



Alms for the Poor

A clear remedy for winning the war on global poverty.

By Aaron Clark
Newsweek International

April 4 issue - Approximately 1 billion of the world's people live in extreme poverty. They suffer from malaria, tuberculosis, AIDS, unsafe drinking water and chronic hunger. Eight million of them will die this year—largely from preventable or treatable diseases. To integrate the poor into the global economy, they have to be healthy, argues Jeffrey Sachs in his persuasive new book, "The End of Poverty: Economic Possibilities for Our Time" (416 pages. Penguin Press). His chosen weapons of mass salvation: anti-AIDS drugs, mosquito nets and wells for safe drinking water. And therein lies the key to Sachs's vision: the technologies are known and the strategies proved; what is needed is simply the political and financial will to implement them.

Sachs—an adviser to heads of state, globe-trotting economic shock therapist and academic rock star—is clearly on the warpath. Though ridding the world of poverty may not be as politically incendiary or galvanizing as the war on terror, Sachs argues that it is just as important—not only for altruistic reasons but for long-term global economic security as well. And he is convinced that a decisive victory is possible.

Sachs's remedy for poverty relies on a simple argument: more money. He believes that the rich countries' attempts to ameliorate Third World poverty through the IMF and the World Bank are misguided at best, and self-serving at worst. He accuses the IMF of prescribing cookie-cutter solutions to complex and unique problems. "A [developing country's] government may be told to cut its budget deficit by 1 percent of GDP," he writes. "It is judged on whether or not it carries out that measure, not on whether the measure produces faster growth, or a reduction of poverty, or a solution to a debt crisis." Rather than dictate policy minutiae, Sachs believes, world moneylenders should help coordinate a massive infusion of capital: rich countries should forgive most Third World debt and be prepared to give 0.7 percent of their annual GNP to poor countries until 2025.

Though the book is sketchy when it comes to on-the-ground implementation, Sachs's conceptual framework for creating a more equal world is lucid and elegantly supported by chapters on the market reforms of China and India. "The key to ending poverty is to create a global network of connections that reach from impoverished communities to the very centers of world power and wealth and back again," he writes. The tools exist, their effectiveness has been proved, and the poor people of the world are waiting.

© 2005 Newsweek, Inc.

URL: <http://www.msnbc.msn.com/id/7306165/site/newsweek/>