

JICA's Position Paper on SDGs: Goal 10

Goal 10: Reduce inequality within and among countries

1. Understanding of the present situation

(1) Why we need to reduce inequality

Since 1990, absolute poverty in the world has declined by 1.1 billion by 2013. This is mainly due to economic growth in China, Indonesia, and India. Still, there are more than 700 million people living below the poverty line of 1.90 USD a day, accounting for about 10% of the world population. Especially in Sub-Saharan Africa and in Southern Asia, people living in poverty are about half and one-third of the total population respectively. 80% of the poverty group live in rural areas, 40% are under 14 years old, and 40% lack access to formal education. These figures explain that outcomes of economic growth are not distributed equally to all people. In order to reduce poverty in an inclusive way, it is essential to balance enhancement of economic growth and correction of economic inequality. The economic inequality has not only negative impacts on the stable growth and sustainability, but may also become a factor for political instability.

Moreover, the institutional inequalities of social, political, and legal system generate income disparity and further leads to inequalities in various aspects of the societies, resulting in a vicious cycle such as examples following;

- The probability of children dying below the age of 5 years old is three times higher among the poorest 20% than those of the richest 20% in the world.
- Although social security is expanding throughout the world, healthcare and medical expenditure of those with disabilities is five times higher than the average.
- The probability of maternal death in childbirth among women in rural areas is three times higher than that in urban areas.

In addition to these inequalities within a country, inequalities between countries are also an issue. In order to overcome these, it is important to secure equal opportunity and redistribution of income. As for inequalities within a country, it is effective to offer education and healthcare services, as well as redistribution of income through taxation and fiscal expenditure. Regarding inequalities between countries, it is necessary to guarantee equal economic opportunity through migration and mobility of people, and adjustment of international financial services, and to redistribute financial resources through ODA and foreign direct investment.

In summary, inequalities of outcome, such as low income, lack of access to health care services and formal education, stem from the structural inequality and failure of redistribution of resources both domestically and internationally. In this sense, the

Sustainable Development Goals (SDGs) stipulate a “world of equal opportunity permitting the full realization of human potential and contributing to shared prosperity,” and “a just, equitable, tolerant, open and socially inclusive world in which the needs of the most vulnerable are met.”

In order to realize such sustainable and inclusive growth and reduce inequalities of outcomes, it is necessary to ensure equal opportunities of education, healthcare and employment, and to revise discriminatory laws, policies and practices.

(2) Japan’s efforts

Japan has conducted drastic structural reforms in various fields after World War II: land reform to promote land ownership of tenant farmers to democratize agricultural villages (1947-50), tax reform based on the Shoup Report (1951), and the realization of the universal healthcare system (1961). Japan also aimed to achieve development that is well-balanced among different regions, based on the Comprehensive National Development Plan compiled in 1962.

The Development Cooperation Charter approved by the Cabinet in 2015 states that in order to contribute to the international cooperation, Japan disseminates its experience, expertise and lessons acquired through a period of high economic growth and social stability with little widening economic disparity. Japan also advocates to ensure equity, paying particular attention to the socially vulnerable, and to promote women’s participation.

(3) JICA’s strength

Income disparity generates social inequality and vice versa, resulting in further disparity in the future. Besides, discrimination against age, sex, disabilities, race, ethnicity, places of origin, religion or economic status are root causes of structural inequality, so it is necessary to take actions in order to alleviate these discriminations. JICA has been contributing to address regional disparity, income disparity, and causes for discrimination in various fields, through cooperation schemes including loan assistance, grant aid, technical cooperation, and volunteer activities. We also have long-standing experiences in healthcare and education areas, which are key for the basis of development that creates equal opportunities.

JICA has also been engaged in the promotion of rural agricultural villages targeting the poor, aiming to improve their incomes. We support the improvement of livelihood through creating a mechanism for participatory planning on community development, the introduction of microfinance, and the improvement of the production procedures, logistics and sales of products.

Moreover, JICA has been strengthening support for capacity building and promoting

socioeconomic participation of people in vulnerable situations, including the poor, women, persons with disabilities, and refugees. JICA provides quality education for children not attending school or literately challenged adults, and offers an environment where women can also learn without hindrance. We also encourage the empowerment of persons with disabilities to help them actively get engaged in society and take initiatives, and promotes viewpoints of the disabled so that they are incorporated in the development planning.

Lastly, JICA supports the development of legal systems that serve as a foundation of economy and society, and contribute to ensuring highly transparent rules and equal access to judicial systems. We also work on developing social security systems and elderly care, with utilizing Japanese experiences and lessons learned, mainly in Asia where the population is aging.

2. Priority targets

Goal 10 can be classified as following, in the context of internal and international inequalities, structural inequalities, and inequalities of outcomes. JICA especially focuses on 10.1, 10.2, 10.3, 10.4, 10.7 and 10.b targets, which JICA has rich experience or is required to take more active engagement to address arising international crisis such as refugees.

Moreover, in order to achieve the Goal 10 and more ultimately, an inclusive society, it is also necessary for JICA to address other SDG targets, such as equal opportunities of education, healthcare and economy and to make synergies among these goals.

(1) Reduction of inequality within the country

a) Actions against inequalities of opportunities caused by income disparity and structural discrimination against age, sex, disabilities, race, ethnicity, religion, and region.

10.1: Raise the income of the poor

10.2: Empowerment and promotion of the social, economic and political inclusion of all people

10.3: Revise discriminatory laws and policies to equalize opportunities

b) Actions against the inequality of outcome

10.4: Redistribution of resources through taxation, wage and social security policies

(2) Reduction of inequality between countries

a) Actions against inequalities among countries caused by unfair trade and finance,

threats to national and international security, and increasing immigrant

10.5: Strengthen regulations and monitoring of global financial markets and institutions

10.6: Enhance representation of developing countries in decision-making in international economic and financial institutions

10.7: Optimize systems to ensure organized and safe migration and mobility of people

10.a: Implement preferential treatment for developing countries in trade

10.c: Ensure smooth remittances by migrant workers

b) Actions against the inequality of outcomes between countries

10.b: Encourage ODA and foreign direct investment in developing countries

3. Priority actions to achieve the targets

As already explained above, in order to minimize income gap that generates inequality of opportunities, it will be effective to equalize opportunities through income redistribution and the provision of social services including education and healthcare. In addition, removing structural inequality requires comprehensive efforts to address discrimination against race, sex, age, and disabilities.

Furthermore, it is indispensable to strengthen partnerships to take more comprehensive and multi-sectoral approach; to introduce innovative means; and to obtain quality data for identifying and better understanding vulnerable groups.

(1) Raise the income of the poor (Target 10.1)

JICA aims to stabilize food supply and to create jobs in rural areas, by stabilizing agricultural production; promoting market-oriented agriculture; and building value chains that incorporate the processing and distribution of agricultural products. JICA also continues supports for expanding access to financial services that is necessary for the poor to improve their livelihood; capacity building to fully utilize these services; and the development of financial products specifically targeting the poor. We further provide high-quality vocational education and trainings targeting youth and socially vulnerable groups, which are expected to enable increasing income through decent work.

(2) Empowerment and promotion of the social, economic and political inclusion of all people (Target 10.2)

(i) Comprehensive empowerment

Since the social and economic participation of people in vulnerable situations such as women and people with disabilities (of whom 15% resides in developing countries),

are often hindered in developing countries, JICA focuses on the empowerment of women and people with disabilities and removing their barriers of access to education, healthcare, and job opportunities.

(ii) Response to refugee crisis

There are more than 65 million refugees and internally displaced people in the world, many of them living in developing countries as a vulnerable group. Based on the G7 Ise-Shima Leaders' Declaration (May 2016), and United Nations Summit for Refugees and Migrants (September 2016), etc., JICA will strengthen comprehensive supports for countries hosting refugees (administrative capacity development, improvement of social service, and infrastructure development, etc.). We will also provide them with capacity development opportunities (education and vocational training, etc.), and reinforce cooperation with international organizations.

(iii) Capacity building

JICA will continue comprehensive efforts on capacity building, such as education. JICA will also provide supports to ensure equal access to education at all levels and high-quality vocational education/training for vulnerable groups including youth, the poor, women and girls, and people with disabilities. In regions where the existence of children not attending school and the literally challenged people remains problem, JICA will support informal education including literacy education, and life skills, etc.

(iv) Accessible basic infrastructure

JICA establishes inclusive basic infrastructures, such as rural roads that will benefit people without adequate access, and an environment friendly designed for vulnerable groups such as people with disabilities.

(3) Revise discriminatory laws and policies to equalize opportunities (Target 10.3)

JICA promotes the mainstreaming of disability-friendly development so that people with disabilities are not excluded. We will provide disability equality training, etc. for internal and external stakeholders, in order to promote adequate actions such as eliminating discriminatory practices with paying reasonable and careful attention for people with disabilities.

Furthermore, JICA will strengthen the foundation for just and stable society where all people can be engaged in socioeconomic activities without any concerns. Thus, JICA will support the development of legal systems including civil and economic law; improve and diffuse arbitration systems and practical operations of trials; and work on capacity development of local administrations and communities to ensure equal opportunities among people.

(4) Redistribution of resources through taxation, wage and social security policies
(Target 10.4)

JICA will support the development and improvement of safety nets including medical insurance, industrial injury insurance, and pension systems, and the expansion of access of the low-income group in order to prevent impoverishment caused by illness and accidents or retirement, which can be expected to contribute to expanding equality.

There are 100 million people every year facing poverty due to the burden of out-of-pocket health expenditure in the world, especially in Africa. Expansion of universal health coverage (UHC) is expected to bring similar effect as the increase of income among the poor. In addition, improvement of access to basic healthcare and medical service will contribute to enhancing social inclusion of all people and to reduce inequality. JICA will also focus on problems of maternal and child health and communicable diseases, which tend to frequently occur among the poor.

(5) Optimize systems to ensure organized and safe migration and mobility of people
(Target 10.7)

For efficient and just border control, JICA promotes the improvement and optimization of border customs and immigration procedures through the development of One Stop Border Posts (OSBP) mainly in Africa, to contribute to ensuring adequate mobility of people and goods.

(6) Encourage ODA and foreign direct investment in developing countries (Target 10.b)

The role of ODA continues to be important especially in the poorest and vulnerable countries, in terms of complementing the domestic mobilization of funds. JICA also works as a catalyst for mobilizing additional resources. Thus, JICA will work on obtaining supports and understanding on ODA activities. We will also continuously be engaged in supporting the development of investment environments to promote activities of the private sector.

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