies and support will be needed to eradicate critical dimensions of poverty by 2030 in each country and sub-national context.

This chapter focuses on how the post-2015 framework can support and accelerate these efforts, uniting the international community and national governments behind common objectives and shared values, and providing a common reference point to help channel political and financial investment into the eradication of extreme poverty.

ZERO GOALS MUST BE INCLUDED THAT FINISH THE JOB THE MDGS STARTED

Zero goals will motivate and inspire, putting a time-frame to the long-standing international commitment to free the human race from want.

Just as the MDGs became embedded in national development plans and donor strategies, including zero goals in the post-2015 framework will help to unite and orient the governments and their development partners towards the critical mission of ending extreme multidimensional poverty.

Goals must be included to:

- eradicate extreme income poverty at levels of \$1.25 and \$2 a day and reduce relative poverty
- end hunger and ensure universal access to sustainable food, water and sanitation
- end preventable child and maternal mortality and provide universal healthcare for all
- ensure all children receive a good-quality education and have good learning outcomes
- ensure all children live a life free from all forms of violence, are protected in conflict and thrive in a safe family environment
- deliver sustainable energy to all.

TACKLING INEQUALITY MUST BE A CORE OBJECTIVE AND BE EMBEDDED IN EVERY ASPECT OF THE NEW FRAMEWORK

The post-2015 framework must be firmly oriented towards tackling inequality, with commitment to reduce the gaps between advantaged and disadvantaged groups built into the fibre of its goals, metrics and implementation mechanisms. Zero goals are a critical component of this, embodying recognition of the need to ensure that all people can enjoy their basic human rights, without discrimination or bias of any kind.

Inequality must also be tackled through the targets and indicators that sit underneath goals. For income inequality, this will mean the inclusion of goals to eradicate income poverty at the \$1.25- and \$2-a-day levels, and of concrete targets to implement social policies to tackle inequality, including to establish a global social protection floor and to ensure that all people have access to decent work. The framework must track reductions in income inequality between the top 10% and bottom 40% of the income distribution, in addition to group-based income inequalities. Rates of progress should be published as part of the reporting process under the new framework, in order to monitor change and recognise success.

In addition to tackling income inequality, the post-2015 framework must be designed to reduce other dimensions of inequality that persist along economic, political, social and cultural lines; between individuals; and between gender, age, identity, disability and geographical groups. The rates of progress that are being made by different groups in each goal area must be tracked and published, with explicit commitment to close the gap between the best- and worst-performing groups. Importantly, no target must be deemed to have been met unless it is met for the poorest and most marginalised groups in society.¹

GOALS, TARGETS AND INDICATORS MUST BE INCLUDED ON OPEN, ACCOUNTABLE AND INCLUSIVE GOVERNANCE

In line with our finding of the importance of effective and accountable governance for achieving zero goals, the post-2015 framework must contain a stand-alone goal on open, accountable and inclusive governance. As per our recommendations in *Ending Poverty in Our Generation*, targets should aim to improve transparency, participation, civil liberties, rule of law, corruption and effective public service provision. These must include preserving legal and political space for the free and independent operation of civil society.

In addition to bolstering accountability at local and national levels, a robust global reporting mechanism must be established as part of the new framework that provides a channel for poor and marginalised people to monitor progress and hold both national and international institutions to account for commitments they have made.

DATA TO TRACK PROGRESS MUST BE COLLECTED THAT IS RELIABLE, COMPARABLE AND DISAGGREGATED

In order to track equitable progress towards zero and other goals, and to ensure that leaders can be held to account for their commitments, appropriate disaggregated data must be collected and made publicly accessible under the post-2015 framework. This will require considerable improvements on the status quo; the data that is currently available to measure different dimensions of poverty is woefully patchy, irregularly collected and often unreliable. Data must be collected under the post-2015 framework that is comparable across countries and based on common indicators, data collection standards and methodological approach. Improvements must be made in the coverage, quality, transparency and regularity of data collection.

Monitoring inequality will require disaggregated data to measure differential rates of progress between women and girls in comparison with men and boys,

and between relatively advantaged and disadvantaged ethnic, religious, rural/urban, regional, age and disability groups. Metrics must capture imbalances in power and opportunity that exist within households as well as in the public realm. This will require substantial investment, institutional reform and capacity-building, in order to ensure that systems are up and running in time.

THE FRAMEWORK MUST BE FINANCED

Making the dramatic shifts in policy and practice that are needed to get to zero on critical dimensions of poverty will require considerably more investment in sustainable development than is currently being made. The Intergovernmental Expert Committee on Sustainable Development Financing must explore every avenue possible for ensuring that sufficient financial resources are available for achieving zero goals and other post-2015 targets, and must make innovative and strong proposals to UN member states. Domestic resource mobilisation and innovative financing will be crucial, but so will official development assistance.

Traditional and emerging donors must be prepared to step up their investment in the post-2015 era, with OECD Development Assistance Committee (DAC) donors realising their commitment to spend 0.7% of GNI on official development assistance. This will be particularly important for helping countries that carry a disproportionate burden of global poverty to get to zero. Richer countries also have the responsibility to address weaknesses in the international system that enable tax dodging, corruption and illicit financial flows that dramatically reduce the resources that are available for investment in poverty reduction.

ALL COUNTRIES AND DEVELOPMENT PARTNERS MUST PLAY THEIR ROLES IN ACHIEVING ZERO GOALS AND ADVANCING GLOBAL SUSTAINABLE DEVELOPMENT

All UN member states must commit themselves to making the necessary changes in policy and practice that are required for global sustainable development and the complete eradication of critical dimensions of poverty, including on environmental sustainability and tackling climate change. Traditional donor and high-income countries must ensure that their policies are coherent with development objectives – with reform of any trade, finance, agriculture and investment policies that undermine the global race towards zero.

7 CONCLUSION

Under the Millennium Declaration, world leaders came together to renew their promise to do everything in their powers to free the world from poverty and want. The time has arrived to keep that promise. To do so is achievable, but will require commitment from the international development community and national governments to move beyond 'business as usual' in the global fight against poverty.

This report has highlighted how important tackling inequality and improving government effectiveness and accountability to the poorest and most marginalised sections of society will be for eradicating critical dimensions of extreme multidimensional poverty under the post-2015 framework. Combined with the scaling-up of sector-specific poverty reduction strategies, particularly among populations that carry the highest burden of the world's poverty, and particular efforts to tackle systematic exclusion and

discrimination against marginalised groups, we could feasibly finish the job that the MDGs started by 2030. Ensuring that development strategies are not only transformative but environmentally sustainable will be critical for ensuring that the world's precious natural resources are protected, that accountability to current and future generations is maintained, and that countries get to zero, and stay there.

Getting to zero by 2030 will not be easy, and there is no simple or quick fix. However, the post-2015 framework presents world leaders with a significant opportunity to galvanise the international community behind this shared vision, and to mobilise the political and financial partnerships and investment that are needed to transform this vision into reality. Now is the time to aim high, setting zero goals to eradicate the critical dimensions of poverty and suffering once and for all. If we do, the pay-offs for humanity could be huge.

ENDNOTES

EXECUTIVE SUMMARY

¹ All figures from UN (2013a) *The Millennium Development Goals Report* New York: UN.

² Save the Children (2012a) *Ending Poverty in Our Generation: Save the Children's vision for a post-2015 framework*, Save the Children

³ The Child Survival Call to Action (CSCA), a global multi-stakeholder coalition of governments, multilateral agencies, companies and civil society, has pledged to bring child mortality rates down to at least 20/1,000 in every country by 2035. This benchmark was informed by research into the drivers of child mortality, including using the Lives Saved Tool (LiST) from the Johns Hopkins Bloomberg School of Public Health and analysis by the Institute for Health Metrics and Evaluation (Glass et al, 2012). This suggests that the 20/1000 threshold could be achieved by 2035 if the international community prioritises high burden countries and populations, focuses on high impact solutions that have the greatest potential to accelerate declines in mortality, tackles wider determinants of mortality such as mothers' education, and promotes mutual accountability. While focusing on different drivers of change and therefore not directly comparable, we believe that our analysis complements the work of the CSCA, and that together the two sets of research indicate that a target of 20 child deaths per 1,000 live births could feasibly be achieved in every country by 2030.

Glass, R, Guttmacher, A and Black, R (2012) 'Ending Preventable Child Death in a Generation', *Journal of the American Medical Association*, June 13 2012, www.ucdenver.edu/academics/colleges/PublicHealth/research/centers/globalhealth/resources/Documents/jama.2012.7357.pdf

⁴ The High Level Panel of eminent persons was appointed by the UN Secretary-General in July 2012 to make recommendations on the post-2015 development agenda. The Panel, composed of leaders from the civil society, business and government sectors, submitted their report in May 2013: *A New Global Partnership: Eradicate poverty and transform economies through sustainable development*, United Nations, www.post2015hlp.org/about/

I INTRODUCTION

¹ UN (2013a) op. cit.

² Ravallion, M (2013) *How Long Will It Take To Lift One Billion People Out Of Poverty?* World Bank Policy Research Working Paper 6325, January 2013; UN (2013a) op. cit.

³ Save the Children (2012b) *Born Equal: How reducing inequality could give our children a better future*, Save the Children; Young Lives and Save the Children (2013) *Growing up with the promise of the MDGs: children's hopes for the future of development*, Save the Children

2 WHAT DO WE MEAN BY 'GETTING TO ZERO' AND WHY IS IT IMPORTANT?

¹ This group was convened by the World Economic Forum and chaired by John McArthur of the UN Foundation, Fung Institute and Brookings Institution. See Aryeetey et al (2012) *Getting to Zero: Finishing the Job the MDGs Started*, published for the World Economic Forum Global Agenda Council on Benchmarking Progress, www.brookings.edu/research/papers/2012/04/17-millennium-dev-goals-mcarthur

² UN (2013a) op. cit.

³ Ravallion (2013) op. cit.

⁴ No existing projection of reductions in extreme income poverty rates get to an absolute zero by 2030, with the closest being Chandy et al (2013), who suggest a rate of 1.4% could be achieved in a scenario of strong economic growth and reductions in income inequality. However, these projections are based on scenarios incorporating economic growth, population growth and income distribution; they do not capture the potential of targeted programmes to reach the poorest and most vulnerable groups, including through tackling systematic discrimination. Such action has the potential to accelerate rates of change even further. The World Bank (2013) argues that when the 3% target is reached, the fight against extreme poverty will have come to an end in most parts of the world. Pockets of poverty will persist in some countries and sub-national regions, with strategies for poverty reduction moving from broader efforts to reach large sections of the population to more focused efforts to reach specific vulnerable groups. Save the Children believes that this targeted action to reach vulnerable groups needs to take place alongside broader efforts, and should not wait until after 2030. Chandy, L, Ledlie, N and Panciakova, V (2013) *The final countdown: Prospects for ending extreme poverty by 2030*, Brookings Institution Global Views Policy Paper 2013-04. World Bank (2013) *A common vision for the World Bank Group*, cover note attached for the April 20, 2013, Development Committee Meeting, available at [http://siteresources.worldbank.org/DEVCOMMINT/Documentation/23394965/DC2013-0002\(E\)CommonVision.pdf](http://siteresources.worldbank.org/DEVCOMMINT/Documentation/23394965/DC2013-0002(E)CommonVision.pdf)

⁵ Lopez-Calva and Ortiz-Juarez (2011) *A vulnerability approach to the definition of the middle class*, World Bank Policy Research Working Paper 5902, 2011

⁶ Food and Agriculture Organization of the United Nations (2012) *Proceedings of the International Scientific Symposium on Food and Nutrition Security Information: from Valid Measurement to Effective Decision Making* Rome, 17–19 January 2012; Haen, H, Klasen, S and Qaim, M (2011) *What do we really know? Metrics for food insecurity and undernutrition*, Courant Research Centre Poverty, Equity and Growth in Developing and Transition Countries: Statistical Methods and Empirical Analysis Discussion Paper No.88, August 2011

⁷ WHO and UNICEF (2013b) *Ending preventable child deaths from pneumonia and diarrhoea by 2025: the integrated global action plan for pneumonia and diarrhoea*, World Health Organization; Chopra, M, Mason, E, Borrazzo, J, Campbell, H, Rudan, I, Liu, L, Black, R and Bhutta, Z (2013) 'Ending of preventable deaths from pneumonia and diarrhoea: an achievable goal', *The Lancet*, Vol 381, Issue 9876, pp 1499–1506, 27 April 2013

⁸ DFID (2013) *Water, Sanitation and Hygiene Evidence Paper* London: Department for International Development, <http://r4d.dfid.gov.uk/pdf/outputs/sanitation/WASH-evidence-paper-april2013.pdf>

⁹ Horton, R and Lo, S (2013) 'Nutrition: a quintessential sustainable development goal', *The Lancet*, Vol 382, Issue 9890, pp 371–372, 3 August 2013

¹⁰ See endnote 3 for discussion about how our projections compare with the CSCA pledge.

¹¹ Child Survival Call to Action (2012) *Summary Road Map*, <http://5thbdy.usaid.gov/pages/ResponseSub/roadmap.pdf>; see also presentation by Christopher Murray from the Institute for Health Metrics and Evaluation, presented for the Child Survival Call to Action Conference, June 14–15, 2012, Washington, D.C.: www.apromiserenewed.org/files/Chris_Murray-Presentation.pdf

¹² Glass, R, Guttmacher, A and Black, R (2012) 'Ending Preventable Child Death in a Generation', *Journal of the American Medical Association*, June 13 2012, www.ucdenver.edu/academics/colleges/PublicHealth/research/centers/globalhealth/resources/Documents/jama.2012.7357.pdf; Chan, M

and Lake, A (2012) 'Towards ending preventable child deaths', *The Lancet*, Vol 379, Issue 9832, pp 2119–2120, 9 June 2012; Chan and Lake (2012); Child Survival Call to Action (2012).

¹³ UNICEF/UN Women (2013) *Synthesis report on the global thematic consultation on addressing inequalities*, www.worldwewant2015.org/node/299198

¹⁴ High Level Panel on the Post-2015 Agenda (2013) op. cit.

¹⁵ Edward, P and Sumner, A (2013) *The future of global poverty in a multi-speed world: New estimates of scale location and cost*, Center for Global Development Working Paper 327, June 2013; Chandy, L, Ledlie, N and Panciakova, V (2013) *The final countdown: Prospects for ending extreme poverty by 2030*, Brookings Institution Global Views Policy Paper 2013-04; Ravallion, M (2013) *How Long Will It Take To Lift One Billion People Out Of Poverty?* World Bank Policy Research Working Paper 6325, January 2013

¹⁶ WHO/UNICEF (2013) *Post-2015 WASH targets and indicators*, Joint Monitoring Programme Consolidated Proposal on Post-2015 drinking-water, sanitation and hygiene indicators, targets and definitions, May 2013

3 OUR RESEARCH APPROACH

¹ See also Kite (2013) for further technical detail of the methodology and findings, including the regression analysis, models and projection approach.

Kite, G (2013) *Getting to zero in the post-2015 framework: A technical research report for Save the Children*, Save the Children

² See for example Karver, J, Kenny, C and Sumner, A (2012) *MDGs 2.0: What goals, targets, and timeframe?* Center for Global Development Working Paper 297, June 2012; De Onis, M, Blossner, M and Borghi, E (2012) 'Prevalence and trends of stunting among pre-school children, 1990–2020', *Public Health Nutrition* 2012 Jan 15(1) pp 142–148; Alkire, S and Roche, J M (2013) *How Multidimensional Poverty Went Down: Dynamics and comparisons*, Oxford Poverty and Human Development Initiative; World Health Organization and UNICEF (2012) *Progress on Drinking Water and Sanitation: 2012 update*, World Health Organization and UNICEF

³ For example, Bhutta et al (2013) have looked at the impact of nutrition interventions on child mortality and stunting, estimating that scaling up ten nutrition specific interventions to 90% coverage levels could reduce stunting rates by 20.3%. Chopra et al (2013) use the same approach to examine the impact of specific interventions on child mortality from diarrhoea and pneumonia.

Bhutta, Z, Das, J, Rizvi, A, Gaffey, M, Walker, N, Horton, S, Webb, P, Lartey, A, Black, R, The Lancet Nutrition Interventions Review Group, and the Maternal and Child Nutrition Study Group (2013) 'Evidence-based interventions for improvement of maternal and child nutrition: what can be done and at what cost?', *The Lancet*, Vol 382, Issue 9890, pp 452–477, 3 August 2013; Chopra et al (2013) op. cit.

⁴ See for example Edward, P and Sumner, A (2013) *The future of global poverty in a multi-speed world: New estimates of scale location and cost*, Center for Global Development Working Paper 327, June 2013; Ravallion (2013) op. cit.; Chandy, L, Ledlie, N and Panciakova, V (2013) *The final countdown: Prospects for ending extreme poverty by 2030*, Brookings Institution Global Views Policy Paper 2013-04.

⁵ Karver et al (2013) conduct time-series regressions based on 20-year lags of the poverty outcomes to predict global rates of child mortality, secondary completion, maternal mortality, life expectancy and a number of other development indicators in 2030. Klasen and Lange (2012) estimate best possible rates of progress that could be achieved for under-five mortality rates, primary school completion rates and gender equality in education, based on the best rates of change that developing countries have achieved historically. The results from both of these studies are broadly in line with our own. For example, Karver et al (2013) estimate that a global average child mortality rate of between 21 and 28 per 1,000 live births could be achieved by 2030. Klasen and Lange (2012) estimate a maximum average rate of progress which, based on our calculations, would result in a child mortality rate of around 26/1,000 by 2030, and a primary school completion rate of 98%. Karver et al (2013) op. cit.; Klasen, S and Lange, S (2012) *Getting Progress Right: Measuring Progress Towards the MDGs Against Historical Trends*, Courant Research Centre Discussion Paper No. 87, February 2012.

⁶ Our sample is based on countries for which Demographic Health Survey (DHS) data is available in order to maintain coherence with associated Save the Children research projects. This sample contains one country

that is classed by the World Bank as high-income (Trinidad and Tobago) and several others – particularly in the former Soviet Union – that are close to the zero targets. Together they provide enough experience of success on human development to inform the projections. For a full list of countries, see Kite (2013) op. cit.

⁷ The long list of indicators was guided by data availability and development policy and research. See Kite (2013) for a full list. It should be noted that the regressions do not necessarily capture the causal impact of inequality and governance on poverty outcomes because we were not able to control for the possibility of reverse causality, or be sure that the changes in outcomes were not the result of omitted variables that affect both inequality/governance and poverty outcomes. However, it is difficult to control for these factors, and we have followed other studies of the determinants of poverty outcomes in interpreting the relationship as running from societal and distal factors (namely inequality and governance in our study) to poverty outcomes (see Kite, 2013 for further discussion, plus Charmabagwala, 2004; Schell et al, 2007; Hallerod et al, 2013).

Kite (2013) op. cit. Charmabagwala, R, Ranger, M, Waddington, H and White, H (2004) *The Determinants Of Child Health And Nutrition: A Meta-Analysis*, http://siteresources.worldbank.org/INTEDS14/Resources/child_health_nutrition.pdf

Schell, C O, Reilly, M, Rosling, H, Peterson, S and Ekstrom, A M (2007) 'Socioeconomic determinants of infant mortality: A worldwide study of 152 low, middle and high income countries', *Scandinavian Journal of Public Health* 2007, 35, pp 288–297; Hallerod, B, Rithstein, B, Daoud, A and Nandy, S (2013) 'Bad Governance and Poor Children: A comparative analysis of government efficiency and severe child deprivation in 68 low and middle income countries', *World Development*, pp 19–31

⁸ Looking at the distribution of income across the entire global population, levels of global inequality rose between the mid-1980s and early 2000s, followed by a slight decline since 2002 (Milanovic, 2013). However, it is important to note that this dip is almost entirely attributed to the rapid economic growth and rising prosperity in China, a country that is so populous that it skews global figures. Calculations by Edward and Sumner (forthcoming) suggest that, removing China from the equation, inequality between countries has actually risen slightly since 2005, whereas total global inequality has remained fairly static. The relatively static level of global inequality is the result of varying trends in levels of income inequality within countries, which is falling in some cases and rising in others, keeping overall global levels fairly stable and high – trends which are reflected in our research sample.

Edward, P and Sumner, A (forthcoming) *The poor, the prosperous and the 'inbetweeners': A fresh perspective on global society, inequality and growth*.

⁹ Inequality and income poverty interact with each other, with rising income inequality generally being harmful to people at the bottom of the income distribution, and falling inequality helping to increase the impact that growth has on income poverty (Ravallion, 2005). It should also be noted that multidimensional poverty reduction can occur in the absence of economic growth through focused poverty reduction programmes, as the case study of Niger in Box 5 illustrates.

Ravallion, M (2005) *Inequality is bad for the poor* World Bank Policy Research Working Paper 3677.

¹⁰ The potential for decreasing inequality to accelerate changes in income poverty is incorporated into projections by Chandy et al (2013), Ravallion (2013) and Edward and Sumner (2013). To capture this in our projections we incorporated estimates from research by Edward and Sumner of how changes in inequality could affect income poverty rates in the future under IMF projected growth rates. This means that under our business as usual scenario, income poverty falls to 5.2% of the global population at the \$1.25 level and 12% at the \$2 level. For scenario 2 in which we reduce income inequality, income poverty falls to 3.7% at \$1.25 and 7.4% at \$2. This means that our projections capture the combined effect of related shifts in income inequality and income poverty. Because of a lack of data for stunting, we were unable to separate the effects of income inequality from income poverty. Income poverty was therefore included in the final model as our regression analysis found it to be the most significant of the two.

¹¹ Palma, J G (2011) 'Homogeneous middles vs. heterogeneous tails, and the end of the "Inverted-U": It's all about the hare of the rich', *Development and Change*, 42, 1, pp 87–153. For further discussion see Edward and Sumner (forthcoming) op. cit.

¹² Berg and Ostry (2011); Stewart (2013); World Bank (2005); Stiglitz (2012)

Berg, A and Ostry, J (2011) *Inequality and unsustainable growth: two sides of the same coin?* IMF Staff Discussion Note, April 8, 2011 SDN/11/08; Stewart, F (2013) *Approaches towards inequality and inequity: concepts, measures and policies*, Innocenti Working Paper WP-2013-10, June 2013, UNICEF Office of Research; World Bank (2005) *World Development Report 2006: Equity and Development*, World Bank and Oxford University Press; Stiglitz, J (2012) 'Macroeconomic fluctuations, inequality and human development', *Journal of Human Development and Capabilities*, 13(1), February 2012, pp 31–58. See Stewart (2013) for a review of the literature and further discussion.

¹³ The United Nations Global Compact is a corporate responsibility initiative with over 7,500 business signatories in more than 140 countries, and 101 Local Networks. Participating companies – working with an array of non-business stakeholders – commit themselves to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, as well as to take actions in support of broader UN goals such as the Millennium Development Goals.

See UN Global Compact (2013) *Corporate Sustainability and the United Nations Post-2015 Development Agenda*, Report to the United Nations Secretary-General submitted by the United Nations Global Compact, 17 June 2013.

The Sustainable Development Solutions Network is an independent global network of research centres, universities and technical institutions, mandated by UN Secretary-General Ban Ki-moon as part of the follow-up to the Rio +20 Conference on Sustainable Development to help find solutions for some of the world's most pressing environmental, social and economic problems.

See SDSN (2013) *An Action Agenda for Sustainable Development: Report for the UN Secretary-General*, Report prepared by the Leadership Council of the Sustainable Development Solutions Network, 6 June 2013.

¹⁴ Save the Children (2012b) op. cit. See also UNICEF/UN Women (2013) op. cit. and Ortiz, I, Daniels, L and Engilbertsdottir (eds) (2012) *Child Poverty and Inequality: new perspectives*; Woodhead, M, Dornan, P and Murray, H (2013) *What inequality means for children: evidence from Young Lives*, Young Lives.

¹⁵ For further discussion see UNICEF/UN Women (2013) op. cit.; Stewart (2013) op. cit.; Melamed, C and Samman, E (2013) *Equity, Inequality and Human Development in a Post-2015 Framework*, UNDP Human Development Report Office Research Paper, February 2013, UNDP.

¹⁶ <http://unpan1.un.org/intradoc/groups/public/documents/un/unpan022332.pdf>

¹⁷ UNDG (2013) *The Global Conversation Begins*, www.worldwewant2015.org/the-global-conversation-begins

¹⁸ July 2013 data. See <http://blog.myworld2015.org/2013/07/24/message-from-ms-amina-mohammed-my-world-is-close-to-hit-800000-votes-thank-you-for-your-support/> and www.myworld2015.org/?page=results

¹⁹ YouthPolicy.org (2013) *Post-2015: The Signal From the Noise*, www.youthpolicy.org/blog/2013/06/post-2015-the-signal-from-the-noise/

²⁰ This included testing public spending on health as a proportion of GDP. Interestingly, while this had a statistically significant relationship with stunting rates, we did not find it to have a significant relationship with child mortality rates in our final models. This could be linked to the inclusion of GNP in the models, which may be misattributing some of the effects of public health spending to GNP in instances where higher GNP is linked to higher spending on health, a result mirrored in other studies (see, for example, Schell et al, 2007 and Muldoon et al, 2011). We could not test the impact of public spending on education, water or sanitation, owing to a lack of internationally comparable data. However, the strong impact that we found the governance indicators to have in these areas is likely to reflect the importance of effective public administration and resourcing in these sectors (see, for example, Greenhill and Prizzon, 2013).

Schell et al. (2007) op. cit.; Muldoon et al (2011) 'Health system determinants of infant, child and maternal mortality: A cross-sectional study of UN member countries', *Globalization and Health*, 2011, 7:42; Greenhill, R and Prizzon, A (2013) *Who foots the bill after 2015? What new trends in development finance mean for the post-MDGs*, ODI Working Paper 360, Overseas Development Institute

²¹ UN ECOSOC (2006) *Definition of basic concepts and terminologies in governance and public administration*, Committee of Experts on Public Administration, Fifth Session, New York, March 2006, E/C.16/2006/4, <http://unpan1.un.org/intradoc/groups/public/documents/un/unpan022332.pdf>

²² This larger increase for education reflects the higher level of variability in the WGI scores for political stability than the other measures, likely because changes in a country's status (eg, the end of conflict) results in large change in government stability in a relatively short period of time. The WGI index is constructed through calculating the mean governance score for all countries across each governance area, and then locating other countries in terms of their distance from this mean. Each indicator is constructed using a statistical formula which gives countries a score between -2 and +2. These scores are distributed along a normal distribution curve, with a mean score of 0, with 68% of countries falling within one standard deviation of the mean.

²³ For stunting, we did not find any of the governance variables to have a statistically significant relationship with stunting rates when they were included with other variables in the model. However, we did find that the indicator for government effectiveness was significant when public spending on health was taken out of the model, which implies that the two are closely linked: effective governments spend more on public health, and it is how the money is spent that is important. This is why we have included public spending on health as a 'getting to zero' driver in our projections for stunting, and think that this could be providing insights into government effectiveness.

²⁴ The WGIs provide a useful tool for quantifying and comparing different aspects of governance between countries, and have been used in a range of studies examining the influence of governance on development outcomes (see, for example, Hallerod et al, 2013, op. cit.). However, as with all attempts to measure governance, they should be read with caution. The fact that WGIs are composites of a number of different surveys adds to their strength, but it does leave each measure sensitive to the methods that are used to calculate the index and any weaknesses in the underlying data they are constructed from.

²⁵ See the 2005 Millennium Ecosystem Assessment for a full review.

²⁶ See UNDP (2011) *Human Development Report: Sustainability and Equity: a better future for all*, UNDP.

²⁷ UNDP (2011) op. cit.

²⁸ UNEP (2011) *Decoupling Natural Resource Use and Environmental Impacts from Economic Growth*, UNEP

²⁹ See UN (2013) *Statistics and indicators for the post-2015 development agenda*, UN System Task Team on the Post-2015 UN Development Agenda.

³⁰ As the 2015 deadline for achieving the MDGs draws closer, a number of attempts have been made to accelerate rates of progress in order to ensure that the goals are met on time. For example, at the 2010 United Nations Summit on the Millennium Development Goals, world leaders reaffirmed their commitment to accelerating progress. This summit saw the establishment of the 'Every Woman Every Child' commitment, with pledges from over 250 development partners amounting to over \$58 billion to achieve better health for women and children across the world, of which \$10bn had been disbursed by 2012. A further example of a recent acceleration effort is the 2013 Global Nutrition for Growth Compact which was endorsed by 94 stakeholders, with donors committing themselves to invest \$4.15bn in direct interventions together with \$19bn in indirect interventions to tackle undernutrition and almost \$20bn in nutrition-sensitive approaches, accompanied by commitments from the private sector and developing country governments. We have yet to see the fruits of these initiatives, and others like them, in official development statistics, with the most recent data available for many indicators only reaching as far as 2010/11. Such efforts to accelerate progress towards the MDGs may mean that some countries will not have as far to go under the post-2015 framework as we might currently think.

³¹ See note 24. For further discussion see Ranis, G and Stewart, F (2007) 'Dynamic Links Between the Economy and Human Development' in Ocampo, J A, Jomo, K S and Khan, S (eds) *Policy Matters: economic and social policies to sustain equitable development*, Orient Longman.

³² We have conducted separate projections for child mortality, stunting, education, water and sanitation. However, in reality, these different dimensions of poverty are highly interlinked, with rates of change in one area often yielding significant changes in others. For example, improved sanitation can reduce the risk of diarrhoea for children by 36%, and

increased water supplies by a further 17% (WHO and UNICEF, 2013, op. cit.). Diarrhoea is the leading cause of child mortality in sub-Saharan Africa. Similarly, undernutrition is the underlying cause of 45% of under-five child mortality. Bhutta et al (2013, op. cit.) estimate that child mortality rates could be reduced by 15% if ten nutrition interventions were scaled up to 90% coverage. This would also reduce stunting rates by 20%. Nutrition has also been linked to learning outcomes, with Save the Children (2013b) research finding that children who are stunted are 19% more likely to make a mistake when reading a simple sentence, and 13% less likely to be in the correct grade for their age at school. Conversely, receiving a good-quality education is a critical enabler of poverty reduction, equipping children with the knowledge and skills that they need to access decent livelihoods, and allowing them to pass on their knowledge to the benefit of their own children later in life.

Save the Children (2013) *Food for Thought: Tackling child malnutrition to unlock potential and boost prosperity*, Save the Children

4 WHAT WILL IT TAKE TO GET TO ZERO BY 2030?

¹ Based on average rates of progress from three South Asian countries: Nepal, India and Bangladesh. UNICEF and WHO (2012) op. cit.

² The regional projections are based on the same model as the global forecasts, with country-level forecasts aggregated according to the World Bank's region classification rather than to worldwide level. The sample countries covered 96% of Sub-Saharan Africa's population, 98% of South Asia's population, and 80% of the population of Latin America and the Caribbean. To ensure that our final figures represented the entire population of these regions a small scaling factor was applied. Because our model was designed to describe and forecast global poverty outcomes rather than regional ones, these projections should be treated as illustrative only.

³ UNICEF (2013) *Improving Child Nutrition: The achievable imperative for global progress*, UNICEF

⁴ WHO and UNICEF (2012) op. cit.

⁵ Save the Children (2013b) op. cit.

⁶ ONE International (2013) *The 2013 DATA Report: Financing the fight for Africa's Transformation*

⁷ WHO and UNICEF (2013) op. cit.

⁸ Countdown to 2015 is a global movement of academics, governments, international agencies, health-care professional associations, donors, and nongovernmental organizations. It monitors progress towards achieving the health-related Millennium Development Goals (MDGs), tracking progress in the 75 countries where more than 95% of all maternal and child deaths occur, including the 49 lowest-income countries. For more information see <http://www.countdown2015mnch.org/about-countdown>

⁹ UN (2013a) op. cit.

¹⁰ Amouzou, A, Habi, O, Bensaïd, K, Niger Countdown Case study Working Group (2012) 'Reduction in child mortality in Niger: a Countdown to 2015 country case study', *The Lancet*, Vol 380, Issue 9848, pp 1169–1178, 29 September 2012

¹¹ Chopra et al (2013) op. cit.

¹² For further discussion see Save the Children (2013) *Surviving the First Day: State of the World's Mothers 2013*, Save the Children

¹³ Countdown 2015 (2013) op. cit.; Rockefeller Foundation, Save the Children, UNICEF and WHO (2013) *Universal Health Coverage: A Commitment to Close the Gap*

¹⁴ Measured by proxies of equity in coverage of skilled birth attendance by wealth quintile and place of residence

¹⁵ Rockefeller Foundation et al (2013) op. cit.

¹⁶ Rockefeller Foundation et al (2013) op. cit.

¹⁷ UNESCO (2012) *Education For All Global Monitoring Report 2012*, UNESCO

¹⁸ For further discussion see Save the Children (2013) *Ending the Hidden Exclusion: Learning and equity in education post-2015*, Save the Children

¹⁹ UN (2013a) op. cit.

²⁰ See, for example, Jones et al (2010) *Stemming girls' chronic poverty: Catalysing development change by building just institutions*, Chronic Poverty Research Centre; UNICEF/UN Women (2013, op. cit.).

²¹ Countdown to 2015 (2013) *Accountability profile: Liberia*, available at www.countdown2015mnch.org/documents/2013Report/Liberia_Accountability_profile_2013.pdf

²² Based on the World Bank's Harmonised list of Fragile Situations, cited in World Bank (2013) *Stop conflict, reduce fragility and end poverty: Doing things differently in fragile and conflict affected situations*

²³ See the Dili Consensus – the outcome document of the g7+ International Conference on the Post-2015 Development Agenda, Dili, 26–28 February 2013, available at www.g7plus.org/the-dili-consensus/. The g7+ is a voluntary association of countries that are or have been affected by conflict and are now in transition to the next stage of development.

²⁴ The New Deal for Engagement in Fragile States was developed by the International Dialogue for Peacebuilding and Statebuilding, composed of the g7+ group of fragile states, donors and international institutions. It was presented and widely endorsed at the 4th High Level Forum on Aid Effectiveness in Busan in 2011, and comprises the five Peacebuilding and Statebuilding Goals, and principles for putting countries in charge of their own pathways out of fragility. For more information see www.newdeal4peace.org/new-deal-snapshot/

5 WHY ARE INEQUALITY AND GOVERNANCE SO CRITICAL?

¹ This means increasing the multiple by which the top 10%'s share of income is higher than the bottom 40%'s share; for example, from being 2 times higher (eg, Uganda), to being 3 times higher (eg, Rwanda). Of the 78 countries we included in this study, 52 experienced an increase or decrease of a factor of 1 or more in the period between 1980 and 2010.

² While the evidence base is mixed regarding the extent and nature of the relationship between income inequality and health outcomes, a number of meta-analyses point towards a discernible impact of inequality on health that operates independently of income and other variables (see, for example, Kondo et al, 2009 and Subramanian and Kwachi, 2004). In their review of 169 studies of the relationship between income inequality and population health outcomes, Wilkinson and Pickett (2006) found that three-quarters were either wholly or partially supportive of a link between higher levels of inequality and lower levels of population health. The relationship between income inequality and child mortality is generally stronger than between income inequality and other health outcomes, pointing to the disproportionate effects and vulnerability of children to inequality (Rowlingson, 2011). The evidence base is stronger concerning the relationship between inequality and educational outcomes (see, for example, Klasen and Lange, 2012, op. cit.), with the main causal pathway seeming to be differentials in levels of state spending on education (Melamed and Samman, 2013). Cobham and Sumner (2013) also found that countries with lower Palma inequality ratios have made faster progress towards achieving MDG targets. In comparison with countries with rising inequality, those with falling inequality have rates of progress that are three times higher for reducing extreme poverty and hunger, twice as high for reducing the proportion of people without improved water, and one-third higher for reducing under-five mortality. See Stewart (2013) for further discussion of the evidence base concerning the link between different dimensions of inequality and poverty outcomes.

Kondo, N, Sembajwe, G, Kawachi, I, van Dam, R, Subramanian, S and Yamagata, Z (2009) 'Income Inequality, Mortality and Self-rated Health: Meta-analysis of Multilevel Studies', *British Medical Journal*, 339, b4471; Subramanian, S and Kawachi, I (2004) 'Income Inequality and Health: What Have We Learned So Far?', *Epidemiological Review*, 26, pp 78–91; Wilkinson, R and Pickett, K (2006) 'Income Inequality and Population Health: a Review and Explanation of the Evidence', *Social Science & Medicine*, 62, pp 1768–1784; Rowlingson, K (2011) *Does income inequality cause health and social problems?* Joseph Rowntree Foundation; Melamed and Samman (2013) op. cit.; Cobham, A and Sumner, A (2013) *Putting the Gini Back in the Bottle? 'The Palma' as a policy-relevant measure of inequality*, www.kcl.ac.uk/aboutkings/worldwide/initiatives/global/intdev/people/Sumner/Cobham-Sumner-15March2013.pdf; Stewart (2013) op. cit.

³ See Ranis and Stewart (2007, op. cit.) for a discussion of links and causal pathways between income poverty and human development outcomes.

- ⁴ See, for example, Ravallion (2005 and 2013), Edward and Sumner (2013) and Chandy et al (2013) op. cit.
- ⁵ See, for example, Pathways to Women's Empowerment (2011) *Empowerment: A journey, not a destination*, Pathways; Hoff and Pandey (2006) 'Discrimination, social identity and durable inequalities', *American Economic Review*, 96, 2, pp 206–211; Save the Children and Young Lives (2013) op. cit; Wilkinson, R and Pickett, K (2010) *The Spirit Level: why equality is better for everyone*, Penguin Books.
- ⁶ A study by UNDP (2013) found that five of the ten most peaceful countries in the Global Peace Index are also among the most equal societies in the world, measured according to the erosion of Human Development Index scores by inequality (p 36). For further discussion see UNDP (2013); Stewart (2008); Wilkinson and Pickett (2010).
- UNDP (2013) *Human Development Report 2013 – The Rise of the South: human progress in a diverse world*, UNDP; Stewart, F (ed.) (2008) *Horizontal Inequalities and Conflict: understanding group violence in multi-ethnic societies*, Palgrave Macmillan
- ⁷ Subramanian, S V, Kawachi, I and Smith, G D (2007) 'Income inequality and the double burden of under- and over-nutrition in India', *Journal of Epidemiology and Community Health*, 61, 9, pp 802–809, 2007
- ⁸ Bourguignon, Ferreira and Menendez (2008), cited in UNDP (2013) *Human Development Report*, op. cit.
- ⁹ Save the Children (2013b) op. cit.
- ¹⁰ See, for example, Kabeer, N (2011) *MDGs, Social Justice and the Challenge of Intersecting Inequalities*, Centre for Policy Development and Research Policy Brief No.3, March 2011.
- ¹¹ See, for example, case study research in Ghana, China, India, Nigeria, Canada and the UK at www.savethechildren.org.uk/resources/online-library/born-equal
- ¹² See Save the Children (2013c) *Breaking the Mould* for further discussion.
- ¹³ Figures relating to each country's changes in the distribution of consumption are from Edward and Sumner (forthcoming) op. cit. All growth figures are 1990–2011 figures, from UNICEF (2013) *State of the World's Children 2013: Children with Disabilities*, UNICEF.
- ¹⁴ Mosley, P (2012) *The politics of what works for the poor in public expenditure and taxation: a review*, Effective States and Inclusive Development Working Paper No.11, ESID
- ¹⁵ UNEP (2011) op. cit.
- ¹⁶ OECD (2012) *Towards a Green Investment Policy Framework: the case of low-carbon, climate-resilient infrastructure*, Environment Working Paper No 48, ENV/WKP (2012) 7, OECD, 2012
- ¹⁷ Parry, M et al (2007) *Contribution of Working Group II to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change 2007*. See also World Bank (2012) *Turn Down the Heat: why a 4 degree warmer world must be avoided*, and World Bank (2013) *Turn Down the Heat: climate extremes, regional impacts and the case for resilience*, World Bank
- ¹⁸ GSW (2013) *Putting Progress at Risk? MDG Spending in Developing Countries* www.governmentspendingwatch.org/research-analysis/latest-analysis
- ¹⁹ ILO (2011) *Social protection floor for a fair and inclusive globalization. Report of the advisory group chaired by Michelle Bachelet*, ILO; Save the Children (2012) *A chance to grow: how social protection can tackle child malnutrition and promote economic opportunities*, Save the Children
- ²⁰ See case studies at www.savethechildren.org.uk/resources/online-library/born-equal
- ²¹ For further discussion see Jones et al (2010) op. cit.; Pathways to Women's Empowerment (2011) op. cit.
- ²² Holmes, R, Morgan, J and Hagen-Zanker, J (2011) *Progress in providing employment for the poor: the national public works programme in India*, ODI Development Progress Paper, Overseas Development Institute
- ²³ Harris, J E and Sosa-Rubi, S. *Impact of Seguro Popular on prenatal visits in Mexico 2002–2005: Latent Class Model of Count Data with a Discrete Endogenous Variable*. National Bureau of Economic Research Working Paper No. 14995, May 2009.
- ²⁴ Lustig, N, Lopez-Calva, L and Ortiz-Juarez, E (2013) 'Declining inequality in Latin America in the 2000s: The case of Argentina, Brazil and Mexico', *World Development*, 44, pp 129–141, April 2013; Glewwe, P and Kassouf, A L (2012) 'The impact of the Bolsa Escola/Familia conditional cash transfer program on enrollment, dropout rates and grade promotion', *Brazil Journal of Development Economics*, 97, 2, pp 505–517, March 2012; Debowicz, D and Golan, J (2013) *The Impact of Oportunidades on human capital and income distribution*, IFPRI
- ²⁵ Save the Children (2012c) *A Chance to Grow: how social protection can tackle child malnutrition and promote economic opportunities*
- ²⁶ World Bank (2013) 'World Bank to help Kenya Build a National Safety Net to reach 3.3 Million Poor People by 2017', World Bank Press Release, July 23, 2013, www.worldbank.org/en/news/press-release/2013/07/23/world-bank-help-kenya-build-national-safety-net
- ²⁷ Save the Children (2012) *Social Protection and Child Malnutrition in Kenya*, Chance to Grow country briefing paper, Save the Children, June 2012
- ²⁸ Ndoka, C (2012) *Hunger safety net programme: past, present and future (2008–2017)*, HSNP Secretariat
- ²⁹ The General Measures of Implementation (GMI) of the UN Convention on the Rights of the Child give an indication of the wide range of measures that states must take to ensure 'good governance' for children. These include: regulation of private sector service providers, disaggregated data systems, and cross-Ministry coordination bodies to enable holistic planning. The full list of GMIs can be found at www.crin.org/resources/treaties/CRC_GMI.asp
- ³⁰ African Child Policy Forum (2010) *The African Report on Child Wellbeing 2011: Budgeting for children*, www.africanchildforum.org/africanreport/attachements/article/47/AfricanReport2011_english.pdf
- ³¹ Rajkumar, A and Swaroop, V (2002) *Public Spending and Outcomes: Does Governance Matter?* World Bank Working Paper, May 2002; see also Hallerod et al (2013) op. cit; Transparency International (2010) *The Anti-corruption catalyst: Realising the MDGs by 2015*, Transparency International.
- ³² Mejia Acosta, A and Fanzo, J (2012) *Fighting Maternal and Child Malnutrition: Analysing the political and institutional determinants of delivering a national multisectoral response in six countries*, Institute for Development Studies
- ³³ Alkire and Roche (2013) op. cit.
- ³⁴ Gillespie, S, Haddad, L, Mannar, V, Menon, P, Nisbet, N, the Maternal and Child Nutrition Study Group (2013) 'The politics of reducing malnutrition: building commitment and accelerating progress', *The Lancet*, Vol 382, Issue 9890, 3 August 2013
- ³⁵ See, for example, Tiwana, M and Belay, N (2010) *Civil Society: The clampdown is real. Global Trends 2009–2010*, Civicus.
- ³⁶ See, for example, McGee (2011) and Gaventa, J (2011) *Shifting Power? Assessing the Impact of Transparency and Accountability Initiatives*, IDS Working Paper 2011 no. 383, November 2011; Wild, L, Chambers, V, King, M and Harris, D (2012) *Common constraints and incentive problems in service delivery*, ODI Working Paper 351; Harris, D. and Wild, L. (2013) *Finding solutions: making sense of the politics of service delivery*, ODI Politics and Governance paper, March 2013.
- ³⁷ The Ceará Centre for Protection of Children and Adolescents – CEDECA-Ceará, *Children and young people in action, participating in budget work*, November 2005, <http://resourcecentre.savethechildren.se/sites/default/files/documents/2989.pdf>
- ³⁸ Marques, M M (2011) 'Monitoring the Public Budget with Adolescents: The Experience of Cedeca-Ceará', in Enakshi Gangul Thukral (ed.) *Every Right for Every Child: Governance and Accountability*, 2011 Routledge India.

6 WHAT DOES THIS MEAN FOR THE POST-2015 FRAMEWORK?

¹ High Level Panel on the Post-2015 Agenda (2013) op. cit.

GETTING TO ZERO

How we can be the generation that ends poverty

We are at a critical juncture in the history of human development. An end to extreme poverty is within our reach.

The Millennium Development Goals (MDGs) – a set of concrete goals and targets to be achieved by 2015 – have helped to spur unprecedented rates of poverty reduction over the past decade. Now, the post-2015 successor framework must do the same – and more. It must finish the job that the MDGs started, with ‘zero goals’ to eradicate key dimensions of poverty – including preventable child mortality, children missing out on good-quality education, and inadequate access to water and sanitation.

This report presents new analysis that shows that these zero goals are achievable by 2030, but only if world leaders take decisive action to tackle income inequality and improve governance.

New projections presented here show that, if we allow current trends in income inequality to continue, we are highly unlikely to see the achievement of zero goals by 2030, even with strong economic growth. But our analysis suggests that rates of poverty reduction will accelerate significantly if income inequality is reduced and the accountability and effectiveness of governance are improved. By combining these steps with efforts to scale up poverty reduction programmes to reach the poorest and most marginalised people, we could get all the way to zero by 2030.

The report concludes with recommendations for building a bold and ambitious post-2015 framework, with zero goals and targets to tackle inequality, improve accountability and strengthen development partnerships.

We call on the international community not to miss the window of opportunity that the post-2015 process presents – to inspire and unite a generation behind the mission of ending extreme poverty once and for all.

savethechildren.org.uk



Save the Children