

Priorities for meeting the Millennium Development Goals

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THE MILLENNIUM DEVELOPMENT Goals (MDGs) are more than mere aspirations. They are indeed more than shared global goals. They are the international community's time-bound and quantified commitment to cut sharply the extent of extreme poverty in the world by 2015. The MDGs are achievable, but many parts of the world are not on track to achieve them. What is needed – urgently – is international follow-through on the commitments.

Today, international momentum towards the MDGs is in an entirely different state than even two years ago. The year 2002 was a watershed year for global development policy. At the Financing for Development conference in Monterrey, Mexico, consensus was forged on the need for global partnership in order to achieve the MDGs. The rich countries pledged significant increases in development assistance – specifically, to "make concrete efforts towards the target of 0.7 percent of gross national product [in official development assistance]" – while the developing countries committed themselves to sound governance and use of resources. At the World Summit for Sustainable Development in Johannesburg, South Africa, all member countries of the United Nations reaffirmed their commitment to reducing poverty and protecting the environment, again placing the MDGs at the centre of international development policy.

By the end of 2002, it looked as if the world had not only agreed on the centrality of the MDGs, but was also gearing up to take the actions needed to achieve them.

2003 – a year lost

In 2003, however, global momentum on the MDGs was eclipsed by the war in Iraq. Debates shifted from "How

can the international system reduce poverty?" to "Is there really an international system?" Rich countries failed to follow through convincingly on their Monterrey commitment on official development assistance. In the realm of trade policy, they likewise failed to follow through on their 2001 pledge at Doha to address the trading system's marginalisation of the least-developed countries. The Cancún, Mexico, meetings of the WTO failed even to improve market access for tropical agricultural exporters like the impoverished cotton-growing countries of West Africa.

The significance of these political failures was underscored by the release of the UNDP *Human Development Report 2003*, which showed that under current conditions the MDGs will be missed in nearly 60 countries, especially the poorest ones in sub-Saharan Africa, the Andes and Central Asia.

With only 12 years to go before the MDG deadline, a year lost is one too many, and the direction of global events is even more foreboding with regard to the prospects for achieving the MDGs.

Regaining momentum in 2004

At the beginning of 2004, there is a critical need to re-establish the MDGs as the core objective of international development policy, and an even more urgent need to re-establish international development as a core objective of an international system that has completely focused on war in recent months. Success will require two things:

- There must be a highly visible call by leaders of the developing world to return development issues to the top of the international agenda.



PHOTO - DUANE FLUEGGE / WORLD VISION

Subsistence farmer in Ecuador. Will the MDGs be missed in the Andes and other poor countries?

- The international community – including poor countries, rich countries, and the international agencies – needs a clear operational framework upon which to base policies, programmes and development assistance for achieving the MDGs.

Not: "What is the best we can do to reach the MDGs?" but: "What resources do we need to reach them?"

This latter operational point is crucial in every developing country. Under current conditions, poor countries are told by the international system to ask the following question: "Given the financial resources that we have, what is the best we can do to reach the MDGs?" Starting in 2004, these countries need to ask a different question: "Given the urgency of achieving the MDGs, what resources, including increased development assistance, do we need to reach the MDGs?" The International Monetary Fund (IMF) and the World Bank would then take on the role of helping to raise the needed increment in financial resources – assuming that each developing country concerned is fulfilling its part of the bargain through good policies and honest and transparent governance.

While target-setting, deadlines and planning for success are commonplace in business and many other activities, planning for poverty reduction targets has not been common at the IMF, World Bank or other international institutions. In other words, these agencies have not been properly goal-oriented towards the MDGs. It's time to make the international system goal-oriented, specifically around the goal of achieving the MDGs. For each low-income country, we need constantly to be asking the question of what more should be done to achieve success by the target year of 2015.

Planning for success

How should a country plan for success? What steps are really needed to achieve the MDGs in impoverished countries that are currently off track? We believe that the MDGs can be met in every country if the plan is correct and if it receives adequate international support. But there is no "magic bullet", no single strategy.

In fact, we think that success must be guided by both a 10-year horizon, since human resources and basic infrastructure can only be built up over the course of a decade, and a broad-based strategy that combines actions across several policy "clusters", with priorities differing from one region to another.

For last year's *Human Development Report*, we helped to identify six major policy priorities:

- increased public investments in basic human needs – particularly health (including reproductive health and health systems), nutrition, education, water and sanitation, energy services and waste treatment – backed by a doubling or more of official development assistance directed at the poorest countries;
- increased emphasis on human rights for women and other excluded groups, with a special focus on the critical role women will play in achieving the MDGs and the actions needed to ensure women's access to economic and political opportunities;

- promotion of non-traditional industries and exports, especially in the rapidly growing urban areas of the poor countries, through a favourable business environment and increased market access in the rich countries;

- promotion of small farm productivity in marginal agricultural lands where large numbers of poor farmers struggle in extreme poverty; this includes technological investments to promote a still-needed Green Revolution for Africa;

- special attention to the specific infrastructure (including roads, energy, and irrigation) and other local needs of structurally distressed countries or regions, particularly small island states and places that are landlocked, disease-burdened, conflict-affected, or experiencing sprawling growth in slum populations; and

- increased focus on environmental sustainability, including reforestation, watershed management, coastal protection, protection of fish stocks, and reduction of airborne pollutants.

Developing country governments need to draft plans around these six areas, and need to be given the space to do so with an ambition commensurate with achieving the MDGs. In many instances countries already have bold sectoral plans, for example to scale up their public health services, but these plans sit in drawers since the countries are too poor to implement them on their own and are not receiving the official development assistance needed from rich countries.

Supporting actors

What role should key institutions play in putting these bold programmes into practice? The multilateral system – including the specialised UN agencies, the IMF and the World Bank – should provide countries with the technical expertise needed to develop the best possible MDG plans. Civil society organisations are crucial both for ensuring transparency in the development of national plans and for assisting, where appropriate, with

service delivery. Rich country governments are responsible for providing the extra financial resources needed to support the plans of countries with committed political leadership, and for opening their markets to exports from the low-income countries.

The \$87 billion appropriation for Iraq and Afghanistan is a glimpse of the vast resources available

Won't it be too expensive to achieve the Goals? Not at all. The policy and technological solutions are available to cut poverty, hunger and disease, and the costs are incredibly modest compared to what can be achieved. The rich countries have committed to development assistance reaching up to 0.7% of GNP, or about US\$175 billion of donor aid per year. This would represent an increase of roughly \$120 billion over the current levels of roughly \$55 billion.

Our own very preliminary analysis indicates that less than 0.7% of GNP will in fact be needed to achieve the MDGs. The incremental amount needed might be as low as \$75 billion per year, for a total aid flow of around \$130 billion per year, equal to 0.5% of GNP of the donor countries. That the US has recently appropriated an additional \$87 billion for Iraq and Afghanistan offers a glimpse of the vast financial resources that are in fact available. Only a fraction of that ambition will be required to achieve the international commitment to the Millennium Development Goals, and thereby to improve dramatically the lives of more than one billion people in the world today. ■

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