Three years UN SDGs with poor results

When 193 countries agreed on the 17 SDGs in 2015, there was hope for a new attempt to recovering the UN Charta from 1945.
For the first time not only countries but as well experts and NGO have been included in what we now call the SDGs process.
The Basel Institute is one of those new stakeholders.
Our only resource in the process is knowledge. So we contribute by reviewing the process in general, by calculating the costs, sources and measures - and as well by two worldwide surveys we conduct.
We thank for the occasion to report to the IATF on Financing for Development and hope to enriching the process!

The SDGs are public goods - Costs, Sources and Measures of Financing for Development

Policy paper to the UN Inter-Agency Taskforce on Financing for Development, by Alexander Dill, Basel Institute of Commons and Economics, December 2018

'Being a scholar of the Nobel laureate Elinor Ostrom (1933-2012), I founded the Basel Institute of Commons and Economics in 2010. I'm focussed on measuring non-material goods and their impact on public goods, politics and economy. To achieving the 17 SDGs in my view we need much more social than financial capital. Why? The SDGs are about providing public goods.'

FAO on the UN SDGs on Nov 8th 2018:
'Most development initiatives are premised on particular development agendas and perspectives (economic, environmental, technical, social, climatic) and the integration is not always welcome or feasible.'
From: The 2030 Agenda and the Sustainable Development Goals, FAO November 8th 2018, p 12. (see credits)

Reverse engineering of Financing for Development?

Reading the IATF Concept Note and the IATF Draft outline as an expert who's not representing UN DESA, UNDP, IMF, World Bank, WTO, UNCTAD or other IGOs, leaves the impression, that the issue of financing the 17 SDGs is a reverse construction: starting to select the institutions allegedly concerned with the issue and then considering their existing agenda and capacities. And then adapting the Goals. The Goals come at least.

So ODA becomes SDG, GDP becomes *Well-Being* and military becomes *governance*.

While all the institutions involved are financed by the States, many decision makers in the IGOs regard their major donors as a sort of *customer* or even *client* in the SDGs process. Questions appear such as:

- **Do we feature the right Goals for our donors/members/clients?**
- **Do we offer good opportunities to represent States in the SDGs process? HLPF!**
- **How can we promote the Goals without requesting further funding for our IGO?**
- **How can we avoid annoying States by mentioning figures, samples or countries?**
- **How can we motivate other IGOs to entering the SDGs process by declaring their current work to being a 'big step' towards the SDGs? (e.g. OECD, WWF, EU)**
- **How can we raise extra funding for the SDGs (Bill and Melinda Gates, Ted Turner, Unilever, Bertelsmann)?**

Of course, even asking these questions changes the SDGs process. It's a reverse construction now: which SDGs action can we sell to our customers? And that's the result:

Rank	SDG Goal	Number of applicants
1	14 Life below Water	1584
2	8 Decent Work and Economic Growth	693
3	4 Quality Education	595
4	17 Partnerships for the SDGs	589
5	13 Climate Change	552
6	12 Sustainable Consumption	439
7………	5 Gender Equality	432
……15	16 Peace	222
17	10 Reduced Inequalities	152
	Source:https://sustainabledevelopment.un.org/partnerships/ Feb 2nd 2018 * including commitments for several Goals	Total: 3798*

Allocating the SDGs

Now the second step of the SDGs process happens: while the IGOs regard the countries and other IGOs as their *clients,* the new NGO stakeholders, in the same manner, see their donors as their *customers*.
Unfortunately, UN DESA doesn't provide any funding for the SDG Partnerships, so the Partnerships are at first a presentation of the donor's preferences within the SDGs.

As we can see in the table, only 152 out of 3798 projects mentioned Goal 10 – Reduced Inequalities – among their SDGs. Of course they couldn't find any donors appreciating this Goal. Same with the Goals 1 (No Poverty) and 16 (Peace).

We may though talk on a *SDGs allocation* that directly influences as well the IATF by postponing several SDGs to be addressed 'next year'.

While this may be one of few policy papers featuring figures and countries, we will focus on three subjects of Financing for Development:

- **The estimated costs of the total and of single SDGs**
- **The sources for financing these costs**
- **The action needed to bringing the costs and the sources together**

Let's have a look at the interlinkages between the SDGs:

THE UNITED NATIONS GOALS IMPACT MATRIX

Goals	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	x	HI	HI	MI	MI	HI	MI	MI	LI	MI	MI	HI	MI	LI	LI	LI	LI
2	LI	x	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI
3	LI	MI	x	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI
4	MI	MI	MI	x	HI	MI	MI	MI	HI	MI	MI	HI	HI	MI	MI	MI	HI
5	LI	LI	MI	MI	x	LI	LI	MI	LI	HI	LI	LI	LI	LI	LI	MI	LI
6	LI	MI	HI	LI	LI	x	LI	LI	MI	LI	HI	HI	MI	HI	HI	LI	LI
7	MI	MI	MI	LI	LI	MI	x	HI	HI	LI	HI	HI	HI	HI	HI	MI	MI
8	MI	MI	MI	MI	MI	LI	LI	x	MI	LI	LI	LI	LI	LI	LI	LI	LI
9	MI	MI	LI	HI	MI	MI	MI	HI	x	LI	HI	HI	HI	HI	HI	LI	LI
10	MI	MI	MI	MI	HI	MI	MI	MI	MI	x	HI	HI	HI	HI	HI	HI	HI
11	HI	HI	HI	HI	MI	HI	HI	MI	HI	MI	x	HI	HI	HI	HI	HI	HI
12	LI	LI	LI	LI	LI	MI	MI	LI	HI	LI	HI	x	HI	HI	HI	LI	LI
13	LI	LI	LI	LI	LI	MI	HI	LI	HI	LI	HI	HI	x	HI	HI	LI	MI
14	LI	HI	HI	LI	LI	HI	LI	LI	MI	LI	MI	HI	HI	x	HI	LI	LI
15	LI	MI	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI	LI	x	LI	LI
16	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	x	HI
17	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	HI	x

LI LOW IMPACT - MI MIDDLE IMPACT - HI HIGH IMPACT SOURCE: BASEL INSTITUTE OF COMMONS AND ECONOMICS 2018

To better understanding this matrix an example: while Goal 1 (No Poverty) has a high impact on Goal 2 (Zero Hunger), Goal 2 in reverse has a low impact on Goal 1. In addition Goal 16 (Peace) and Goal 10 (Social Inequality) influence Goal 1 – that's *'interlinkages'*.

So we created a SDGs Impact Matrix for the countries of the European Union and some of the so called 'EU Neighbourhood' that describes a major challenge to financing the SDGs:

The European Union SDGs Impact Factors

SDGs	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Austria	1	1	1	1	1	1	1	1	1	1	1	3	2	1	2	3	1
Belgium	1	1	1	1	1	3	5	2	2	2	2	3	3	3	2	2	1
Bulgaria	5	3	4	4	3	3	3	4	6	6	5	5	3	3	3	8	1
Croatia	5	1	3	4	3	3	4	4	6	4	4	3	2	4	2	3	1
Cyprus	4	1	2	2	2	4	4	4	6	4	4	4	2	4	3	10	2
Czech R	2	1	2	2	1	4	4	1	2	2	5	3	3	1	2	2	1
Denmark	1	1	1	1	1	2	1	1	1	1	1	3	2	3	2	2	1
Estonia	5	2	3	2	2	2	3	2	6	4	3	4	3	2	3	10	3
Finland	1	1	1	1	1	1	2	1	1	1	1	3	2	2	2	2	1
France	3	1	1	1	2	2	3	3	3	2	3	3	3	4	3	10	3
Germany	2	1	1	1	2	1	2	1	2	2	3	3	3	3	3	5	2
Greece	6	3	5	6	4	8	8	6	9	8	5	5	7	4	4	10	5
Hungary	6	3	3	3	3	4	5	5	5	8	5	4	3	2	2	2	5
Ireland	2	1	2	2	2	2	3	2	5	3	3	3	3	3	2	1	1
Italy	2	2	2	1	2	5	4	3	3	3	3	3	6	4	3	6	3
Latvia	4	2	3	2	2	2	2	6	6	2	3	3	3	2	3	10	3
Lithuania	5	2	3	3	3	3	3	7	7	4	4	3	3	2	3	10	3
Luxembourg	1	1	1	1	1	1	3	1	1	1	3	3	3	2	2	1	1
Malta	2	1	2	2	3	5	6	2	5	5	4	5	4	4	3	3	3
Netherlands	1	1	1	1	1	2	2	1	1	1	2	3	3	3	2	2	1
Poland	3	2	2	3	3	2	6	3	4	5	4	4	3	2	2	10	3
Portugal	2	1	1	1	2	4	4	1	2	3	3	3	5	4	3	1	2
Romania	6	4	4	3	4	3	5	6	9	8	6	5	3	3	4	7	3
Slovakia	4	2	3	2	3	2	5	2	3	4	3	3	3	2	2	2	2
Slovenia	2	1	1	1	2	1	4	2	2	2	2	3	3	2	2	1	1
Spain	2	1	2	2	3	4	3	3	4	3	3	3	6	4	3	7	3
Sweden	1	1	1	1	1	2	2	1	1	1	2	2	3	3	2	5	1
UK	4	1	3	3	2	3	6	3	5	5	4	4	3	4	3	10	5

SOURCE: BASEL INSTITUTE OF COMMONS AND ECONOMICS 2018

Of course this matrix was object of passionate discussions and has been heavily questioned during the presentation in EU DEVCO in Brussels on Nov7th 2018.
In general, this first impact estimate rooted on considering the financial impact only. E.g. the financial impact of Goal 14 (Life below Water) on Austria is at the lowest level 1 worldwide. That doesn't mean that Austria should not contribute to funding and enhancing SDG 14, but just expresses the fact of a low impact on the budget of Austria.

To better understanding this approach, in a second step we created a matrix for the impact of the SDGs in EU Neighbourhood countries *on the EU:*

SDGs IMPACT FACTORS OF NEIGHBOURHOOD COUNTRIES ON THE EUROPEAN UNION

SDG	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Russia	4	3	3	3	4	8	10	10	6	6	6	7	4	3	7	10	5
Ukraine	10	3	8	7	8	8	3	10	3	10	6	10	3	2	4	10	8
Turkey	10	4	8	7	7	8	7	10	4	10	6	6	3	4	4	10	8
Egypt	7	4	5	5	5	8	5	5	2	5	4	3	3	4	3	7	5
Iran	7	4	6	8	5	5	3	5	4	5	4	3	3	2	3	10	5
Israel Palestine	8	5	8	8	5	10	10	10	5	8	7	3	5	4	3	10	10

SOURCE: BASEL INSTITUTE OF COMMONS AND ECONOMICS 2018

Now sort of a 'business case SDGs' appears: the more the EU addresses SDGs with a high impact score, the more effective the EU measures, both financial as political, will be in Europe and the neighbourhood.

So to help in resolving the conflicts in and around the EU neighbourhood would directly have positive impact on the SDGs.
Finally this attempt to having an impact score is a first step to considering the interlinkages between the SDGs as well as the impact on Nations.

While these scores will always being under dispute, we created a tool to assessing the impact of every single SDG on every country on a ladder between 10 (high) and 1 (low), the SDGs Impact Monitor:
https://trustyourplace.com/sdgsmonitor

First results show an entire gap between the SDGs chosen by experts in a country and the agenda of the IGOs in the SDGs process: e.g. Prof. Aung Ze Ya from Rangoon, Myanmar declared SDG 7 Clean Energy to be the most important one for his country. In Ghana and Benin industrial innovation (Goal 9) is at rank one. In Russia reduced inequalities (Goal 10) is regarded to be crucial. In Nepal Peace (16) and responsible consumption (12) lead. Climate Action (13), Health (3), Education (4) and Gender Equality (5), a favourite of the IGOs, are not at the top. We will soon have an allocation table of all SDGs in every country and comparing the results by average and average deviation.

The truth about measuring the SDGs: A Global Index Benchmark

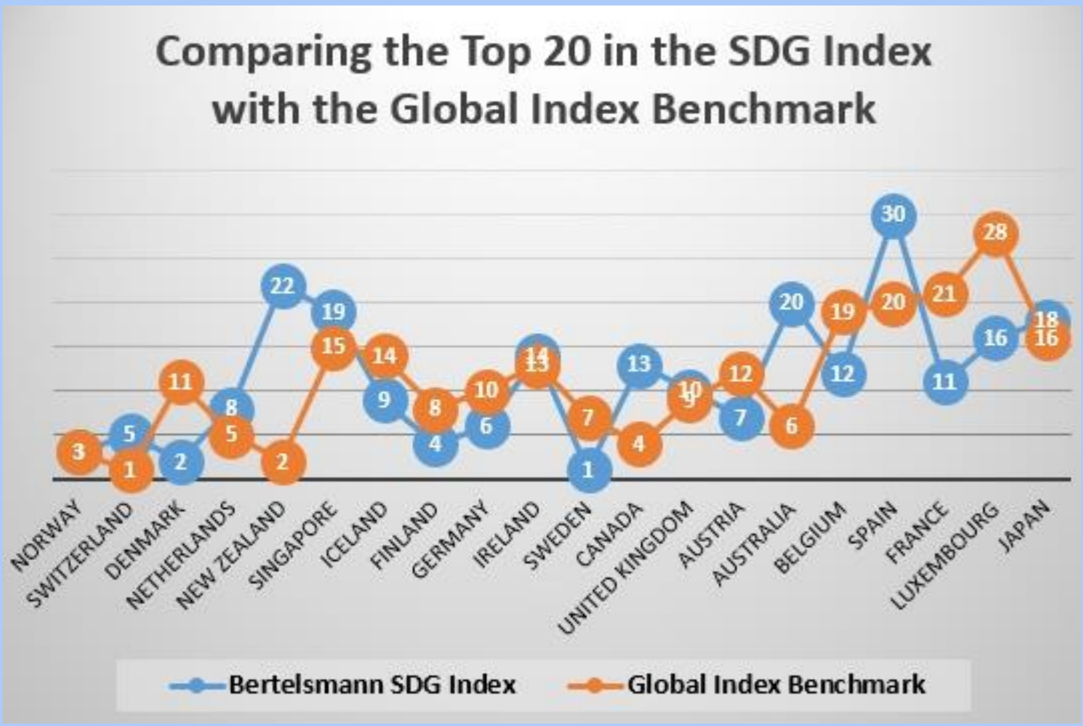
Since the IAEG on SDGs as well as the HLPF agreed on 169 indicators to allegedly measuring the progress for the SDGs, there exists an SDG Index created by the Bertelsmann Foundation (figures in red). In the Global Index Benchmark we compare the ranking of the Top 20 countries in 9 indices with the SDG Index:

Country Name	IMF GDP per Capita PPP 2017 Rank	Human Development Index 2017 Rank	World Giving Index 2018 Rank	Happy Planet Index 2016 Rank	Corruption Perception Index 2017 Rank	Global Peace Index 2018 Rank	Global Competitiveness Index 2018 Rank	Legatum Prosperity Index 2017 Rank	Social Progress Index 2018 Rank	Enabling Environment Index 2013 Rank	Bertelsmann SDGI 2017	Number of Indices	Average Rank	Average Rank Position Ranked
Norway	7	1	13	12	3	16	16	1	1	5	3	10	7,1	3
Switzerland	10	2	26	24	3	12	4	4	3	7	5	10	9,0	1
Denmark	21	11	24	32	2	5	10	7	4	4	2	10	10,1	11
Netherlands	15	10	11	18	8	23	6	6	7	6	8	10	10,3	5
New Zealand	33	16	3	38	1	2	18	2	10	1	22	10	11,3	2
Singapore	4	9	7		6	8	2	17	23		19	8	11,4	15
Iceland	16	6	17	39	13	1	24	13	2	8	9	10	13,2	14
Finland	27	15	44	37	3	15	11	3	5	11	4	10	14,8	8
Germany	18	5	22	49	12	17	3	11	9	25	6	10	15,9	10
Ireland	6	4	5	48	19	10	23	12	12	12	14	10	15,9	13
Sweden	17	7	42	61	6	14	9	5	11	9	1	10	16,5	7
Canada	24	12	15	85	8	6	12	8	14	2	13	10	17,5	4
United Kingdom	28	14	6	34	8	57	8	10	13	15	10	10	17,5	9
Austria	22	20	32	43	16	3	22	15	20	14	7	10	19,2	12
Australia	19	3	2	105	13	13	14	9	15	3	20	10	19,7	6
Belgium	25	17	39	87	16	21	21	16	17	16	12	10	26,2	19
Spain	34	26	54	15	42	30	26	20	19	22	30	10	28,4	20
France	29	24	72	44	23	61	17	19	16	19	11	10	30,6	21
Luxembourg	3	21	41	139	8		19	14	8	13	16	9	31,0	28
Japan	30	19	128	58	20	9	5	23	6		18	9	31,8	16

Source: Global Index Benchmark 2018, Basel Institute of Commons and Economics

Only two out of twenty SDG champions are not among the top 20 across all indices. So what is the Bertelsmann SDG Index measuring then?

We compare the average rank position of a country with the SDG Index:



Source: Global Index Benchmark, Basel Institute of Commons 2018

If we know that the Global Index Benchmark allows comparing 151 countries as well by the average deviation of the scores, we may have a look at the average deviation of the Top-10 countries:

	Global Index Benchmark	*Average Deviation*
Norway	1	6,06
Switzerland	2	8,45
Denmark	3	9,57
Netherlands	4	5,46
New Zealand	5	11,62
Singapore	6	6,87
Iceland	7	10,81
Finland	8	13,66
Germany	9	12,99
Ireland	10	11,98
	Average deviation mean:	**9,75**

Source: Global Index Benchmark 2018, Basel Institute of Commons

If further – and that's what the owners of the indices reclaim – these recommended indices are based on objective operationalized criteria being used for all countries, Norway may always be the No. 1 in all ratings. But the average deviation for countries in other positions in the ranking should not entirely differ.

So we look at the average deviation of the last 10 countries:

	Global Index Benchmark	*Average Deviation*
Angola	142	24,94
Niger	143	31,23
Mauritania	144	11,26
Congo Democratic Republic	145	34,72
Burundi	146	20,40
Central African Republic	147	33,53
Chad	148	21,51
Yemen	149	13,66
Afghanistan	150	19,77
Sudan	151	13,66
	Average deviation:	**22,47**

Source: Global Index Benchmark 2018, Basel Institute of Commons

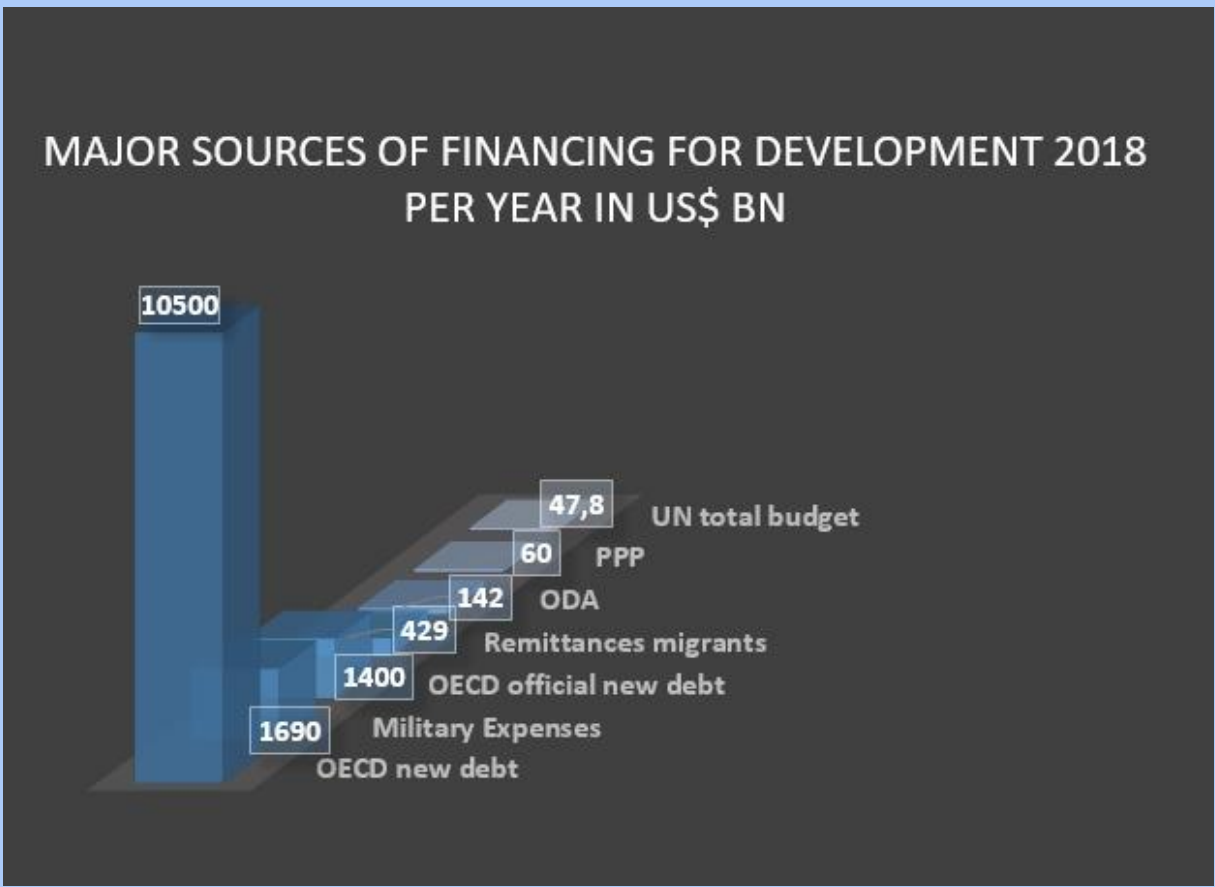
We may though consider:

- **The big difference in the average deviation questions the objectivity of the indicators based on aggregated data to assessing countries. It seems that most of the indices are unilateral biased. They though leave the poor regions behind.**
- **Measuring the progress of the SDGs by aggregated data from the National Statistics offices leads to entire redundancy with the existing indices using the same data sources, e.g. GDP per capita, life expectancy, time in school, unemployment rate and more.**
- **To measuring the SDGs process independent indicators are required, e.g. indicators based on local public opinion and perceptions that can change over time and therefore is influenced by the local communities while the National and Global distribution of wealth/GDP can't be influenced.**
- **Leaving the measurement of the SDGs to National Statistical Offices with entirely outdated methods and approaches that they want to spread through capacity building in developing countries doesn't lead to any progress in achieving the SDGs.**
- **The Voluntary National Reviews (VNRs) demanded of the 193 countries signing the Agenda 2030 should be informed by the Global Index Benchmark first in order to avoid redundancy and frozen structural indicators that can't be accelerated.**

A public goods perspective

The entire redundancy of the indices – with the exception of the Happy Planet Index – can be explained by the kind and origin of the aggregated data being used to operationalize these rankings: any progress in overcoming poverty, improving health, education and security, protecting the natural goods and to transforming to sustainable technologies entirely depends on *public goods.*
E.g. Oslo, the capital of Norway, was able to provide more than $ 15.000 for every electrical car. In Switzerland, social aid is at the level of a high income even in neighbouring countries. Norway and Switzerland though can provide all the public goods needed to achieve all of the 17 SDGs.
But while the SDGs are a Global challenge, meeting them in a couple of rich OECD countries doesn't help to achieving them at all.

In both issues, in financing as well as in measuring the SDGs, we may consider that it's about providing public goods. Therefore we have to look at the current allocation of the biggest sources for financing the Goals:



This table will be surprising to those who thought the SDGs will be financed by an increase of ODA to 0.7 per cent of GDP, a mobilization of PPP or by the Development Banks. And the total UN budget includes the help for natural disasters and all UN agencies. Of course, not everybody will consider military expenses as a source to financing development.

'Public goods' only means: goods directly financed by the communities, mostly through taxes. The decision on how to spend these taxes differs from country to country. So every

IGO tries to allocate a maximum of National contribution. While most of the countries are poor and cannot release sovereign debt to finance their public goods or their influence in the IGOs, more than 90 per cent of the sources of Financing for Development are allocated in the OECD countries.

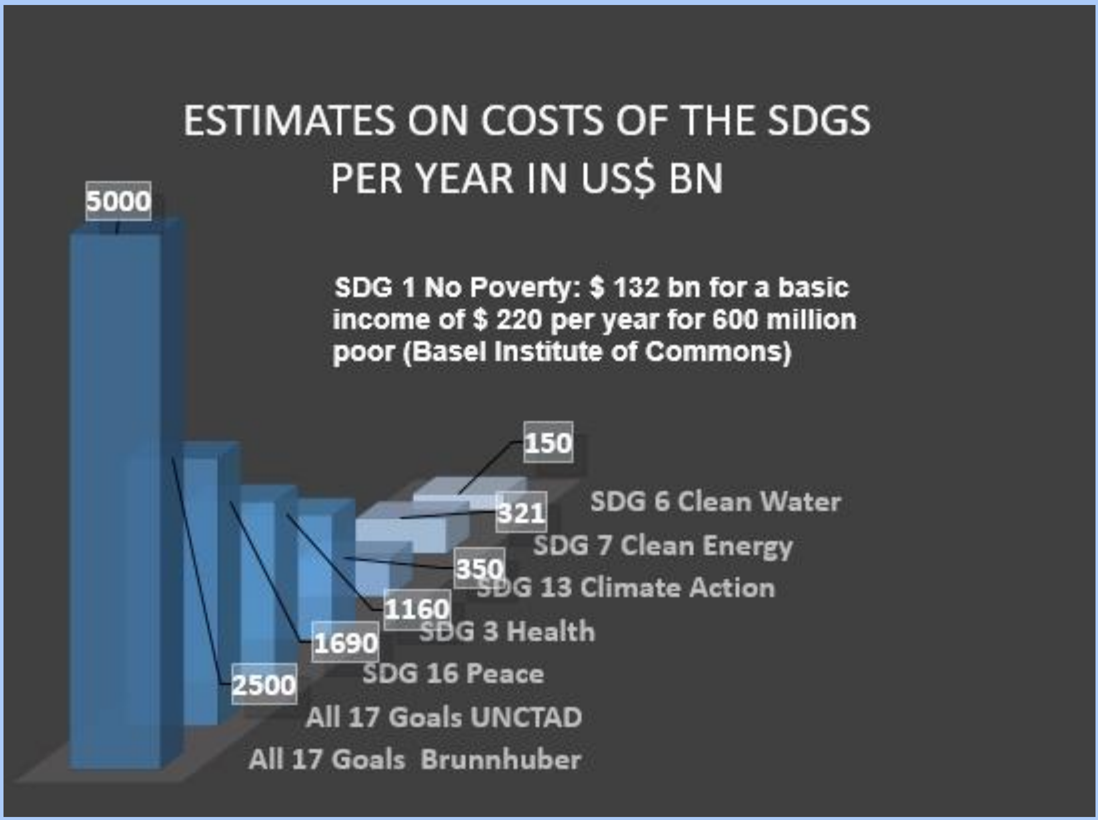
With an annual budget of $ 175 bn per year (2018) the European Union by the way is the World's best financed IGO, followed by the United Nations ($ 47.8 bn), the World Bank, the IMF and the Development Banks. But compared to the $ 10.5 trillion annual new debt of the OECD countries, no IGO is capable to financing the Global SDGs:

Comparing Sources of Financing for Development 2018
(annual amount in US $ billions)

1	**Real new sovereign debt OECD countries (2017)** according to the Economist	10.500
2	**Military expenditures according to SIPRI (2016)**	1.690
3	**Official Increase Sovereign Debt OECD countries (2017)**	1.400
4	**Remittances from expats to developing countries (World Bank, 2016)**	429.0
5	**Official Development Assistance ODA (according to OECD, 2016)**	142.6
6	**PPP in 121 low- and middle income countries (World Bank 2017, average of 25 years)**	60.0
7	**All United Nations Agencies together (2016)**	47,8
8	**Loans World Bank 2017 (disbursement)**	43.5
9	**Loans Asian Development Bank (2017)**	19.2
10	**Loans IADB Latin America (2016)**	9.3
11	**EU DG DEVCO Measures (2016)** **Total EU budget 2018: $ 175bn**	6.5
12	**Loans European Investment Bank EIB (2017)**	4.8
13	**Loans African Development Bank 2016 (disbursement)**	4.68
14	**Bill and Melinda Gates Foundation 2016 (without U.S)**	4.0
15	**Loans Kreditanstalt für Wiederaufbau Germany (2017)**	3.3
	Further and smaller sources to comparing	
	Loans International Monetary Fund (2016) (developing countries only)	0.83
	Misereor Catholic Mission (2015)	0.19
	Sustainable Development Goals Fund (total 2016)	0.07

Source: Basel Institute of Commons and Economics, November 2018

While we now have a first overview on the alleged sources – we even mentioned the small contribution of philanthropy – we have a look at the estimated costs of achieving the SDGs:



There are relatively few popular estimates on the costs of the UN Goals, but to reaching all of them requires between $ 2.5 and $ 5.0 trillion – of course per year. This is between a quarter and a half what the OECD countries pick up in new debt.

So we can't consider a financial gap to financing the SDGs as a public good. Looking at further SDGs we may being astonished on how relatively cheap it is, to stopping climate change ($ 350bn per year), to providing clean energy ($ 321bn) and clean water ($ 150bn). Life below water according to UNDP may be saved for something between $21 bn and $28 bn.
Even SDG 16 Peace in this comparison is reduced on a social issue: will countries build up enough mutual trust to dedicating the $ 1.69 tn currently spend on military to civil purposes?

Financing the SDGs as well as Financing for Development in this perspective is not an object of additional fundraising within the small limits of ODA, Philanthropy and PPP but of changing the current allocation of almost 100 per cent public budgets.

Conclusion: Measures to Financing the SDGs

Three Nobel laureates, Amartya Sen, Joseph Stiglitz and Elinor Ostrom (1933-2012) have been reclaiming a sustainable economy and new ways of measuring societies for more than two decades now. In 1997 the World Bank started a Social Capital Initiative that has been shut down in 2004 yet. All their papers landed in the waste bag.
In 2017 Jos Verbeek, the World Bank's representative to the UN in Geneva, renewed the issue of the social dimension of the SDGs in a World Bank Blog featuring the World Social Capital Monitor: https://trustyourplace.com/

Most of the IGOs in the meanwhile continued to promote economic growth as the only aim of development policy and today of meeting the SDGs.

The OECD released a 364-pages-report on the SDGs reclaiming only a decrease of ODA that – according to the tables we publish here – is one of the smallest sources to financing the SDGs. (see credits)

Barbara Adams and Karen Judd report on the activities of the IAEG on SDGs, a working group of National Statistical Offices, that desperately keeps control over the SDGs measurement with their outdated aggregated data on GDP, education and life expectancy. (see credits)

Steve Mc Faley and Bojan Nastav reclaimed to opening the SDGs measuring framework for external suppliers of data and new indicators. (see credits)

Roland Bardy resumed the claim of public goods and updated it as a contribution to the 17 UN Goals. (see credits)

Eva Hanfstaengl considered the poor progress in Financing the SDGs after three years of endless High-Level meetings in the UN environment. (see credits)

Stefan Brunnhuber from the Club of Rome made a 5-trillion-per-year claim (see our table on the costs of the SDGs) to financing the SDGs in a TED-Talk in the UN Geneva.(see credits)

Roberto Bissio finally found misleading guidelines in the World Bank's Atlas on the SDGs and reclaims the Atlas 'hides the responsibility of high income countries and the international financial and economic system in creating the problems.' (see credits)

Resume: the SDGs process seems to get lost between the agendas of IGOs and national interests. Only a couple of scientists still insist the entire Global task of the SDGs as a whole. Most of the IGOs, NGOs and countries picked up a few Goals in their agenda and declared their current efforts to now being special contributions to the SDGs.

For decades both Academia as well as IGO have been focussed on creating a legal and institutional framework to forward common Global issues. The most important one still is the UN Charta from 1945 https://treaties.un.org/doc/publication/ctc/uncharter.pdf that still is the major blueprint for all multilateral Global claims.

Article 62

1. The Economic and Social Council may make or initiate studies and reports with respect to international economic, social, cultural, educational, health, and related matters and may make recommendations with respect to any such matters to the General Assembly, to the Members of the United Nations, and to the specialized agencies concerned.

2. It may make recommendations for the purpose of promoting respect for, and observance of, human rights and fundamental freedoms for all.

3. It may prepare draft conventions for submission to the General Assembly, with respect to matters falling within its competence.

The process of 'implementation' has been regarded as a transfer of Global claims on National policies. Therefore representatives from countries are part in almost all Global initiatives.

But what, if conflicts overlie these forms of Global cooperation? When sanctions and boycotts, wars and threats block any collaboration?

When the most important body of the United Nations, the Security Council is reduced to a few National claims?

Even our work within the IATF on Financing for Development is grounded in article 62 of the UN Charter (see image).

So the recommendations civil stakeholders and we make are part of the Global process of collaborating, not an assault on the independence of Nations and IGOs.

Considering the figures we have been presenting here, we come to the following recommendations:

1) Measuring public goods. While all of the SDGs require public goods, the task of financing these goods is a social task: will the people in OECD countries be willing to share their wealth with the people in poor countries and regions?
   If not, we will continue with the outdated concepts of ODA and World Bank credits.
   So to promoting the SDGs as public goods will allow to motivating all stakeholders.
   The World Social Capital Monitor for the first time in history is assessing the willingness to co-finance public goods in 45 languages yet:
   https://trustyourplace.com/

For the first time we are able to present results from the World Social Capital Monitor on four indicators, measured on a ladder between 10 (high) and 1 (low):

- Interpersonal trust
- The acceptance of austerity measures to co-finance public goods
- The acceptance of taxes to co-finance public goods
- The willingness to invest in local SME and cooperatives

Country	Interpersonal Trust	Accepting Austerity Measures for Public goods	Accepting taxes for Public Goods	Willingness to invest in local SME and cooperatives
Afghanistan	4.8	4.9	5.2	5.3
Albania	4.3	3.8	4.5	4.9
Austria	6.8	6.2	6.4	6.4
Bangladesh	4.9	5.3	5.5	6.9
Brazil (Sao Paulo)	4.9	5.4	3.4	5.8
Cambodia	6.5	6.3	6.7	5.1
Bosnia Herzegovina	5.0	4.7	4.7	4.4
Germany	6.3	5.5	7.0	5.9
Kosovo	5.3	4.9	5.6	5.3
Macedonia	3.1	3.2	3.2	3.8
Montenegro	5.1	4.0	3.9	3.8
Nepal	6.1	5.2	4.9	6.4
Pakistan	5.8	5.8	5.2	5.6
Serbia	4.1	3.3	4.1	4.0

Source: World Social Capital Monitor, Basel Institute of Commons and Economics, 2016-2018

We can quickly see that the extreme differences between the richest OECD countries and developing countries that we pointed out in the Global Index Benchmark do not occur by considering these indicators. Nevertheless in Germany the acceptance of taxes is at the highest level worldwide. But e.g. in Bangladesh and Nepal entrepreneurship is highly appreciated. In the Western Balkan countries we observe a strong decline of all social goods. The Cambodians have the highest acceptance of austerity measures.

These figures show how the instruments of Financing for Development have to be adopted to the National social capital. E.g. to providing credits to the governments countries where the people do not accept taxes will not be sustainable. By counter offering credits for SMEs and cooperatives opens up opportunities for the SDGs.

2) **When some of the OECD countries – e.g. EU, Japan, China, Russia, Canada, Australia and Switzerland – allow their Central Banks to providing zero-interest credits on the purpose of the SDGs, financing e.g. $ 2.5 trillion by year can be provided. This would immediately stop poverty and providing the infrastructure to meeting the SDGs. Of course this investment would dramatically increase Global growth.**

Today credits are reached out through governments and their agencies.

That causes transaction costs up to 80 per cent of the funding.

The future is to reach out credits directly to local SMEs and cooperatives. The credits come from the Central Banks of the OECD countries and will be reached out by cooperative banks.

‚The paper provides important insights into how to finance SDG's, which is very much in line with our approach, congratulation!

Stefan Brunnhuber, Board of Trustees World Academy of Science, Club of Rome, Dec 3rd 2018

Thank you for reading!
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Credits

This is a selection of **the most contemporary** publications on our issues in order to contribute to the discussion.

Special thanks goes to Professor Pahlaj Moolio from the Pannasastra University of Cambodia, who still conducted six semesters of the World Social Capital Monitor with 13.500 participants. I thank Alexander Fuchß for updating the Global Index Benchmark.

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