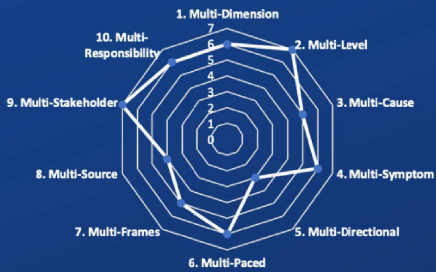




SDG 10

Reduce inequality within and among countries

Wickedness Scale



SDG 10 is a wicked problem (score 57/70) with a strong societal focus (1). It is an inherent moral issue, resisting definition, as it requires a common notion of what would be a sufficient level of equality, and who would be responsible for such re-allocation. It becomes an essentially contested concept, where the different interpretations of inequality have multi-dimensional effects on economic, social, legal and political structures (2). Being highly connected with other SDGs, e.g. influencing the level of health (SDG3), education (SDG4), gender equality (SDG5) and ability to engage in climate change action (SDG13), its interconnectedness adds to the dimensional complexity. Inequality has various root causes, stemming from path dependencies from wealth accumulation and historical events, such as colonization, but also of the quality of institutions and governance. It does not only revolve around the disparity between poor and rich countries, but the level of inequality within countries and communities, which displays multi-levelness and communicative complexity. Additionally, the degree and pace of inequality differ strongly on a micro, meta, macro and meta level, contributing to its dynamic complexity. As such, multi-level solutions involve extensive ambiguity in regards to the final outcome for each respective dimension, making a collective and uniform approach near impossible.

Societal Triangulation

The US constitutes a quarter of the world economy, making it the world's largest economy (3). Accordingly, the market sector maintains a dominant position which is leveraged to influence the civil market, e.g. low unionization, and the government, e.g. through lobbying and corporate donations (4, 5, 6). A regulatory capture emerges as the state accommodates for the market, allowing tax breaks for the wealthy and implementing weak national laws guaranteeing minimum wage and workers rights. (7, 8) Consequently, the US had a gini-coefficient of 0.390 and a poverty gap ratio of 0.388 in 2017 (ranking fourth and second highest respectively of all OECD countries) (9, 10).

The flaws in the income distribution reveal discrimination as black women in the US are typically paid 62 cents to every dollar paid to white, non-Hispanic men. (11) Even though the general US population has a low trust index (49%), this is particularly true for women, who reportedly have an index 11 points lower than men (12). The increased inequality deteriorates social capital and trust and thereby complicates the process of collaborating between the institutional spheres, which already have a weak overlap (4).

The temporal effects also come into play in terms of wealth accumulation and access to education. With a largely privatized and expensive higher education system (13), it becomes harder to acquire the educational talent premium necessary to enter the high-skilled working force, which has generational effects as children are more likely to attend college if their parents have (14). Whilst this creates a negative feedback loop for citizens with a weaker socio-economic background, a positive wealth feedback loop can be distinguished for the educated elite, who can invest a larger proportions of their disposable income in the financial market and grow their capital stock over time (15).

Partnership Challenges

Level 1. Intra Sector

Ensure equal wages for all, regardless of demographic factors, such as ethnic background & gender. This also means narrowing the gap between top-level income and regular workers income.

Level 2/3. Bipartite

Create opportunities to work together with the government and the market to enhance social welfare and establish a level playing field. This includes equal access to high quality education, social benefits and health care.

Level 4. Tripartite

Overcome barriers and biases through joint coalitions that unite all institutional spheres, lead by a common agenda to create opportunities for those in need and close trust and participation gaps.

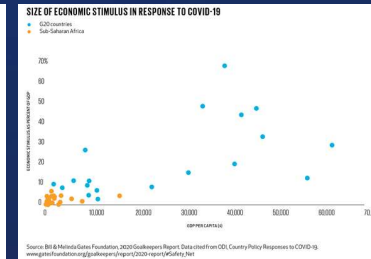
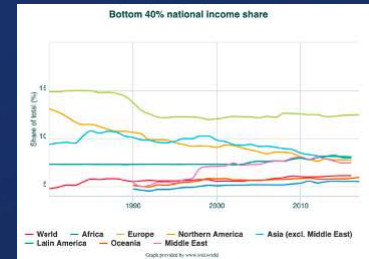
This includes listening to all stakeholder and incorporating minority voices by setting common standards.

Frontrunners



SevaExchange is an international company that strives to solve global income inequality by shifting communities towards timebanking (17); a reciprocity-based barter system where labor hours are used as currency. The purpose is to create a network where everyone can partake, and all participants are valued equally. Overall, SevaExchange offers the opportunity for communities, organizations and individuals to share information and expertise in a more financially inclusive way.

Wieden+Kennedy is a global creative agency that creates ad spots that exceed cultural and global barriers. According to WK a shift is needed from the stereotype 'successful white male' - commercials to a more inclusive one. WK has worked with big companies like Nike and Heineken (18). However, it also supports smaller enterprises e.g. **KLABU**. Klabu strives to make a long-term impact in reducing inequalities in access to sport by building sport camps in refugee camps. As according to Klabu, everybody should have the right to experience the joy and power of sports (19).



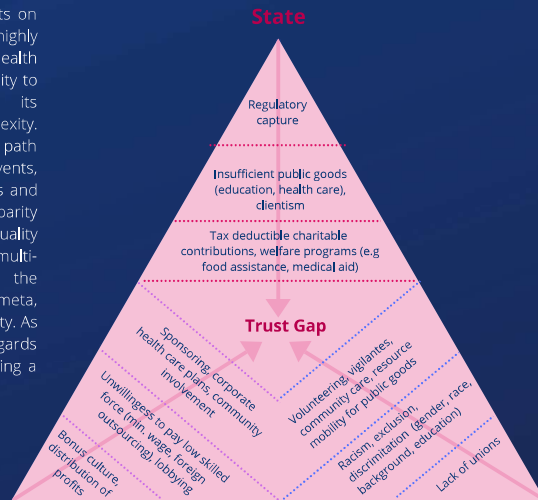
Solution?



The Business for Inclusive Growth (B4IG)

Coalition is an example of a corporate initiative that supports the achievement of SDG 10. Global firms made the commitment to 'solve' the inequality problem by e.g. creating opportunities for disadvantaged groups, address the importance of diversity and inclusion through the whole supply chain. After three years a critical evaluation will take place to measure the progress made (16).

Firstly, a pro of this initiative is that it unites firms all over the world to tackle this global problem. Secondly, the B4IG committed to a three year plan and will critically review their progress made after three years. However, it could be questioned if this platform will be enough to tackle inequality.



Global Trends

- In SDG target 10.1 income inequality is measured by the bottom 40% share of the national income. On a global scale this share has increased from 4.8% in 1980 to 6.8% in 2016. However, the slight increase seems to come from the developing countries since the more developed world regions show a decrease between 1980 and 2016 (20). see graph
- In recent years, income inequality is increasing on a worldwide level. One of the reasons is the increasing inequality in access to work and work quality (21).
- 7 out of 11 subregions worldwide see an increase in protests, which suggests inequality discontent on a social, economic or political level is increasing (21).
- Covid-19 is exposing the profound inequalities that exist within and among countries and is exacerbating those inequalities as shown in the graph above. Therefore, the global inequality trend seems to increase again.(22)