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# Book Review Article

## *Dimensions of Poverty: Status and Solutions Towards the Millennium Development Goals*

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*State of the World Population 2004: The Cairo Consensus at Ten – Population, Reproductive Health and the Global Effort to End Poverty*. By UNFPA. New York: United Nations Population Fund, 2004. 116pp. $12.50 pb.

*How Have the World's Poorest Fared Since the Early 1980s?* By Shaohua Chen and Martin Ravallion. Policy Research Working Paper 3341. Washington, DC: World Bank, 2004. 42pp (available at http://econ.worldbank.org/).

*The State of Food Insecurity in the World 2004: Monitoring Progress towards the World Food Summit and Millennium Development Goals*. By FAO. Rome: Food and Agriculture Organization of the United Nations, 2004. 40pp. $15.00 pb.

*Fifth Report on the World Nutrition Situation: Nutrition for Improved Development Outcomes*. By SCN. Geneva: United Nations System Standing Committee on Nutrition, 2004. 130pp (available at http://www.unsystem.org/scn).

*IFPRI Annual Report 2003-4*. By IFPRI. Washington, DC: International Food Policy Research Institute, 2004. 74pp (available at http://www.ifpri.org).

*Halving Hunger: It Can Be Done:* By Task Force on Hunger. London: Earthscan and Sterling, VA: James and James, 2005. 224pp. £25.00 pb.

*Outgrowing the Earth: The Food Security Challenge in an Age of Falling Water Tables and Rising Temperatures*. By Lester R. Brown. New York and London: W. W. Norton, 2004. 239pp. $15.95 pb.

*The State of the World's Children 2005: Childhood Under Threat*. By UNICEF. New York: United Nations Children's Fund, 2004. 151pp. $12.95 pb.

*Education for All: The Quality Imperative – EFA Global Monitoring Report 2005*. Commissioned by UNESCO. Paris: United Nations Educational, Scientific and Cultural Organization, 2004. 430pp (available at http://www.unesco.org).

*World Employment Report 2004-05: Employment, Productivity and Poverty Reduction*. By ILO. Geneva: International Labour Office, 2005. 257pp. Swiss Francs 60.00 pb.

*The Future of the WTO: Addressing Institutional Challenges in the New Millennium*. By the Consultative Board. Geneva: World Trade Organization, 2004. 86pp (available at http://www.wto.org).

*State of the World 2005: Redefining Global Security*. By the Worldwatch Institute. New York and London: W. W. Norton, 2005. 237pp. $18.98 pb.

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*Investing in Development: A Practical Plan to Achieve the Millennium Development Goals*. By Jeffrey D. Sachs and the UN Millennium Project. London: Earthscan and Sterling, VA: James and James, 2005. 224pp. $22.95. £17.00. pb.

'Make poverty history' was the clarion call made to a mass rally in Trafalgar Square in London on 3 February 2005 by Nelson Mandela. The former President of the Republic of South Africa, a world statesman of the greatest moral authority who was awarded the Nobel Peace Prize in 1993, called on world leaders 'to act with courage and vision. Overcoming poverty is not a gesture of charity. It is an act of justice. It is a fundamental human right, the right to dignity and a decent life. While poverty persists, there is no true freedom.' He repeated his message at a meeting of the finance ministers of the G7 leading group of industrialised countries the following day. United Nations bodies and other international institutions have recently published a number of annual and special reports. These give a compounded picture of the status of the various dimensions of poverty and what might be done to reduce and eventually eradicate them in meeting the Millennium Development Goals (MDGs) approved at the United Nations in 2000 (see Appendix). The MDGs have become an international reference for measuring and tracking improvements in the human condition in developing countries. They offer a comprehensive and multidimensional development framework and set clear quantifiable targets to achieve by 2015.

## 1 The population dimension

The year 2004 marked the tenth anniversary of the landmark International Conference on Population and Development (ICPD), held in Cairo, Egypt. Delegates from 179 countries adopted a wide-ranging 20-year action plan and agreed to work towards universal access to family planning and reproductive health by 2015. The central premise of the ICPD was that population size, growth, age structure and rural-urban distribution have a critical impact on development prospects and, specifically, on prospects for raising the living standards of the poor. Reflecting this understanding, the ICPD called on countries to 'fully integrate population concerns into development strategies, planning, and decision making and resource allocation at all levels'.

The *State of the World Population 2004* gives the latest population projections of the UN Population Division and prospects for meeting the ICPD goals. The world's population grew by 76 million people in 2004, 73 million of them in developing countries, to reach 6.5 billion (UN, 2005). Some 5.2 billion live in the least developed countries where the population is growing sixteen times as fast as in the industrialised countries. Six countries accounted for half the world's population increase: India, with 21% of world population growth; China, 12%; Pakistan 5%; and Bangladesh, Nigeria and the United States 4% each. According to these latest UN population projections, the population of India will overtake that of China before 2030, earlier than expected. The combined population of developed countries is expected to remain virtually unchanged between 2005 and 2050, at about 1.2 billion (less than the populations of either China or India). In contrast, the population of the least developed countries is projected to more than double.

UN statistics trace the astonishing growth in the world's population, from the first one billion people in the early eighteenth century, to two billion in 1927, three in 1960,

four in 1974, five in 1987 and six in 1999. The UN projections of world population growth give three potential trajectories. Under what is called a 'low-fertility' scenario, the world population will peak at 7.5 billion by 2040 and then fall to 7.4 billion in 2050. A 'medium-growth' scenario would result in the world population reaching 8.9 billion by 2050 and peaking at 9.2 billion in 2075. Under a 'high-growth' variant, the world population would rise to 10.6 billion by 2050 and 14 billion by 2099. The latest UN population projections show somewhat lower population growth than previously expected, reflecting lower fertility and higher mortality rates (related to AIDS). And while some progress has been made in maternity and child health programmes, an infant born in Africa is 13 times more likely to die before one year of age than in Europe and the United States. The report points out that, with land and water in limited supply, population growth could have an adverse effect on future environmental and social stability. It advocates that the most humane way to achieve low-level growth is to improve health and social conditions and promote population stabilisation through reduced birth rates, not to allow death rates to climb 'as a result of negligence'.

At the ICPD, participants pledged to invest a combined US$17 billion a year by the turn of the century, with annual donations to $22 billion. Developing countries undertook to provide two-thirds of total investment, with the remainder to be provided by the developed countries. Halfway to 2015, the developing countries have met at least 80% of their promised contributions; the wealthier donor countries have only provided half of their pledges. Meeting the needs of 201 million women without access to a range of effective family planning services would cost an estimated $3.9 billion a year. This could avert 52 million pregnancies, of which about 22 million are ended by induced abortions.

The report notes that the ICPD has had some success in advancing a human rights agenda to address critical health and development challenges. For example, countries have stepped up efforts to fight HIV/AIDS. Adolescent reproductive health has emerged as a worldwide concern. Early marriage is increasingly being opposed as a risk to girls' health and a violation of their rights. The persistence of high maternal mortality has sparked an intensified examination of its causes and remedies. There is growing recognition of and support for women's reproductive health needs in emergency situations. And the UN Security Council unanimously adopted a resolution in October 2000 on 'Women, Peace and Security', which called for the incorporation of special needs of women and girls into all decisions related to post-conflict reconstruction.

But the report also notes that there is 'a long way to go' to meet the goals set at the ICPD, and a number of daunting challenges remain. As people continue to seek better livelihoods, international migration will remain high in the coming decades. About two million people a year are moving to the developed regions of the world, principally to the United States, with an annual net average of 1.1 million immigrants. By 2050, it is estimated that this will add up to 55 million for the half century, nearly equal to the population of France. Migration to urban areas is resulting in population growth there which is about twice as fast as that in the countryside. By 2007, it is projected that half the world's population will be urban. Over 350 million couples still lack access to the full range of reproductive health and family planning services. Some eight million women a year suffer from life-threatening pregnancy-related complications. Over 529,000 die as a consequence, 99% in developing countries. One-third of all pregnant women receive no health care during pregnancy. In 2003, some three million people

died of AIDS: 2.5 million adults and 500,000 children under 15 years. Five million new cases of HIV infection occurred during 2003, an average of 14,000 a day; 40% were in women and nearly 20% in children. And between 2005 and 2050, it is projected that the proportion of the population aged 65 years and over will have doubled in most developing countries.

The report concludes that the ICPD gave practical meaning to human-centred development. Its programme of action acknowledged that investing in people and broadening their opportunities and capabilities are indispensable to achieving sustained economic growth and alleviating poverty. As the world seeks to reach the Millennium Development Goals (MDGs), it advocates that political commitment and the dedication of adequate financial and human resources to implementing the ICPD action programme 'remain centrally important'.

## 2 The income factor

A key MDG is to halve the proportion of the world's people whose income is less than one dollar a day by 2015 (see Appendix). The World Bank estimated that in 2000, of the world's six billion people, 1.2 billion – one-fifth – lived on less than one dollar a day, and 2.8 billion – almost half – on less than two dollars a day (World Bank, 2001). In 2002, the World Bank estimated that there were 200 million fewer poor in the world in 1998 than in 1980 (World Bank, 2002). This figure has been contested, hence the new study on *How Have the World's Poorest Fared Since the Early 1980s?* by Chen and Ravallion of the Bank's Development Research Group. The only solution to resolving the dispute, in their view, is 'to construct a new, internally consistent, series over the 1980s and 1990s'.

The results of the study give both encouraging and worrying signs. Over the 20-year period 1981-2001, they found that the percentage of the population of the developing world living below a dollar a day almost halved, falling from 40% to 21%. Expressed as a proportion of the world's population, the decline is from 33% to 18%. (This assumes that there is nobody living below a dollar a day in the developing countries.) The number of poor fell by 390 million from 1.5 billion in 1981. There was clearly more progress in some periods than in others. The late 1980s and early 1990s were difficult times for the world's poor, with low growth in both China and India. Once growth was restored, the rate of poverty reduction in the 1990s returned to its long-term trend. Chen and Ravallion's estimates suggest less progress in overcoming the two dollars a day poverty line. The poverty rate by this higher standard fell from 67% in 1981 to 53% in 2001, insufficient to prevent a rise in the number of people living below this standard from 2.4 billion to 2.7 billion. Thus, the number of people living between one and two dollars a day has risen sharply over the two decades from about one billion to 1.6 billion. What they call 'bunching up' of poor people just above the dollar a day line 'suggests that a great many people in the world remain vulnerable to aggregate economic slowdowns'.

Chen and Ravallion note that there have been marked regional differences in performance against poverty, and notable changes in regional poverty rankings over the 20-year period, with sub-Saharan Africa replacing East Asia as the region with the highest incidence of extreme poverty. The composition of world poverty has also changed noticeably over this period. The number of poor has fallen in Asia but risen

elsewhere. There has been 'dramatic progress' in East Asia, where the MDG target of halving the 1990 dollar a day poverty rate by 2015 'was already reached in 2001'. They find that China's progress against absolute poverty was a 'key factor'.

The authors conclude that, while the overall picture is good news, 'it is no cause for complacency'. They estimate 390 million fewer poor by the dollar a day standard over the period 1981-2001, but this group is still poor by the standards of middle-income and rich countries. And their estimates indicate that the number of people living on under two dollars a day has actually risen. Nor has this aggregate progress for the poorest been shared by all regions. In the developing world outside China, the number of abjectly poor is estimated to have risen slightly. The situation in sub-Saharan Africa is particularly worrying. Not only has that region the highest incidence of poverty, but also the depth of poverty is markedly higher than in other regions, 'suggesting that without lower inequality economic growth in Africa will have a harder time reducing poverty in the future than elsewhere'. The results of the study suggest that, if maintained over the period 2001-15, the trend rate of decline in the incidence of abject poverty will be sufficient to meet the MDG poverty reduction target. However, this goal will only have been reached in two parts of the developing world, South and East Asia. No doubt this new study will be subjected to close scrutiny by number crunchers who regard estimating the numbers of the world's poorest as an imperfect science.

## 3 Food and nutrition insecurity

FAO's report on *The State of Food Insecurity in the World 2004*, the fifth edition in the series, reports on progress and setbacks in efforts to reach the target set at the 1996 World Food Summit (WFS) and in the UN Millennium Declaration of 2000 of halving the number of chronically hungry people in the world by 2015. The first section of the report presents the latest estimates of the number of undernourished people, along with preliminary calculations of the heavy economic burden imposed by hunger and malnutrition. FAO estimates that 852 million people worldwide were undernourished in 2000-2, 815 million in developing countries, 28 million in countries in transition, and nine million in the industrialised countries. During the second half of the 1990s, the number of chronically hungry in developing countries increased by almost four million a year, wiping out two-thirds of the reduction of 27 million achieved in the previous five years. This reversal resulted mainly from changes in China and India. In the former country progress slowed, whereas in the latter the number increased by 18 million. But, as the report puts it, 'the news is not all bad'. The slowdown in the two Asian 'giants' masked significant improvements in trends in the rest of the developing world. The most pronounced change in trends took place in sub-Saharan Africa, where the rate of increase in the number of malnourished slowed from five million to one million a year and the proportion of undernourished fell from 36% to 33%.

The report also details the human and economic costs of hunger. Hunger and malnutrition inflict heavy costs on individuals, households, communities and nations. Undernourishment and deficiencies in essential minerals and vitamins are said to cost the lives of more than five million children every year. Households in the developing world lose more than 220 million years of productive life of family members whose lives are cut short or impaired by disabilities related to malnutrition. Developing countries lose billions of dollars in lost productivity and consumption.

Every year, more than 20 million low birthweight (LBW) babies are born in the developing world. From the moment of birth, as the report describes it, 'the scales are tipped against them' in a 'vicious cycle of deprivation'. The risk of neonatal death is four times higher for infants weighing less than 2.5 kilograms and 18 times higher for those who weigh less than 2.0 kilograms. Almost one-third of all children in developing countries are stunted. The damage to physical and cognitive development is usually irreversible. The costs in blighted health and opportunities extend not only throughout the victim's lifetime but also on to the next generation, as malnourished mothers give birth to LBW babies. The report quotes a World Health Organization (WHO) estimate that more than 3.7 million deaths in 2000 could be attributed to underweight. And deficiencies in three key micronutrients – iron, vitamin A and zinc – each caused an additional 750,000 to 850,000 deaths.

One measure used to quantify the impact of malnutrition on both poor health and increased mortality is called 'disability-adjusted life years' (DALYs), the sum of years lost as a result both of premature death and of disabilities, adjusted for severity. A *Global Burden of Disease Study*, sponsored by WHO and the World Bank, ranks being underweight as the single most significant risk factor for DALYs worldwide and for both death and DALYs in 'high-mortality developing countries'. This group includes almost 70 countries with a combined population of more than 2.3 billion people. Overall, childhood and maternal undernutrition are estimated to cost more than 220 million DALYs in developing countries. When other nutrition-related risk factors are taken into account, the toll rises to almost 340 million DALYs. That total represents a loss of productivity equivalent to having a disaster kill or disable the entire population of a country larger than the United States.

While the report finds the human cost of hunger 'morally unacceptable', it goes on to show that the economic costs of hunger are 'simply unaffordable', not only for the individuals concerned but also for the economic development and prosperity of the nations in which they live. The costs of hunger come in several distinct forms. The direct medical expenditure of treatment throughout the developing world is estimated at around US$30 billion a year, over five times the amount committed so far to the Global Fund to Fight AIDS, Tuberculosis and Malaria. These direct costs are dwarfed by indirect costs of low productivity and income caused by premature death, disability, absenteeism, and lower educational and occupational opportunities. Provisional estimates suggest that these indirect costs 'range in the hundreds of billions of dollars'.

Coming at the costs of hunger from another direction, FAO conducted a macroeconomic study to estimate the benefits of reducing undernourishment by an amount sufficient to meet the WFS and MDG target. The study estimated the value of increased production that would be unleashed by reducing the number of undernourished people in developing countries to around 400 million by the year 2015. Based only on increased life expectancy, the total discounted value over the years up to 2015 was estimated at about US$3 trillion, which translates into an annuity benefit of $120 billion a year. The FAO study recognised that the calculation 'almost uncertainly underestimates' the true costs of hunger. However, it also estimated that an increase of $24 billion a year in public investment, associated with additional private investment, would make it possible to attain the WFS and MDG target and would lead to a boost in GDP amounting to $120 billion a year, as a result of longer and healthier lives.

The report has special features on the impact of the rapid growth of cities and incomes on hunger and food security, changing food systems on small farmers, and the changing profile of hunger and malnutrition in developing countries. As the mid-term review of progress towards meeting the WFS and MDG targets approaches, FAO's Director General identifies three 'inescapable conclusions' in his foreword to the report. First, efforts have fallen 'far short' of the pace required to reach the established targets. Second, despite slow and faltering progress on a global scale, more than 30 countries, with a combined population of over 2.2 billion people, have reduced the prevalence of undernutrition by 25% and have made significant progress towards meeting the WFS and MDG targets. And third, his 'central message', the costs of not taking action to reduce hunger worldwide are 'staggering'. The costs of interventions that could sharply reduce hunger are 'trivial' in comparison. As he puts it, 'the question is not whether we can afford to take urgent and immediate action needed to reach and surpass the WFS goal. The question is whether we can afford not to. And the answer is an emphatic, resounding no.'

The *Fifth Report on the World Nutrition Situation* by the UN Standing Committee on Nutrition (SCN) begins by stressing that it is important to be clear about what 'nutrition' and 'a nutrition perspective' mean. It underlines that food and nutrition security are not the same. Nutrition is both the outcome and the process of providing the nutrients needed for health, growth, development and survival. Although food as the source of these nutrients is an important part of this process, it is not by itself sufficient. Other necessary inputs include good caring practices and health services.

The report continues the tradition of reporting on trends in nutrition throughout the life cycle to provide a comprehensive source of data and ideas for all those working to accelerate reductions in malnutrition. In addition, it outlines how reducing malnutrition is central to the achievement of the MDGs (see also SCN, 2004). The SCN serves as a UN focal point for promoting harmonised nutrition policies and strategies throughout the UN system and strengthening collaboration with other partners for accelerated and more effective action against malnutrition. The SCN membership consists of representatives of 18 UN bodies, IFPRI and the Asian Development Bank. Representatives of bilateral donor agencies and NGOs also actively participate in SCN activities. The SCN Secretariat is located at WHO headquarters in Geneva.

As with other publications included in this review, the report contains good and bad news. The good news is that malnutrition is being steadily reduced in much of the world. Even several countries in sub-Saharan Africa have been able to reduce malnutrition rates under difficult circumstances. The bad news is that the rate of decline in malnutrition outside Africa is slowing and that, at the regional level in Africa, nearly all the nutrition indicators 'are moving in the wrong direction'.

Among the key points to emerge in the report concerning the world nutrition situation is the fact that low birthweight (LBW) remains a serious problem, with 30% and 14% of all babies born at term in South Asia and sub-Saharan Africa respectively having LBW. Other nutritional problems plague Africa. The prevalence of pre-school underweight and stunting is increasing, associated with maternal underweight and severe maternal malnutrition. Some African countries show improvement despite difficult conditions where poverty has increased. HIV/AIDS has a devastating impact; conflict persists; and gains in agricultural productivity as a key driver of overall economic growth remain elusive, although, as the report recognises, more analysis is

needed on the positive trends. Moreover, the prevalence and numbers of 'wasted' (low weight-for-height) pre-schoolers are projected to increase. As a result, the locus of pre-school malnutrition is steadily shifting from Asia to Africa, although it is still the case that the majority of the world's malnourished children live in Asia.

Significant changes in the composition of diets are occurring in developing countries, with China experiencing the most rapid and largest increase in the share of fats in the food supply, followed by the rest of Asia. The report finds that malnutrition is the 'largest contributor to disease in the world'; childhood and maternal underweight are responsible for 138 million DALYs lost or 9.5% of the global burden of disease; and, in low-mortality developing countries, diet-related risk factors for chronic disease are responsible for a large share of the burden of disease. Regarding micronutrients, the report finds that nearly two billion people (35.2%) worldwide have inadequate iodine nutrition. Best available data suggest that 140 million pre-schoolers and more than seven million pregnant women suffer from vitamin A deficiency. Iron deficiency among pregnant women is associated with an estimated 111,000 maternal deaths each year.

The report makes the case for recognising nutritional status as a key MDG indicator of poverty, and hunger as an important first step in recognising that policies, programmes and processes to improve nutrition outcomes have a role to play in global development. Integrating nutrition improvement can accelerate improvements in non-nutrition development objectives. In the endeavour to attain the MDGs of eradicating extreme poverty and hunger, the report points out that malnutrition erodes human capital, reduces resilience to shocks, and reduces productivity through impaired physical and mental capacity. Achieving the MDG of universal primary education is set back as malnourished children are less likely to enrol in school, or more likely to enrol later; hunger and malnutrition reduce mental capacity and school performance. In achieving the MDG of promoting gender equality and the empowerment of women, the report observes that better nourished girls are more likely to stay in school and to have more control over future choices. The MDG of reducing child mortality is confronted with the fact that malnutrition is directly or indirectly associated with more than 50% of all child mortality and that malnutrition is the main contributor to the burden of disease in the developing world. An anti-female bias in the allocation of food, health and care compromises the MDG of improved maternal health: malnutrition is associated with most risk factors in maternal mortality. In achieving the MDG of halting and reversing the spread of HIV/AIDS, malaria and other major diseases, the report notes that malnutrition hastens the onset of AIDS among the HIV-positive, weakens resistance to infection, and reduces survival rates.

The report goes further. It advocates that it is 'crucial' to move beyond links between nutrition and the MDGs and to focus on ways in which nutrition perspectives can strengthen key development mechanisms and instruments. These include poverty reduction strategies, health sector reform, improved governance, human rights and trade liberalisation. As the report puts it, 'Incorporating perspectives from the international nutrition experience will enhance the capacity of a range of development strategies to meet their own objectives.'

The report recognises that much remains to be done to eradicate 'the scandal of malnutrition' in the context of a world that has seen global GDP double in real terms in the past 20 years, and that malnutrition in sub-Saharan Africa 'must receive priority attention'. Incorporating nutrition will be challenging: the report concludes that this will

require a greater awareness of the substantive links between nutrition and other development issues. It will also demand renewed efforts to forge partnerships with other development professionals which, in turn, will call for a readiness and capacity of nutrition professionals to engage with broader development processes.

The *Annual Report 2003-4* of the International Food Policy Research Institute (IFPRI), one of the leading international research institutions concerned with attaining food and nutrition security, begins with an essay on 'Agriculture, Food Security, Nutrition and the Millennium Development Goals'. The authors are Joachim von Braun, IFPRI's Director General, M. S. Swaminathan, Co-Coordinator of the Millennium Project's Task Force on Hunger, and Mark Rosegrant, Director of IFPRI's Environment and Production Technology Division. The essay makes a strong case for the central importance of food and nutrition security in attaining the MDGs. The authors state that the most effective strategy for making steady, sustainable progress on the MDGs is to 'serve all the goals in an integrated way' and that 'each goal will need a well-defined package of technologies at the field level'. They observe that faster, sustainable human and economic development is needed to achieve all the MDGs; environmentally friendly agriculture and rural development are key to this effort. Concerning the MDGs of eradicating extreme hunger and poverty, they argue that it is necessary to have an understanding of the ways in which 'these two injustices interconnect'. They show the strong direct relationship between agricultural productivity, hunger and poverty. By increasing food availability and incomes and contributing to 'asset diversity' and economic growth, higher agricultural productivity and supportive pro-poor policies allow people 'to break out of the poverty-hunger-malnutrition trap'. They use IFPRI's global food model, which assumes that investment in five areas (rural road construction, education, clean water provision, agricultural research and irrigation) is the most effective way to reduce hunger, poverty and malnutrition. In this way, they estimate that reaching the MDG of halving child malnutrition will cost US$161 billion, about $16 billion a year more than current expenditures.

The authors advocate a three-pronged strategy to achieve the MDG of universal primary education: food for children in school, incentives (food or cash) for parents and support services (such as crèches) for working mothers, and improvements in agricultural productivity and market functioning to assure adequate food supply and access. Regarding the MDGs of promoting gender equality and empowering women, they observe that many women are farmers who depend mainly on agriculture to secure food and money for their families. They show how improvements in agriculture and access to services, such as labour-saving technology, finance and credit, and legal and economic rights, can contribute both to increasing incomes and to empowering women economically and can boost agricultural productivity further.

The links between agriculture and the MDGs of reducing child mortality and improving maternal health are also shown. This demonstrates that improving food and nutrition security for poor households with the help of agriculture and ensuring that households allocate food equitably are 'crucial steps'. To attain the MDG of disease control, the authors advocate that the resources of the agricultural sector should be co-ordinated with those of the health sector to meet the joint challenges of poverty reduction and disease eradication. A productive agricultural sector can reduce pressures on the environment and assist in meeting the MDGs relating to sustainable development, but this outcome is not automatic. People who suffer from food and

nutrition insecurity generally try to safeguard their environments, but often fail owing to lack of resources and the capacity to organise the needed collective action at the local level. The authors acknowledge that wrestling with the problems of development will require countries to work together closely at the regional and international levels. The creation of a 'global partnership for development' will require increased commitments in the pursuit of pro-poor growth. They find that policy actions that improve agricultural productivity and food and nutrition security are 'essential components of a successful MDG strategy'.

IFPRI's Director General notes 'with dismay that there is slow progress against hunger in 2003/2004'. At the same time, he is 'encouraged by political leaders' broader recognition of the hunger problem, and by some action initiatives around the world based on a new understanding of the importance of agricultural and rural growth and good nutrition and health for development'. He states that demand for IFPRI's work is 'changing and growing'. IFPRI's annual report outlines a number of changes in the institution, including: the integration of the International Service for National Agricultural Research (ISNAR) into IFPRI; major new funding for the expansion of its HarvestPlus programme, which aims to combat the scourge of 'hidden hunger', the inadequate level of micronutrients that afflicts over two billion people; and greater decentralisation of its operations through the establishment of offices in Addis Ababa, New Delhi and Costa Rica, to bring its work closer to the people whom researchers study and serve and with whom they collaborate. A major undertaking in 2004 was an all-Africa conference organised by IFPRI on 'Assuring Food and Nutrition Security in Africa by 2020: Prioritizing Actions, Strengthening Actors, and Facilitating Partnerships' in Kampala, Uganda (IFPRI, 2004). To assure its relevance, impact and follow-up, the conference was designed in close consultation with key partners and actors in Africa. In June 2004, the G8 summit of leading industrialised countries pledged support for IFPRI's 'Strategic Analysis and Knowledge Support Systems' for agriculture and market analysis in Africa as part of an overall strategy to end the cycle of famine, raise agricultural productivity, and promote rural development.

The report of the Task Force on Hunger, an independent group of experts, on *Halving Hunger: It Can Be Done*, concludes that 'hunger can be halved by 2015 and eventually eradicated from our planet'. Achieving that goal, they stress, will require focused and unprecedented levels of efforts by all actors, but it is well within the reach of human capabilities. It notes that the world has made progress in reducing hunger, 'but not quickly or broadly enough'.

The task force does not propose a stand-alone strategy for fighting hunger. Instead, it sets forth a plan that forms part of a larger effort to address all the MDGs simultaneously in seven priority areas. At the global level, the task force recommends moving from political commitment to end hunger, which has been made repeatedly, to effective action.

The key message they identify for political leaders is that halving world hunger is 'well within our means'. But if that goal is to be met, developed country governments must increase and improve their official development assistance, especially for agriculture and nutrition, and increase attention to capacity building. At the national level, they observe that government policies in poor countries can make or break efforts to end hunger, and that good governance, including the rule of law, lack of corruption, and respect for human rights, is essential for promoting food security. Five

recommendations are made for community-level interventions: increasing agricultural productivity among food-insecure farmers; improving nutrition for the chronically hungry and vulnerable; reducing the vulnerability of the acutely hungry through 'productive safety nets'; increasing incomes and making markets work for the poor; and restoring and conserving the natural resources essential for food security. Within these broad recommendations, the task force identifies 40 proposed interventions. Not every intervention will be appropriate to every country or district. An important step will be to identify the priority interventions for the conditions that prevail locally.

An alternative, controversial and less optimistic, view is given by Lester Brown, President of the Earth Policy Institute, an independent environmental research organisation founded by Brown himself in 2001. His book, *Outgrowing the Earth*, presents a case for redefining world food security. It points out that for 40 years international trade negotiations have been dominated by the main grain-exporting countries but now the world may be moving into a period dominated not by surpluses but by shortages. If this happens, 'the issue becomes not exporters' access to markets but importers' access to supplies', in what he calls 'the politics of food scarcity'. He considers that the 'big test' of the international community's capacity to manage scarcity may come when China turns to the world market for massive imports of grain every year, 'demand on a scale that could quickly overwhelm world grain markets'. When this happens, China will have to look to the United States, which controls nearly half the world's grain exports. This will pose 'a fascinating geopolitical situation': 1.3 billion Chinese consumers, who have a US$120 billion trade surplus with the United States, will compete with Americans for US grains, driving up food prices. In such a situation 30 years ago, the United States would simply have restricted exports; today, however, it has a stake in a politically stable China. The Chinese economy is not only the engine powering the Asian economy, but also the only large economy worldwide that has 'maintained a full head of steam in recent years'. Furthermore, the risk is that China's entry into the world market will drive grain prices so high that many low-income developing countries will not be able to import enough grain.

Brown notes that, because the last half-century has been dominated by excessive production and market surpluses, the world has little experience in dealing with the politics of scarcity, apart from a brief period in the early 1970s which resulted in the World Food Conference of 1974. As surpluses are replaced with scarcity, he argues, more attention will need to be paid to carryover grain stocks. In his view, one reason why food shortages do not get the attention they once did is because famine, in effect, has been redefined. Given the growing integration of the world grain economy, and today's capacity to move grain around the world, he notes that famine is concentrated less in specific geographical regions and much more among low-income groups. This is likely to increase as scarcity drives up prices. In his opinion, future food security will depend on stabilising four key agricultural resources: cropland, water, rangeland, and the earth's climate system. This poses a complex challenge, as the world today faces a situation far different from that of half a century ago. Brown notes that diminishing returns are setting in on several fronts, including the quality of new land that can be brought into production, the production response to additional fertiliser applications, the opportunity for drilling new irrigation wells, and the potential of research investments to produce technologies that will boost production dramatically.

Ensuring future food security can, in Brown's view, no longer be left to ministries of agriculture alone, but will depend on an integrated effort of several government departments. And strong national political leadership will be essential; in its absence, 'deterioration in the food situation may be unavoidable'. Similarly, he calls for better integration among the international agencies concerned with global food security. He concludes that, in a world that is increasingly integrated economically, food security is now a global issue which gets little attention in the UN Security Council or at the G8 meetings. Everyone has a stake in securing future food supplies, but the complexity of the challenge is matched by the enormity of the effort required to reverse trends that are undermining future food security. In addition, he observes that we have inherited 'the mindset, policies, and fiscal priorities from an era of food security that no longer exists'.

Moreover, unless we recognise the nature of the era we are entering and adopt new policies and priorities, world food security 'could begin to deteriorate' and 'quickly eclipse terrorism as the overriding concern of governments'. Many will take issue with Brown's views and perspectives but they can amount to a wakeup call that should not be ignored.

## 4 The state of the world's children

UNICEF's *The State of the World's Children 2005* gives a relentless account of how nearly half of the two billion children throughout the world are robbed of their childhood through the triple, and often interrelated, realities of poverty, armed conflict, and HIV/AIDS. The report also shows that children will be most affected, and suffer tragic consequences, if the MDGs are not met.

Drawing on an empirical study commissioned by UNICEF, the report looks at how poverty affects children through what is called 'severe deprivation' in seven areas. Over 16% of children under five in the developing countries suffer from 'nutrition deprivation' and are severely malnourished. Most of them already had low weight at birth, many are anaemic, weak and vulnerable to disease, and some have learning problems if they ever go to school, resulting in the chilling prospect that they will 'probably remain among the poorest of the poor throughout their lives'. About 400 million children, on average one in five children in developing countries, have 'water deprivation', with no access to safe water. One in three children in the developing world, a total of over 500 million children, has no access to sanitation facilities and suffers from 'sanitation deprivation'. Around 270 million children in developing countries, about 14 %, have 'health deprivation', with no access to health care services. Over 640 million children in developing countries experience severe 'shelter deprivation'. Over 140 million children in developing countries, 13% of those aged 7-18 years, have never attended school and have 'education deprivation'. And over 300 million children in developing countries have 'information deprivation', lacking access to television, radio, telephone or newspapers. Over one billion children in developing countries, more than 50%, suffer from at least one of these seven forms of severe deprivation. About 700 million children suffer from two or more forms. The fact that every second child is deprived of even the minimum opportunities in life 'is alarming'.

Deprivation in one aspect often accentuates other deprivations and has a compounding effect. Children in rural areas are more exposed to extreme forms of deprivation. Severe deprivation among children is not confined to low-income

countries. Many children in extreme poverty live in countries with fairly high levels of national income. Gender discrimination is an underlying factor of severe deprivation. Poverty denies children safety, dignity and protection. Material deprivation exposes children to exploitation and abuse. Child protection abuses reinforce the 'generational cycle of poverty'. The report finds that families form the first line of defence for children; the further they are from their families the more vulnerable they are. It outlines strategies for tackling child deprivation: harnessing globalisation and economic growth for children's benefit; promoting local solutions and participatory planning for development; strengthening the protective environment for children; and involving children themselves in helping to understand what child poverty means. So what is the way forward? The report finds poverty is 'one of the three greatest threats to childhood in the world today' and identifies the following key lessons as emerging from the evidence reviewed. Reaching the MDGs would go a long way to reducing the material poverty that children experience in developing countries. Protecting childhood from poverty is a global as well as a national responsibility. Interventions that address child deprivation need to be designed and owned locally; families and children must be part of the solution. Strengthening the protective environment is essential for children at every level. And it is also key to resolve conflict and combat HIV/AIDS, which both contribute to the poverty children experience and combine with it to undermine their childhood.

The report shows how armed conflict and violence rob children of a secure family life, betraying their dignity and their hopes. It points out how the nature and complexity of warfare have changed in recent years. Between 1990 and 2003, there were 59 major armed conflicts in 48 locations: four involved war between states, 55 occurred within nations. The threat to civilians from conflict has grown enormously. An estimated 90% of global conflict-related deaths since 1990 have been of civilians, and 80% of these have been of women and children. Many of the victims suffer from the catastrophic impact of conflict on the health of the entire society. Many developing countries are locked in a vicious cycle in which poverty generates the desperation, fear and struggle for resources that can lead to conflict, which in turn aggravates poverty that can continue from one generation to the next. Of the world's 20 poorest countries, 16 have suffered a major civil war in the past 15 years.

Conflict impacts childhood in many direct and indirect ways. If not killed or injured, children may be orphaned, abducted, raped, or left with deep emotional scars and psychological trauma from exposure to violence, dislocation, poverty, or the loss of family members, relatives and other loved ones. Many children are conscripted, kidnapped or pressured into joining armed groups or gangs. During the 1990s, some 20 million children were forced by conflict or human rights violations to leave their homes and join the growing numbers of refugees and internally displaced persons. Sexual violence is often a consciously deployed weapon of war, including rape, mutilation, exploitation and abuse. This tends to increase the likelihood of HIV transmission in conflict zones, while the breakdown of school and health systems inhibits safeguards that could counter these risks. Even after a conflict is over, children are often threatened by what it leaves behind, including abandoned explosives, weapons, landmines and unexploded ordnance, which kill and maim thousands of children each year and prevent access to fields, wells, clinics or schools and protract life in temporary, unsatisfactory settlements.

The report notes that steps have been taken to address the effects of conflict on children but recognises that much still remains to be done. It advocates a number of actions that should be pursued, implementation of which will require the international community to demonstrate the necessary political and economic will. These include: putting children first, before and during conflicts; ending the recruitment of child soldiers; strengthening the protective environment for children at all levels; eradicating the culture of impunity and strengthening accountability; preventing conflict by addressing its underlying causes; giving priority to monitoring and reporting on child rights violations in conflict zones; expanding demobilisation and mine-awareness campaigns; restarting education after conflict; enhancing humanitarian agencies' capacities to respond to conflicts by developing early warning systems and better preparedness; and combating poverty and HIV/AIDS.

The third major threat to childhood chronicled in the report is the spread of HIV/AIDS. Children do not need actually to have HIV/AIDS to be devastated by it. It is vividly shown that, when HIV/AIDS enters a household by infecting one or both parents, 'the very fabric of a child's life falls apart'. The statistics are numbing. By 2003, 15 million children under the age of 18 had been orphaned by HIV/AIDS, eight out of 10 of them in sub-Saharan Africa. It is estimated that in 2010 over 18 million African children will have lost one or both parents. Millions more live in households with sick and dying family members and also suffer the pernicious effects of HIV/AIDS. The compounded effects are awesome. Families and communities feel the strain. Women take on the greater burden of care. Children are increasingly forced to head households, which deprives them of their education and their rights, and deepens child poverty. And children orphaned or made vulnerable to HIV/AIDS are more exposed to exploitation, abuse and violence.

It is little wonder that the report finds that HIV/AIDS 'is one of the greatest threats to childhood in the world today'. It finds the lines of response to the plight of orphans and vulnerable children 'are clear – provided the international community has the political and economic will to pursue them'. These include: strengthening the protective environment for children; scaling up projects for orphans and vulnerable children and dedicating funds needed to support them; keeping adults alive by increasing access to antiretroviral therapy and raising awareness of HIV/AIDS; preventing new infections among children; eliminating school fees and other barriers to education; and combating poverty and conflict, which interact with HIV/AIDS to magnify the negative impact in childhood.

The report advocates a human rights-based approach to development in combating the threats that children face. In a contribution, Joseph Stiglitz, Nobel Laureate in Economics and former Chief Economist and Senior Vice-President of the World Bank, now a professor at Columbia University in New York, states: 'What makes the poverty children experience so appalling is that it would cost very little to do something about it'. He quotes the average cost of educating a child in developing countries at about US$40, and of achieving universal primary education by 2015, one of the MDGs, at about US$9.1 billion annually, or less than $100 billion over the next 10 years. To put this in perspective, he quotes global defence spending in 2003 at over $956 billion ($879 billion at constant 2000 prices and exchange rates) (SIPRI, 2004) and notes that a 1% reduction in annual global military spending could provide primary education for all children around the world. He finds disparity in health 'no less glaring' and notes that

'the world can easily meet the expenses of basic health care for the least developed countries if it is willing'. He calculates the average yearly cost of servicing sub-Saharan Africa's external debt at roughly $80 per household, almost half the average amount ($173) that each family spends on health and education combined. He argues therefore that faster and deeper debt-service relief for the poorest countries could free up additional resources for social expenditure. These could go a long way towards ameliorating poverty. Similarly, he notes that UNICEF's projected cost for immunising children for the whole of 2004 is about $187 million, about 0.02% of global military expenditure. He concludes that 'Lack of resources is not, and cannot be, an excuse'. And the eradication of poverty among children is not simply a matter of self-interest, it is a question of what is 'morally right'.

## 5 Education for all

The UNESCO-commissioned report by an independent international team on *Education for All: The Quality Imperative,* is the third annual report in the series. It tracks progress towards the MDGs of achieving universal primary education (UPE) and gender equality in education (see Appendix) and other educational targets. Concerning UPE, the report notes that, athough progress has been made globally in getting more children to school, 'the pace remains too slow to achieve UPE by 2015'. The number of out-of-school children fell from 106.9 million in 1998 to 103.5 million in 2001, but if past trends continue, the world net enrolment ratio will be about 87% in 2015. Completion of primary schooling is said to remain 'a major concern', delayed enrolment being 'widespread', survival rates 'low', and grade repetition 'frequent'. Regarding gender parity in education, although many countries have made 'significant progress', large gaps remain, particularly in the Arab states, sub-Saharan Africa, and South and West Asia. Girls account for 57% of out-of-school children of primary school age worldwide. And gender disparity is more extreme at the secondary and higher levels of education.

The report focuses on the quality of education. It emphasises that 'Quality is at the heart of education. It influences what students learn, how well they learn, and what benefits they draw from their education.' Achieving education for all should not be reached without improving quality. In many parts of the world, an 'enormous gap' persists between the numbers of students graduating from school and those among them who have mastered a minimum set of cognitive skills. Hence, the report advocates, any policy aimed at reaching full enrolment must also assure decent learning conditions and opportunities. It points out that better education contributes to more robust national economic growth and, for individuals, more informed choices and higher lifetime earnings. Higher quality in education also improves school life expectancy, although opportunities differ widely among regions. On average, for all countries, pupils can expect 9.2 years of primary plus secondary education but, critically, a child in sub-Saharan Africa can expect to receive five to six fewer years of schooling than one in Western Europe and the Americas.

As the report shows, improving the quality of education while expanding access will require a level of sustained investment that is beyond the reach of many poor countries. External assistance will, therefore, 'remain a key dimension of the international effort to achieve universal primary education and all other [education] goals'. According to the report, ODA donors provide at least US$5.5 billion a year for

education, about 30% of which supports basic education. In 2002, bilateral ODA commitments to education exceeded $4 billion for the first time since 1999 and represented about 9% of total ODA commitments. Support to education from multilateral agencies, excluding the World Bank (the biggest single external supporter of education), amounted to nearly $660 million a year for 2001 and 2002. This is slightly more than the World Bank's concessional financing to education through the International Development Association (IDA), and equivalent to about 17% of total bilateral aid to education. The reports find that 'a significant gap remains even if new pledges for increased ODA are fulfilled'. It concludes that, while modest improvements in overall aid levels and the volume of assistance to basic education are trends that deserve 'a cautious welcome', they do not come close to matching the level of increased external funding that achievement of the EFA goals requires. The distribution of aid is also said to be 'less than optimal' for the achievement of EFA. Three 'core principles' of good international practice are identified: the importance of sound, nationally owned policies; close alignment of funding agency support with national priorities; and 'harmonisation' of donor practice.

## 6 Employment, productivity and poverty reduction

The main aim of the International Labour Office (ILO) *World Employment Report 2004-5* is 'to explore the evidence regarding the impact of productivity performance on both employment growth and poverty reduction'. The report notes that productive employment is the economic foundation to what is called 'decent work'; 'decent and productive employment remains only an aspiration for many hundreds of millions of people, frustrated by a reality of rising unemployment or employment that does not provide the chance to escape poverty'. The report finds that there are tradeoffs to be made in striking the right balance between employment and income growth, and between productivity growth and poverty reduction. But increased focus on the generation of decent work opportunities is central to achieving the MDG to 'develop and implement strategies that give young people everywhere a real chance to find decent and productive work'. This echoes the call for the promotion of 'freely chosen, productive employment' in ILO Convention No. 122 on Employment Policy. Much work is so poorly remunerated as to prevent those classified as 'employed' from earning more than a dollar a day. Better as well as more jobs are therefore needed.

The report centres on poverty among the world's workers, or 'working poverty'. It believes that the concept of the working poor in the developing world adds a new dimension to the study of labour markets by placing decent and productive employment at the forefront of the poverty discussion. Current estimates for 2003 show that 1.39 billion people in the world work but are still unable to lift themselves and their families above the two dollars a day poverty line. Among them, 550 million cannot rise above the one dollar a day threshold. This means that almost half (49.7%) of the world's workers (and over half (58.7%) of the developing world's workers) are not earning enough to lift themselves and their families above the two dollars a day poverty line. Almost one-fifth (19.7%) of employed persons in the world (and approaching a quarter (23.3%) of the developing world's workers) are currently living on less than a dollar a day. In addition, there were 185.9 million people in the world who were unemployed.

The analysis of trends in labour productivity, labour markets, working poverty and total poverty shows that those regions that have managed to increase productivity levels and create employment opportunities for their growing labour forces have best managed to reduce working poverty and overall poverty. They are also 'on track' to meet the MDG of halving the proportion of people living on less than a dollar a day. In the developing world, this includes South-East Asia, South Asia and the transition economies and the Middle East and North Africa. The region of Latin America and the Caribbean is said to be 'slightly off track', while sub-Saharan Africa is 'significantly off track'. The outlook is described as being 'even bleaker' when the goal is to halve two dollars a day working poverty, for which only East Asia is said to have a 'realistic chance'. The report concludes that, given the persistently high number of working poor, together with the over 185 million currently unemployed and the uncertain number of people who remain outside the labour force for involuntary reasons, 'it is clear that there is a large and persistent decent work deficit in the world – one that poses a great challenge in the fight against poverty'. It argues that the focus needs to be on parts of the economy where the majority of people work, such as agriculture, small-scale activities in the urban and rural informal economy, and services as well as manufacturing.

## 7 International trade

The elimination of poverty and the achievement of the MDGs are also closely linked to the conduct of a multilaterally supervised, fair and open global trading system. The creation of the World Trade Organization (WTO) in 1995 has been described as the most dramatic advance in multilateralism since the 1940s, when the UN and several of its specialised agencies were created. The WTO is the only multilateral institution created recently and explicitly for a global and wholly interdependent economy, following the Uruguay Round of multilateral trade negotiations which took over four years to prepare and seven more to complete. It has been suggested that it might be viewed as the arena for the most far-reaching negotiations on any economic subject (Croome, 1995). Ten years after its establishment, although the organisation has achieved notable successes and enlarged its membership, it has also been subject to widespread criticism and public demonstrations. A key challenge confronting the WTO is in addressing perceptions that the organisation and the disciplines it embodies are not supportive of fair and equitable development. And while multilateral discussions in the WTO remain mired in contentious debate, new bilateral and regional preferential trading arrangements are mushrooming around the world.

WTO's Director General, Supachai Panitchpakdi, requested that his Consultative Board, under the chairmanship of Peter Sutherland, the first WTO Director General, 'examine the functioning of the institution – the WTO – and consider how well equipped it is to carry out the weight of future responsibilities and demands'. The Board's report on *The Future of the WTO* follows two tracks. The first concerns multilateralism and the essential role of the WTO. The authors believe strongly that political leaders and the WTO itself should go back to the basic arguments in favour of open trading and a rules-based trading system. The second track concerns many practical matters of institutional improvement. In reaching its conclusions and making its recommendations, the Consultative Board believes that the process of globalisation

and the role played by the WTO are 'widely misunderstood and seriously misrepresented' and that 'too many constituencies understand neither its benefits nor its limitations'. At the same time, it points to some serious shortcomings. The report concludes, for example, that it is time to respond to what it calls 'the erosion of non-discrimination'. This had been done through the spread of preferential trade agreements and the 'spaghetti bowl' of discriminatory preferences by means of the effective reduction of most-favoured nation (MFN) tariffs and non-tariff measures in multilateral trade negotiations. In essence, the report recommends that preferential trade agreements need to be subject to meaningful review and effective discipline in the WTO.

The report addresses the concerns over loss of sovereignty in ceding power to the WTO. However, it concludes that ultimately what counts is whether the balance is positive or negative between some loss of 'policy space' at the national level and the advantages of co-operation and the rule of law at the multilateral level. In the Board's view, the balance is already a positive for all WTO members and will be increasingly so in the future. It finds that co-operation with other intergovernmental agencies generally adds value and legitimises the activities of the WTO, although the latter should be preserved from undue external interference. Observer status should be granted only on the basis of potential contribution to the WTO's role as a forum for trade negotiations. The report recommends that international development agencies, chiefly the World Bank, should fund trade policy-related adjustment assistance for developing countries. It also suggests that clear objectives should be developed for the WTO's relations with civil society and the public at large. However, no single set of organisations should be constituted to the exclusion of others. Contentiously, it expresses the view that the WTO Secretariat should be under no obligation to engage seriously with groups whose express objective is to undermine or destroy the WTO. A special effort should be made to assist local civil society organisations dealing with trade issues in least developed countries, especially in Africa.

The Consultative Board finds that the WTO's Dispute Settlement Understanding (DSU) is a 'significant and positive step forward' in the general system of rules-based international trade diplomacy. It makes a number of proposals, believing that caution and experience are necessary before making any dramatic changes. It recommends that any measures or ideas for reform that would create a sort of 'diplomatic veto' should be 'strongly resisted'. The WTO Secretariat should also encourage and facilitate technical assistance to instil broader understanding of the role of 'rule orientation' in treaty implementation as well as the general approaches that virtually all juridical institutions take to their work. Critically, it recommends that a member considering blocking a measure which otherwise has very broad consensus should declare its intention in writing with reasons that would declare the matter one of vital national interest.

A number of recommendations are made to strengthen the organisation of the WTO. These include: holding annual ministerial conferences; requiring the Director General to make six-monthly written reports on trade policy developments to WTO ministers; holding a WTO summit of world leaders every five years; and giving the Director General and Secretariat the capacity and standing to be 'at the centre of negotiations' during ministerial meetings. To improve transparency and inclusiveness further, the Director General should explore with relevant groups the potential for increased co-ordination and group representation in restricted meetings. To get the best out of the WTO Director General and Secretariat, as the report puts it, it is

recommended that: the powers and duties of the Director General be spelled out clearly by the WTO's general council; a selection process for both WTO Director General and top executives be adopted to ensure that the best qualified are appointed; the 'management culture' in the Secretariat be strengthened, perhaps through the appointment of a chief executive officer who would be the equivalent of a deputy to the Director General; a greater intellectual output and policy analysis be required of the Secretariat; and, to obtain these improvements, the WTO budget be appropriately increased. The main rationale is to establish a transparent and inclusive forum for multilateral trade negotiations to produce commercial benefits for all and to avoid the public protests that occurred at Cancún and Seattle and the delays of progress in the Doha Round of negotiations launched four years ago.

## 8 Redefining global security

The Worldwatch Institute is an independent research organisation that works for an environmentally sustainable and socially just society. It devotes the twenty-second edition of its annual publication *State of the World 2005* to the theme of 'Redefining Global Security'. In his foreword to the publication, Mikhail Gorbachev, former President of the Soviet Union, Nobel Peace Prize holder, and now Chairman of Green Cross International, identified three interrelated world challenges. These were: security, including the risks associated with weapons of mass destruction and terrorism; poverty and underdevelopment; and environmental sustainability. He states: 'We are the guests, not the masters, of nature and must develop a new paradigm for development and conflict resolution, based on the costs and benefits to all people and bound by the limits of nature herself rather than the limits of technology and consumerism'.

Worldwatch emphasises that the need for international co-operation has grown stronger even as rifts and divides have opened up. It identifies four 'core insights' in examining the roots of insecurity. Weapons do not necessarily provide security. Real security in a globalising world cannot be provided on a purely national basis. The traditional focus on state or regime security is inadequate and needs to encompass the safety and wellbeing of those living there. And non-military dimensions have an important influence on security and stability. It observes that, throughout history, big powers have repeatedly intervened in resource-rich countries in order to control lucrative resources.

Most worrisome in some ways is the vast reservoir of unemployed young people in many developing countries. Demographic forces can exert strong pressures on a society and its institutions and can have important implications for domestic stability and even international security. Over the past few decades, countries from every major political and religious background, and in virtually every region, have experienced momentous changes in the size and structure of their populations. Yet, the global demographic transition – 'from short lives and large families to longer lives with smaller families' – remains 'woefully incomplete'. Roughly one-third of all countries, including many in sub-Saharan Africa, the Middle East and South and Central Asia, are still in the early stages of transition, with fertility rates at about four children per woman. Studies have shown that these countries bear the highest risks of becoming embroiled in armed civil conflict. Many are bogged down by a debilitating demographic situation: a large and growing young population; low per capita availability of cropland or fresh water; a

rising pandemic of HIV/AIDS; scarce economic opportunities; social challenges; and political hazards. According to UN data, over 100 countries had what is called a 'youth bulge' in 2000, where people aged 15-29 accounted for over 40% of all adults.

The report points out that severe social, economic and environmental problems, particularly if mixed with 'festering political grievances', can radicalise societies and may even bring about state failures. Dysfunctional, fragile and violence-prone 'failed states' are the breeding grounds of despair and chronic instability. Prior to the terrorist attack on the World Trade Centre in New York on 11 September 2001 – a major turning point in the international attitude towards terrorism – poverty, instability and warfare in poor countries were widely regarded as marginal to the interests and welfare of the rich countries. After the attacks, it was quickly realised that conditions of political turmoil and social misery cannot be confined to the periphery. But the emerging war on international terrorism runs the risk of sidelining the struggle against poverty, health epidemics and environmental degradation. The report therefore identifies three 'core principles' for a more secure world. First, a new security policy needs to be 'transformative' in nature, strengthening the civilian institutions that can address the roots of insecurity. Second, it must above all be 'preventive' in nature, based on a clear understanding of the root causes of conflict and insecurity, which implies a far broader and earlier applicability, not merely an effort to address symptoms. Lastly, it needs to be 'cross-cutting and integrative', bringing together insights from a broad range of disciplines.

As the book demonstrates, there are many social, economic, and environmental policies that can help create a more just and sustainable world. It concludes that such policies offer the added bonus of creating real security in a way that the force of arms never can.

## 9 The UN Millennium Project

The UN Millennium Project is an independent advisory body commissioned by the UN Secretary General to propose the best strategy for meeting the MDGs. Jeffrey Sachs, Special Adviser to the UN Secretary General on the MDGs and Director of the Earth Institute at Columbia University, New York, reports directly to the Secretary General and to the UNDP Administrator in his capacity as Chairman of the UN Development Group. The bulk of the analytical work has been carried out by a number of thematic task forces comprising over 250 experts. In addition to *Investing in Development: A Practical Plan to Achieve the Millennium Development Goals*, 13 task force reports have been produced. (These include reports on: hunger; universal primary education; gender equality in education and empowering women; child and maternal health; HIV/AIDS; malaria; TB; access to essential medicines; water and sanitation; improving the lives of slum dwellers; trade; environmental sustainability; and science, technology and innovation. The fourteen volumes are published by Earthscan/James and James in a UN Millennium Development Library set.)

*Investing in Development* describes the MDGs as 'the most broadly supported, comprehensive, and specific poverty reduction targets the world has ever established'. For the international political system, they are the 'fulcrum' on which development policy is based. For the billion-plus people living in extreme poverty, they represent 'the means to a productive life'. And for everyone, they are the 'linchpin' to the quest for a

more secure and peaceful world. The report recognises that there has been 'significant progress' in achieving many of the MDGs. This has notably been in the increase in overall average incomes; the decline in the number of people living in extreme poverty; the fall in child mortality rates; the rise in life expectancy; and increases in the number of people with access to safe water supplies and improved sanitation. But, the report also notes, progress has been 'far from uniform' across the world or across the MDGs, and there remain 'huge disparities' across and within countries. Within countries, poverty is greatest in rural areas, though urban poverty is also 'extensive, growing and underreported'. Sub-Saharan Africa is described as the 'epicentre of crisis', with a widespread shortfall in most MDGs. Asia is the region with the 'fastest progress'; other regions have 'mixed records'.

In addressing the vexed question as to why progress has been so mixed, the report observes that, in the process of economic growth, the MDGs play two roles: as ends in themselves and as inputs to economic growth and further development. But when the most basic infrastructure, health services and education are lacking, market forces alone can accomplish little. People, and whole economies, remain trapped in poverty, and fail to reap the benefits of globalisation – and can even suffer from it through adverse factors like the brain drain, environmental degradation, biodiversity loss, capital flight, and terms-of-trade declines. The report identifies four main reasons for shortfalls in achieving the MDGs: failures of governance; poverty traps, where many well governed countries are too poor to help themselves; pockets of poverty, most economies experiencing considerable variations in household incomes; and areas of specific policy neglect, some MDGs not being met simply because policy-makers are unaware of the challenges or of what to do, or are neglectful of core policy issues.

Ten major recommendations are made with a view to reaching the MDGs. First, all countries should have what are termed 'MDG-based poverty reduction strategies' by 2006. Second, these strategies should be the 'anchor' for public investments, capacity building, domestic resource mobilisation, and official development assistance, and provide a framework for strengthening governance, promoting human rights, engaging civil society, and promoting the private sector. Third, developing country governments should 'craft and implement' these strategies in transparent and inclusive processes closely with civil society organisations, the domestic private sector, and international partners. Fourth, international donors should identify at least a dozen MDG 'fast-track' countries for a rapid scale-up of official development assistance. Fifth, developed and developing countries should jointly launch 'quick win' actions and 'massive training programmes' of community-based workers to save and improve millions of lives and to promote economic growth. Sixth, developing country governments should align national strategies to regional initiatives, groups and projects. Seventh, high-income countries should increase ODA from 0.25% of donor GNP in 2003 to around 0.54% in 2015 to support the MDGs, particularly in low-income countries, with improved ODA quality that is harmonised, predictable, and largely in the form of grants. Debt relief should be 'more extensive and generous'. Eighth, high-income countries should open their markets to developing country exports and help the least developed countries raise their export competitiveness through investments in critical trade infrastructure. The Doha Development Agenda should be fulfilled and the Doha Round completed. Ninth, international donors should mobilise support for global scientific development to address special needs of the poor in areas of health, agriculture, natural resources and

environmental management and climate control, for which about US$7 billion will be needed by 2015. Finally, the UN Secretary General and the UN Development Group should improve the co-ordination of UN agencies, funds, and programmes. The UN country teams should be strengthened and should work closely with the international financial institutions to support the MDGs.

The costs of meeting the MDGs in all countries are estimated to be of the order of US$121 billion in 2006, rising to $189 billion in 2015, taking into account co-financing increases at the country level. This is well within the promises made by donors to increase their aid. The requested doubling of annual ODA to $135 billion in 2006, rising to $195 billion in 2015 (0.44% and 0.54% of donor GNP respectively) 'pales' beside the wealth of high-income countries and the world's military budget of $900 billion a year. The increase in development assistance would make up only half of 1% of rich countries' combined income.

The optimistic spirit that pervades the Millennium Development Project is conveyed by Jeffrey Sachs, the Project's Director, in his preface to the report. He writes: 'The human spirit, we have seen on innumerable occasions, is truly remarkable. This triumph of the human spirit gives us the hope and confidence that extreme poverty can be cut in half by 2015, and indeed ended altogether within the coming years. The world community has at its disposal the proven technologies, policies, financial resources and most importantly the human courage and compassion to make it happen'.

As might be expected, the report has its supporters and detractors. Some have called it an impressive, even heroic, piece of work, with clear and attainable guidelines. Others are more sceptical, regarding the proliferation of goals and recommendations in the report as hugely over-ambitious, tending towards a kind of utopian central planning by global bureaucrats that places far too great a strain on the puny resources of dysfunctional administrations. Most seem to agree that it calls for both a sea change in the attitudes and determination of national governments and sustained and adequate support from the international community.

## 10 Some conclusions

A number of conclusions emerge from this review of annual and special publications of UN and international organisations, which are normally read in isolation and at different times. Three are highlighted here.

First is the uneven progress made by countries and regions to achieve the MDGs. It now seems likely that a number of countries, particularly in sub-Saharan Africa, will not achieve the targets set by 2015 unless there is a major increase in the combined efforts of poor and rich nations above past trends. Furthermore, seen together, and not separately, the publications reviewed show how progress, or the lack of it, in one of the dimensions of poverty can have significant effects on progress, or the lack of it, in the other dimensions of poverty. A combined attack on all the dimensions of poverty will make the biggest and most sustainable advance in the conquest of poverty. For this, an incremental strategy, with carefully designed priorities and sequences, will be necessary at the national and international levels.

Second, a major redirection of resources available in the developing countries will be necessary in order to achieve the MDGs. Even then, many of them, especially the poorest, will require international co-operation to attain the targets set. As the

Millennium Development Project has shown, the aid required is well within the resources of donor countries and would represent only a small fraction of their current military budgets. Promises have been made to increase aid expenditure to the levels required in what has aptly been called 'a confusion of good intentions'. But many questions remain unanswered. Will donors live up to their promises and actually deliver their aid commitments? Will aid be provided as grants or loans? What will actually be done to settle the outstanding promises of debt reduction? What conditions will be fixed to the aid provided? What mechanisms will be put in place to ensure that there is co-ordination, and not conflict, of the aid provided? And what steps will be taken to ensure that donors provide the aid promises in the amounts and with the terms, consistency and assurance necessary?

Lastly, the dimensions of poverty need to be fitted together like pieces of a jigsaw puzzle and dealt with holistically if progress towards its reduction and eventual elimination is to be achieved. However, as this review shows, there are many actors involved, each with their own mandates and separate publications. Some have seen a major impediment in institutional incoherence, the compartmentalisation of the dimensions of poverty, institutionalised in the structure of the UN system. Others feel that the causes of poverty can best be understood and analysed through specialist organisations. But there is gathering recognition that a central force is required to fit the pieces together, to agree on priorities, and to monitor overall progress at both the national and international levels. The report of the UN Secretary General's High Level Panel on Threats, Challenges and Change, which addresses all the major threats to international peace and security around the world, is perhaps the most comprehensive and ambitious review undertaken since the UN was set up in 1945 (UN, 2004). A similar review is now needed of the structure of the UN system, to align its sprawling, unfocused organisation to focus on attacking the scourge of poverty through implementing the MDGs.

Two other opportunities are forthcoming. First is the appointment of new heads of several international bodies. Will a selection process be followed to ensure that the best candidates are appointed, rather than a closed political process as in the past? And will these bodies be reformed to allow developing countries to have a greater say in their decision making? Second, the July 2005 G8 meeting will focus on poverty reduction, especially in Africa, and a special session of the UN General Assembly will be held in September 2005 to discuss what steps have been taken to reach the MDGs and what remains to be done. But if history is to be a guide, two ingredients are necessary to provoke action: a large-scale cataclysmic event, and international leadership. The failed League of Nations was preceded by the First World War and resulted from the leadership of President Woodrow Wilson. The failing UN was preceded by the Second World War and resulted from the leadership of Presidents Franklin D. Roosevelt and Harry S. Truman, and Prime Minister Winston Churchill. What world event and which leader(s) will galvanise the action required to eliminate world poverty?

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## Appendix: UN Millennium Development Goals and Targets

Eradicate extreme poverty and hunger

- halve, between 1990 and 2015, the proportion of the world's population whose income is less than US$1 a day.
- halve, between 1990 and 2015, the proportion of people who suffer from hunger.

Achieve universal primary education

- ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

Promote gender equality and empower women

- eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015.

Reduce child mortality

- reduce by two-thirds, between 1990 and 2105, the under-five child mortality rate.

Improve maternal health

- reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.

Combat HIV/AIDS, malaria, and other diseases

- halt by 2015 and begin to reverse the spread of HIV/AIDS.
- halt by 2015 and begin to reverse the spread of malaria and other major diseases.

Ensure environmental sustainability

- integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources.
- halve, by 2015, the proportion of people with sustainable access to safe drinking water and basic sanitation.
- achieve by 2020 a significant improvement in the lives of at least 100 million slum dwellers.

Develop a global partnership for development

- develop further an open, rules-based predictable, non-discriminatory trading and financial system (including a commitment to good governance, development, and poverty reduction, nationally and internationally).
- address the special needs of the least developed countries.
- address the special needs of the landlocked countries and small island developing states.
- deal comprehensively with the debt problems of developing countries.
- in co-operation with developing countries, develop and implement strategies for decent and productive work for youths.
- in co-operation with pharmaceutical companies, increase access to affordable essential drugs in developing countries.
- in co-operation with the private sector, make access to the benefits of new technologies, especially information and communications technologies (UN, 2000).