

ENDING POVERTY THROUGH THE UN MILLENNIUM DEVELOPMENT GOALS: SOME REFLECTIONS

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1. DIFFERENT PERSPECTIVES FOR ENDING POVERTY

Two streams of thought pervade the goal of eradicating global poverty. The first, which is influenced by the Bretton Woods institutions – the World Bank and the International Monetary Fund – as well as the World Trade Organization, emphasizes the importance of macroeconomic fundamentals, good governance, economic efficiency and growth. The second is the right-to-development approach promoted by United Nations agencies – the UNDP, UNICEF, ILO, etc. The UN Millennium Development Goals (MDG) initiative embodies the thrust of the second approach. It adopts a multidisciplinary perspective, recognizing the role of non-economic factors – such as malnutrition, environmental degradation and diseases – as causes and consequences of economic and political failures (Sachs, 2001: 192-193).

The Church comes close to the second perspective. In his encyclical *Deus Caritas Est*, Benedict XVI observed that ‘It must be admitted that the Church’s leadership was slow to realize that the issue of the just structuring of society needed to be approached in a new way’. He writes of the universalization of the concept of ‘neighbor’ to extend to the entire mankind: ‘Anyone who needs me, and whom I can help, is my neighbor’.

Two earlier encyclicals – *Populorum Progressio* (1967) and *Sollicitudo Rei Socialis* (1987) – anticipated what was to become the more advanced form of materialism: untrammelled globalization. They were an indictment of what has been proffered as the supreme end of human society – maximum accumulation of material wealth and unlimited access to goods and services, while ignoring the ever increasing deprivation among most people of the world.

In *Populorum Progressio*, the reminder of Paul VI on development assistance extended by rich countries to the poor countries rings true to this day:

‘...dialogue between those who contribute wealth and those who benefit from it, will provide the possibility of making an assessment of the contribution necessary, not only drawn up in terms of the generosity and the available wealth of the donor nations, but also conditioned by the real needs of the receiving countries and the use to which the financial assistance can be put. Developing countries will thus no longer risk being overwhelmed by debts whose repayment swallows up the greater part of their gains...And the receiving countries could demand that there be no interference in their political life or subversion of their social structures. As sovereign states they have the right to conduct their own affairs, to decide on their policies and to move freely towards the kind of society they choose. What must be brought about, therefore, is a system of cooperation freely undertaken, an effective and mutual sharing, carried out with equal dignity on either side, for the construction of a more human world’.

John Paul II’s *Sollicitudo Rei Socialis* likewise paid due attention to the disadvantaged position of developing countries. It stated that ‘if the social question has acquired a worldwide dimension, this is because the demand for justice can only be satisfied on that level. To ignore this demand would encourage the temptation among the victims of injustice to respond with violence, as happens at the origin of many wars’.

The Encyclical presaged the debacles at the start of this century when it warned that ‘peoples excluded from the fair distribution of the goods originally destined for all could ask themselves: why not respond with violence to those who first treat us with violence? And if the situation is examined in the light of the division of the world into ideological blocs a division already existing in 1967 – and in the light of the subsequent economic and political repercussions and dependencies, the danger is seen to be much greater’.

2. THE MILLENNIUM DEVELOPMENT GOALS

The eight UN Millennium Development Goals, which assumed the target date of 2015, form a blueprint agreed to in 2002 by all member states of the United Nations and all the world’s leading development institutions:

Goal 1: Eradicate extreme poverty and hunger

- Reduce by half, between 1990 and 2015, people living on less than a dollar a day.
- Reduce by half, between 1990 and 2015, people who suffer from hunger.

Goal 2: Achieve universal primary education

- Ensure that, by 2015, all boys and girls everywhere complete a full course of primary education.

Goal 3: Promote gender equality and empower women

- Eliminate gender disparity in secondary education preferably by 2005, and at all levels not later than by 2015.

Goal 4: Reduce child mortality

- Reduce by two thirds, between 1990 and 2015, the mortality among children under five.

Goal 5: Improve maternal health

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

Goal 6: 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 incidence of malaria and other major diseases.

Goal 7: Ensure environmental sustainability

- Integrate the principles of sustainable development into country policies and programmes; reverse loss of environmental resources.
- Reduce by half, by 2015, the proportion of people without sustainable access to safe drinking water.
- Achieve by 2020 significant improvement in the lives of at least 100 million slum dwellers.

Goal 8: Develop a global partnership for development

- Develop further an open trading and financial system that is rule-based, predictable and non-discriminatory, includes a commitment to good governance, development and poverty reduction – nationally and internationally.
- Address the least developed countries' special needs. This includes tariff – and quota-free access for their exports; enhanced debt relief for their exports; enhanced debt relief for heavily indebted poor countries; cancellation of official bilateral debt; and more generous official development assistance for countries committed to poverty reduction.

- Address the special needs of landlocked and small island developing states.
- Deal comprehensively with developing countries' debt problems through national and international measures to make debt sustainable in the long term.
- In cooperation with developing countries, develop decent and productive work for youth.
- In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries.
- In cooperation with the private sector, make available the benefits of new technologies – especially information and communication technologies.

The Director of the Millennium Project for the UN Secretary General Jeffrey Sachs, in his book *The End of Poverty* (2005), defines poverty reduction by clarifying its objectives: (a) 'to end the plight of one sixth of humanity that lives in extreme poverty and struggles daily for survival. Everybody on Earth can and should enjoy basic standards of nutrition, health, water and sanitation, shelter, and other minimum needs for survival, well-being and participation in society'; and (b) 'to ensure that all of the world's poor, including those in moderate poverty, have a chance to climb the ladder of development' (Sachs, 2005: 24).

Sachs regrets that 9/11 has significantly diverted already limited development assistance from rich countries to counter-terrorism programmes:

'A purely military approach to terrorism is doomed to fail, just as a doctor fights diseases by prescribing only medication, but also by bolstering a person's immune system through adequate nutrition and by encouraging a healthy lifestyle for his patient, so, too, we need to address the underlying weaknesses in which terrorism lurks – extreme poverty; mass unmet needs for jobs, incomes, and dignity; and the political and economic instability that results from degrading human conditions' (Sachs, 2005: 215).

3. EXAMINING THE ROOTS OF THE 'POVERTY TRAP'

In dealing with the problem of poverty, we must be careful about our understanding of the nature and causes of poverty as it applies to different societies, and ensure that poverty alleviation efforts do not lead to disincen-tive and de-motivation, if not dependence. This knowledge will enable us to come up with workable solutions and to understand why some solutions fail.

As references, I found the recent works of our fellow academicians – Professor Partha Dasguspta and Professor Joseph Stiglitz – very instructive.

Professor Dasgupta, in his recently published book, *Economics: A Very Short Introduction* (2007), dissects the foremost issues facing the world such as poverty and globalization. He identifies the conditions that sustain the poverty trap: undernourishment in early childhood and unproductivity in generating ideas which prevents the poor from coming up with new ideas for new products and cheaper ways of producing old products.

Dasgupta believes that institutions play an important role. Countries experiencing poverty lack institutions that permit and encourage accumulation of such factors as machines, transport facilities, health, skills, ideas and the fruits of these ideas (Dasgupta, 2007: 26-27). There is also the issue of bad governance and corruption, which raise production costs and decrease production.

Professor Stiglitz, in his book *Making Globalization Work: The Next Steps to Global Justice* (2006), brings in the international dimension of poverty and asserts that the key is managing globalization well. Joseph Stiglitz attributes the continuance, if not worsening, of global poverty to the failures of globalization. He provides examples of how trade agreements have sometimes created an even more unlevel playing field and how legal frameworks have allowed corporations to denude host countries of their natural resources with impunity.

He cites the example of China which has been able to lift several hundred million people out of poverty because it was slow to open up its own markets for imports and has not succumbed to the temptation of a short-lived boom. It has likewise not allowed the entry of hot, speculative money (Stiglitz, 2006: 10).

Stiglitz points to the failure of international financial institutions in averting economic crises. He thinks that the International Monetary Fund did not succeed in ensuring the world's economic stability, as evidenced by the crisis of the late 1990s. Stiglitz explains that 'as the IMF crafted policies to respond to the crisis, it seemed more often to focus on saving the Western creditors than on helping the countries in crisis and their people (*Ibid.*: 18)'.

4. DIFFERENT APPROACHES TO POVERTY REDUCTION

There is indeed no single panacea that applies to all poverty-stricken countries in the world. Culture, level of economic and political development, resources, access to overseas development assistance and foreign investment are among factors that determine responses and approaches of countries to poverty reduction.

Many of the poor countries have populations talented in the arts and other traditions – what may be called ‘soft skills’. They may be poor materially but rich culturally and even spiritually. Take the example of Bhutan. As Prof. Sabourin would tell us, the thrust of the pristine Buddhist Kingdom is ‘Gross National Happiness’, instead of Gross National Product.

Countries that have excess skilled labor and professionals have encouraged overseas employment. As pointed out by Prof. Suárez-Orozco, their remittances to their home countries can amount to billions of dollars. Indeed, migrant labor can be described as quick fixes for two reasons: they don’t stay in their countries to directly participate in development, and many of them, especially the women, suffer negative experiences. The price is also family separation, with all its emotional consequences. But it cannot be denied that many overseas workers get exposed to better living standards than if they were to stay at home and their remittances help their families and build needed infrastructure for their homelands, assuming that their governments and families use their remittances well.

Another approach taken by developing countries is regional integration and cooperation. It is based on the realization that joint efforts and a collective voice are more effective in securing better terms from developed countries in trade, diplomacy and development cooperation. Among themselves, member countries will benefit from freer flow of capital, people, goods and technology. The ten member-countries of ASEAN (Association of Southeast Asian Nations) are beginning to reap the benefits of regional cooperation and integration.

They instituted the Initiative for ASEAN Integration (IAI). It is based on the philosophy of ‘prosper thy neighbor’ and aims at narrowing the development gap among and within member states. The six older states – Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore and Thailand – provide development assistance – in cash and in kind – to the new member states: Cambodia, Laos, Myanmar and Viet Nam. There is clamor on the part of some older member states to provide assistance to pockets of underdevelopment within their territories.

ASEAN has eleven Dialogue Partners: Australia, Canada, China, European Union, India, Japan, New Zealand, Republic of Korea, Russia, and the United States, as well as the UNDP. In addition to their bilateral economic relations and development cooperation with each of the ASEAN member states (with the exception of Myanmar for a few Dialogue Partners), all the Dialogue Partners have established development funds for the regional projects of ASEAN, particularly in capacity building.

Much remains to be done in terms of cooperation among member states and between them and the Dialogue Partners. Within most of the individual member states, there is still need to mainstream ASEAN priorities and to harmonize their policies and laws with those of neighboring countries. Moreover, Dialogue Partners' contributions are never enough, especially for infrastructure crucial for economic growth.

The ASEAN countries have adopted an ASEAN Millennium Development Compact (AMDC). Its long-term and ultimate goal, according to Dr. Romeo Reyes, its main proponent, is to help narrow the development gap across and within ASEAN member states, thereby removing a major constraint to the pace of ASEAN economic integration.

The immediate and instrumental objective of AMDC is to use the MDGs, especially Goal 1 – Eradicate Extreme Poverty and Hunger, as the basic planning framework for narrowing the development gap, and the MDG indicators for target setting and for benchmarking the baseline situation and progress towards realizing the targets.

The strategy is for ASEAN member states to help each other, through various sub-regional cooperation modalities, realize the appropriately localized and adapted MDG targets for narrowing the development gap. Sub-regional cooperation modalities include: (a) exchange of experiences, learning, and documented good practices; and (b) sharing of resources, including exchange of visits by technical experts, particularly between MDG Plus states and the less developed member states.

The areas where experience and learning could be exchanged and resources, including expertise, could be shared include the following:

- Raising awareness, understanding and appreciation of MDGs by government (national and sub-national), parliament, civil society organizations, academe, media, private business sector, and engaging them in MDG processes;
- Mainstreaming of poverty reduction strategy formulation and action planning into development management functions of government;
- Localization of MDGs at sub-national levels as explicit targets of poverty reduction strategies/action plans, and mobilization of financial resources for their implementation;
- Linking sub-national poverty reduction interventions to national poverty reduction programs and pro-poor policies;
- Poverty mapping and targeting of beneficiaries in designing poverty reduction programs and projects; and
- MDG costing, monitoring and reporting.

Among some member states, there have been challenges in putting the MDG-related programs in place. The 'poverty trap' could be behind shortfalls, with some national economies being incapable of making the necessary investments. Compared to the European Union, the ASEAN is obviously not as endowed in resources. Sizeable pockets of poverty remain because of imbalances and inconsistencies in carrying out the Goals. But leaders of ASEAN member states believe that once they realize economic integration by 2015, joint economic progress will result in significant reduction in poverty and social inequality.

5. CONCLUSIONS

Our discussions on the experience of developing countries in poverty alleviation lead us to the following tentative conclusions:

a. The improvement of globalization cannot be left to the hands of the rich countries. It would be wishful thinking to expect the rich to take the leadership in improving global governance. Only the poor in the developing world can best promote their interests and help themselves.

b. We cannot expect the rich countries and the rich in poor countries to take the lead in poverty eradication, or even to live up to their commitment in development assistance. It is the poor themselves who should help themselves.

That the world is nowhere near the realization of the Millennium Development Goals is unfortunate but not surprising. Moral commitment is rarely matched by policy and action in the real world.

c. There should be more serious studies on the relationship between aid and economic progress. Studies have found that aid does not always contribute to poverty eradication.

d. In addition to aspiring to achieve the Millennium Development Goals, the developing countries must be creative in looking for complementary and alternative ways. Because the causes and character of poverty, as well as the political will to solve poverty, are not the same in all poor countries, the approaches to poverty eradication must of necessity be different from each other. They need not ape the development model of the West and must find out what their strengths are and build on these strengths.

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