

# Reducing Inequalities

## A Sustainable Development Challenge

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**A Planet for Life**

*SUSTAINABLE DEVELOPMENT IN ACTION*

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# Foreword

**A**lready a key component of sustainable development policies, the alleviation of inequalities within and between countries also stands as a policy goal, one with high economic, social and environmental stakes.

We have dedicated this 2013 edition of *A Planet for Life* to inequality reduction, in light of significant recent works that reframe debate on sustainable development. Such works suggest that equity, or equity as a common objective, effectively supports long-term economic growth and increases resilience within economies. Researchers also see a strong empirical correlation between an increase in inequality and a decrease in biodiversity. In addition, greater inequality has toxic effects on society, lowering life expectancy, undermining trust in government and eroding social cohesion.

More importantly, since the 2008 global economic crisis, inequalities have regained centre stage as major public and policy concerns. Since 2008, many events have highlighted the unequal excesses arising from previous economic policies and their inattention to equality. These events include social movements and electoral campaigns, along with outrage at outsized compensation for the finance sector – the chief culprits of the crisis – and protests against governmental austerity policies. Most development professionals have seized upon these excesses, fuelling debate through published reports and their own expanded views of sectoral and topical themes: society, the economy and the environment.

This volume, *Reducing Inequalities: A Sustainable Development Challenge*, represents a unique international initiative: it collects the works of many experts, researchers and development professionals who do not usually interact, bringing them together for this year's *A Planet for Life*, a series focused on sustainable development issues. The authors have grounded their work on conceptual and strategic thinking, and – most importantly – empirical experiments, conducted on five continents and touching on multiple realities. The authors draw on this fieldwork to analyse and evaluate inequalities and the policy actions that aim to reduce them. This unprecedented collection proposes a solid empirical approach, rather than an ideological one, to inform future debate.

We must all realize that inequality reduction does not occur by decree; neither does it automatically arise through economic growth, nor through policies that equalize incomes downward via blind taxing and spending. Inequality reduction involves a collaborative effort that must motivate all concerned parties, one that constitutes a genuine political and social innovation, and one that often runs counter to prevailing political and economic forces.

The case studies collected in this volume demonstrate the complexity of the new systems required to accommodate each country's specific economic, political and cultural realities. These systems combine technical, financial, legal, fiscal and organizational elements with a great deal of applied expertise. Their durability depends on their ability to inspire collaboration among stakeholders who frequently hold antagonistic interests, values and rationales.

In the international realm, inclusive economic growth, improved well-being and conservation of public goods – especially environmental ones – require that all countries reduce inequalities and promote common rules. Such efforts depend on the establishment of rules that are fair and applicable to all.

The publication of this 2013 edition of *A Planet for Life* coincides with the acceleration of “post-2015” negotiations and the design of Sustainable Development Goals, agreed during the Rio+20 Summit in 2012. Among those goals, inequality reduction deserves to take centre stage. This volume is an important contribution for enhancing a shared understanding of inequalities. Its insights will provide valuable guidance for AFD, IDDRI and TERI in their relationships with partners. We hope this volume will also receive recognition during current and future international negotiations and that it will bolster collective action to alleviate inequality wherever it arises. ■