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## Mixed economy vital in achieving SDGs

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*The 3 sectors of the economy — the markets, govt and private institutions — need to work hand-in-hand*

by S BIRRUNTHA

THE social-market philosophy of a mixed economy which balances the market, social justice and green economy is the way forward in achieving the Sustainable Development Goals (SDGs), according to American economist and Columbia University Professor Jeffrey Sachs.

He said a country needs a mixed economy, which includes collaborative efforts from the markets, government and private institutions such as philanthropies, foundations, social businesses and NGOs.

"We need these three sectors to work hand-in-hand and no doubt for most production of goods for half of the services sector, the private sector will be and should be the dominant part of the economy."

"A country requires a mixed economy and a political system that is not captured by huge wealth, and otherwise, you end up with a mixed economy run for very particular private interests," he said during a panel session titled "Accelerating Progress on SDGs in Malaysia: A Conversation with Professor Jeffrey Sachs" yesterday.

Sachs added that a mixed economy permits private participation in production, which in return allows healthy competition that can result in profit.

It also contributes to public



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ownership in manufacturing which can help address social welfare needs.

Sachs pointed out that northern European countries tend to come out on top of the SDG index while the poorest countries come out at the bottom.

Commenting further, Sachs said the world was not on track to achieve the SDGs before the Covid-19 pandemic hit and the Covid-19 crisis has exacerbated existing challenges, systemic injustice and inequalities.

He said due to today's complex global conjuncture and unprecedented emergencies, the SDGs hang in the balance and humanity

is likely to lose its chance to limit global temperature rise to 1.5°.

Therefore, Sachs said despite progress on many targets, and the government's response and ability to take decisive actions swiftly to protect lives and livelihoods, much remains to be done to put the country back on a resilient and sustainable trajectory.

Sachs said this will require action, ambition, solidarity and investment at scale in innovation and long-term transition to cleaner energy.

The United Nations (UN) Economic and Social Commission for Asia and the Pacific recently reported that the Asia Pacific region

are not on track to achieve any of the 17 UN SDGs and the prospect of achieving those goals has now been extended to 2065 — 35 years after the original deadline of 2030 — as Covid-19 enhanced the challenges in meeting these objectives.

It noted the challenges of achieving the SDGs in the region have also been magnified in recent years by an increase in the frequency and intensity of human made crises and natural disasters, as well as the challenges of responding to the Covid-19 pandemic.

"Progress on the 17 SDGs have tremendously slowed down and with each passing year, the goals are moving further out of reach

for the region.

"At its current pace, Asia and the Pacific is now only expected to achieve the SDGs by 2065," according to the Asia and the Pacific SDG Progress Report 2022 which was released on March 17.

Prime Minister Datuk Seri Ismail Sabri Yaakob recently noted that there is room for improvement in the SDGs involving environmental sustainability, wellbeing of vulnerable groups and hardcore poor, despite Malaysia having made progress in the development of SDG across a wide range of aspects.

He added that with full alignment implemented in the government's annual budget, Malaysia can now identify gaps in funding to achieve the aspirations of the country's SDG.

The SDGs, also known as the Global Goals, were adopted by all UN member states in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.

The 17 SDGs are integrated — that action in one area will affect outcomes in others — and that development must balance social, economic and environmental sustainability.

Through the pledge of "Leave No One Behind", countries have committed to fast-track progress for those furthest behind first.

The SDGs are designed to bring the world to several life-changing "zeros", including zero poverty, hunger, AIDS and discrimination against women and girls.