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## No policy coherence? No poverty reduction

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It is widely accepted that the successful implementation of the Sustainable Development Goals (2030 Agenda) for the benefit of least developed countries will require boundary spanning by United Nations agencies, G20 countries and leading development nongovernmental organizations. Realization of the Sustainable Development Goals also requires cross-sector cooperation and cross-institutional cooperation among international organizations mandated by G20 members to implement their own development strategies for the poor.

However, international organizations are not sufficiently equipped to deal with the cross-sector and cross-institutional cooperation needed to achieve the goals, commonly known as the SDGs. They also are often not at ease in cooperating with leading nongovernmental and philanthropic organizations – even when operating in the same policy space.

These crucial actors need to go beyond policy isolationism and commit to policy collaboration within their institutions and with other actors.

To illustrate the above point, consider the following three situations of policy incoherence. The first gives a specific example of inadequate policy coordination by key actors involved in the implementation of poverty reduction strategies designed by the Bretton Woods Institutions for least developed countries. The third example shows the contradictions between labor rights in free trade agreements by the United States, the European Union and Australia, versus the same actors' behavior during universal periodic reviews of human rights involving free trade partner countries.

### Case examples

First, supporting the precarious health conditions and health sectors of least developed countries falls on many actors, including the World Health Organization, the World Bank and Unicef; aid agencies from many countries such as the United States and Denmark; leading nongovernmental organizations like Oxfam and the Global Fund; and foundations such as the Bill and Melinda Gates Foundation. Policy coordination among these actors in the context of poverty reduction strategies in the health sector has been found to be insufficient.

Policies aimed at improving the health sector are tragically flawed, due to the tendency of leaning toward more "vertical programs" for health by international organizations,

national governments and donor agencies. Vertical health programs are initiatives that are "disease specific projects." Horizontal health programs, on the other hand, are aimed

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toward "more broad-based improvements in population health, such as preventive measures, primary health care services, health work force development" and strengthening health systems.

Vertical health programs alone are not enough to improve the overall health of a society. The huge amount of funding invested in vertical programs such as AIDS, tuberculosis and malaria prevention are creating inefficiency and waste, due to the neglect of other cross-cutting issues pertinent to those campaigns. The lack of communication between different health care initiatives results in program overlaps, operational confusion and the squandering of funds at the ground level. The 2014 Ebola epidemic in West Africa demonstrated the inadequate policy coordination among concerned actors.

Second, Sustainable Development Goal number eight promotes sustained, inclusive and sustainable economic growth, full and productive employment, and decent work

for all. Free trade agreements concluded by the United States, the European Union and Australia often include provisions to safeguard labor rights. However, research conducted by the authors found that policy incoherence became apparent when comparing trade agreements with the countries' interactions with their trade partners during the universal periodic review sessions and the sessions' documents.

The authors' core observations were that the United States and Australia often lack a clear direction in their policy when approaching these review sessions. The recommendations by these states tend to be misaligned with those of the official review session reports. In the case of the United States, it tends to make generalized recommendations while not targeting specific areas of labor rights. In Australia's case, it lacks labor provisions in most of its trade agreements, thus making it harder to evaluate its policy. The policy incoherence is self-evident between the labor provisions of the bilateral trade agreements and upholding human/labor rights in other policy arenas.

In the case of the European Union, while it does make detailed recommendations to its trade partners regarding labor conditions and keeps more in line with the official periodic review reports, more can be done – especially involving the major EU members in advancing the free trade agreement-labor rights dialogue. In this example, if the United States, the European Union and Australia are to present a coherent and unified front in combating labor rights violations, they should better align their recommendations during universal periodic

review sessions with the recommendations of the official reports, especially the United States and Australia. Incidentally, one way of tracking progress would be to develop a quantitative human rights index that records and ranks countries based on their commitment to human and labor rights.

Third, the International Labor Organization decided in 2002 to begin an initiative aimed at increasing the “Decent Work” content of the Poverty Reduction Strategy Papers originally developed by the World Bank and International Monetary Fund, and embarked on a program of partnership building. While significant progress was achieved, an analysis of its partnership found that more needed to be done to trigger a significant reframing of the strategy papers debate and a shifting of its boundaries. This included a partial repositioning of the ILO's partnership building within the strategy papers process, and an effort to move beyond the traditional tripartite constituency of the ILO and build more systematic alliances with other segments of the national civil society of least developed countries, as well as global poverty reduction advocacy groups.

However, such alliance building was shown to be difficult because of the absence of a strong hierarchical regulatory policy mechanism. The destiny of partnerships is often decided by their conveners' ability to achieve and maintain buy-in from different actors. Since partnerships can only exist on the basis of a common goal, the ability of different actors to steer the common agenda in directions that suit them is another crucial element. These factors, in turn, are the



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result of the different interests, values and perceptions coming into the partnership, as well as the power relations among the involved organizations. In this sense, partnerships are perhaps the most “political” of all interorganizational relations.

#### **Boundary conditions and policy coherence**

**P**olicy coherence is linked to the concept of boundary elasticity, which describes a state between permeable and nonpermeable boundary conditions of a system. Such elasticity is considered a basic characteristic of system resilience when dealing with uncertainty and multifaceted disruptions.

During Germany’s 2017 presidency of the G20, the authors hope that enabling policies and mechanisms will be explored so that different international organizations can maintain a balance between the two boundary conditions, not least during the implementation of the Sustainable Development Goals.

The intensity of globalization, spurred by ideology and technology, has “washed away” many of the former organizational boundaries that existed among international organizations due to political or populist pressure. They sometimes pursue policy paths that are not necessarily central to their mandate, while other actors with a stronger or at least equal claim to an international organization’s time

and resources can be sidelined due to a relative lack of influence.

To be sustainable, an international organization needs to create alternative policy spaces that allow for a multitude of voices to be presented in debates, so that policy-making processes can be enriched, rather than hijacked by minority interests. This may be one policy resource or modality that can be further explored. Another possible modality is to create formal policy coordination mechanisms with incentives and disincentives that guide

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international organizations toward more policy coherence and policy coordination. A scorecard could be established to assess their ability and willingness to cooperate among each other and with relevant nongovernmental organizations, and issue suggestions to G20 donor agencies regarding things such as funding.

A third modality would be to introduce process accountability measures to ensure traceability and transparency on how policies are actually made and implemented. Both

organizational boundary elasticity and better governance coherence is needed to ensure better cooperation between donors, G20 member countries and international development groups, not only for the benefit of least developed countries, but also to ensure a successful implementation of the 2030 Sustainable Development Agenda.

### **Conclusions**

**F**or development partnerships such as the 2030 Development Agenda to be successful, state and nonstate actors need to know the opportunities and difficulties that are pertinent to each sector of societal development within least developed countries. Each sector has its own specific realities and corresponding analytical and theoretical underpinnings.

The 2030 Development Agenda requires all actors to move out of their respective policy and operational silos. This is necessary if there is to be successful policy coordination, consultation and cooperation among those committed to reducing poverty in least developed countries. Organizational boundary spanning and boundary crossing ought to become the new norm for SDG implementation, whenever policy coherence will require new institutional learning and reimagining interagency coordination and consultation among UN development agencies, G20 member countries, private development organizations and think tanks. 🌍