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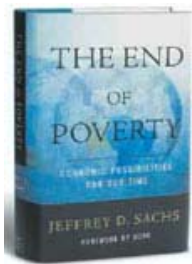
THE END OF POVERTY

Economic Possibilities for Our Time

By Jeffrey D. Sachs

Penguin Press; 396pp; \$27.95

EDITOR'S REVIEW ★★☆☆☆ (Readers' Reviews below)



THE GOOD A persuasive analysis of global poverty's root causes and potential solutions.

THE BAD Marked by occasional shrillness--and defensiveness about the author's development projects.

THE BOTTOM LINE Examples of successful, practical programs make the battle against poverty seem winnable.

In a foreword to Jeffrey D. Sachs's *The End of Poverty*, rock star and crusader for the underprivileged Bono aptly describes the flamboyant Columbia University economist. When Sachs delivers a speech, "he's not just animated; he's angry," writes Bono. "There is a wildness to the rhetoric but a rigor to the logic. God might have given him a voice with an amplifier built in, but it's the argument that carries the day."

Sachs writes as passionately as he speaks. As a result, much of this book's sensible, often brilliant analysis of poverty's root causes and potential solutions is overshadowed by histrionics that by turns may leave you moved, annoyed, or even insulted. *The End of Poverty* is superb when describing the dire circumstances of the 1 billion people subsisting on less than \$1 a day. It is hard not to share Sachs's anger after reading his firsthand reporting on the miserly Western aid to African villages ravaged by AIDS, malaria, and hunger. At relatively little expense, Sachs insists, the West could provide medicines and fertilizers that could save millions of lives annually. The funds required for desperately needed roads, clinics, and water-treatment facilities are modest.

But woe to anyone who disagrees with Sachs -- indeed, to anyone who has ever disagreed with him in his 25 years as adviser to developing nations and the U.N. He thinks Washington should heed his call to devote 0.7% of gross national product for antipoverty programs to be coordinated by the U.N. That would translate into a fivefold leap in U.S. development aid -- or a further \$42 billion. Sachs suggests funding it largely with a new 5% tax on incomes above \$200,000. The author is actually flummoxed that some people would consider all this politically unrealistic.

The book also takes countless shots at the International Monetary Fund, Republican Administrations, and others for pushing policies at odds with Sachs's advice in Bolivia, Russia, sub-Saharan Africa, and elsewhere. Even if one agrees with his critiques, it's an odd way to build Western support for the author's two main projects: the Global Fund to Fight AIDS, Tuberculosis & Malaria, and the U.N.'s Millennium Development Goals to slash poverty by

2015. Meanwhile, Sachs never admits to having erred himself. He includes a long and feisty defense of his role in urging economic shock therapy in Russia -- an approach widely condemned after the country imploded.

I wish Sachs had saved these battles for an autobiography and kept the focus on what to do about the horrendous poverty in Africa and South Asia. Few economists have contributed more to this field in the past decade. Many of Sachs's insights stem from years of research he spearheaded while at Harvard University and, since 2002, as director of Columbia's Earth Institute. Sachs believes extreme poverty is far from an incurable curse, despite the meager results of five decades of foreign aid. To the contrary, he argues, "the end of poverty is at hand -- within our generation -- but only if we grasp the historic opportunity in front of us."

First, though, a rethinking of development economics is required. For too long, Sachs argues, economists have obsessed over "how to make poor countries into textbook models of good governance or efficient market economies." So the IMF and World Bank focused on ending such things as deficit spending, state ownership of industry, trade restrictions, and corruption. Such policies are important, says Sachs, but far from sufficient in very poor nations.

He documents the much more basic handicaps keeping Africa mired in a poverty trap. Start with the rural population's sheer isolation from clinics, water supplies, and trade routes. Farmers must scratch out an existence from poor soils. And preventable diseases take a ghastly toll on the working-age population. Without solving such life-and-death problems, African economies can't reach a level where growth can be sustained by domestic savings and investment. With per-capita incomes of \$300 or less, even relatively well-managed African nations are simply too poor to advance.

Sachs has supervised extensive research aimed at quantifying these problems. "When we get practical, and speak of investments in specific areas," he writes, "the task is suddenly a lot less daunting." He supplies many examples of successful aid programs -- and shows how highly promising initiatives in AIDS, malaria, and agriculture are stalling because they are grossly underfunded.

Those who doubt that massive injections of money are the answer won't be persuaded by Sachs's proposals. And, yes, too often he makes it sound like the war on global poverty is really all about Jeffrey Sachs. Readers should look past those irritations. At the very least, *The End of Poverty* should leave you with hope that this crisis is more curable than it seems.

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