Eradicating poverty is a 'moving target' - Abhijit Banerjee on the Sustainable Development Goals

Abhijit Banerjee is no stranger to the Sustainable Development Goals, but sees them as deeply flawed. Not least the first one, which advocates poverty eradication everywhere in the world.

How ambitious is the first SDG: To eradicate poverty in all its forms everywhere?

It might sound a little cruel to say this, but I think it is a bit meaningless. I don’t even know what that means. It is absolute poverty that you could end, but I think relative poverty is a whole other issue. I think this agenda has taken a stand on that and said ‘we’ll focus on absolute poverty and maybe look at inequality separately’.

Can you explain the difference between absolute and relative poverty?

The poverty line in the US, for example, has nothing to do with the poverty line in India. It is a relative poverty line. It is reset from time to time but it is related to US median income, so if I set that to be the absolute poverty line everyone in India would essentially be poor.

So what we do is try to set a universal absolute poverty line that is not really related to the GDP of any specific country. And that has the advantage that it doesn’t create impossible goals for poor countries and the disadvantage that it doesn’t deal with inequality issues.

If the goal is a little meaningless as it stands, how would you give it more meaning?

I wouldn’t say it’s meaningless in the context of how we should think about the future of humanity in
Abhijit Banerjee says the goal should be to eradicate absolute, not relative poverty.

So, come 2030 – do you think people will be saying: “look, we did it, poverty is a thing of the past”

I don’t think it’s achievable, I don’t even think people will feel compelled to achieve it. It is a moving target because as a country gets richer, there is an appropriate compulsion to move the poverty line.

I think of it from the perspective of a country that is willing to put some effort in, but has political compulsions, limited resources and maybe a lack of sufficient commitment. If you say: “let’s have a goal with so much in it that you are doomed to fail,” there is much less of an incentive. But you do need balance, because you also don’t want to be too unambitious. You want countries to feel some pressure.

How would you propose striking that balance?

I was part of what was called the ‘High level panel of eminent persons on the post-2015 development agenda’, appointed by Ban Ki-moon. One of the things we put in the panel report is the idea that many of the goals should apply to every quintile of the population.

If, for example, you look at the infant mortality rate among the bottom 20 percent in the US, it is unacceptably high. If you require it to be below a certain level even for the bottom quintile, it would put pressure on the US and introduce a dimension of reducing inequality.

This interview has been edited and condensed for clarity.

Abhijit Banerjee is professor of economics at the Massachusetts Institute of Technology (MIT), co-founder of the Abdul Latif Jameel Poverty Action Lab (J-PAL), and a research affiliate with the Innovations for Poverty Action NGO. He also co-wrote Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty.
World in Progress: 'Missed opportunities' when it comes to SDGs 30.09.2015

The UN has adopted 17 Sustainable Development Goals (SDGs) as a roadmap to end poverty and hunger, and to fight global inequality in the next 15 years. The SDGs replace an earlier UN action plan, the Millennium Development Goals, which were focused on the developing world. Not all of these targets have been met. DW speaks to Roman Herre of human rights organization FIAN.

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A longlist generally acts as the precursor to the shortlist. Not so in the case of the SDGs. There are 17 goals, and 169 targets. We took a look at the pros and cons of keeping it long.