





### The MDG Project in Crisis

Midpoint Review and Prospects for the Future

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1 Introduction

Thanks to their measurable and timebound targets, the MDGs have become a useful instrument to raise public awareness.

Since their proclamation in 2000, the Millennium Development Goals (MDGs) have become the leitmotiv of international development politics. With the MDGs, the development discourse among governments and international organisations has focused on eradicating the most extreme forms of hunger and poverty as well as on basic social services for the population, above all in the fields of primary education, health and water supply. Most of the MDGs are linked to clear quantitative and time-bound targets, the majority of which are to be attained by 2015.

Over the past years, the MDGs have proven to be effective in stimulating public interest, have been addressed in global campaigns, and have had a considerable political mobilisation impact. This was reflected, for instance, in the two declarations on supporting the MDGs initiated by UK Premier Gordon Brown in July 2007, which were signed by 22 heads of state and government, including Federal Chancellor Angela Merkel, as well as by 21 corporate leaders (Commission of the European Communities 2008: 13). Marking the MDG midpoint, they noted that the world was "not on track" in realising the goals, concluding that:

"We need urgent action to meet this development emergency if the world is to get back on track."  $^{1}$ 

To this end, they called for a summit of governments, business and civil society. Taking the initiative, UN Secretary-General Ban Kimoon has invited the parties concerned to a High-level Event on the MDGs in New York on 25 September 2008. There, however, the participants of this meeting are not only going to be confronted with deficits in the implementation of these goals. The debate over the MDGs is characterised by fundamental controversies about the attainability of the goals, their methodology, the strategies of their implementation and their status within a holistic development approach.

These debates have become all the more urgent on account of the revised poverty statistics provided by the World Bank. New calculations rate the number of people living in extreme poverty at 1.4 billion, which is more than 400 million above what has previously been

At the MDG halftime, an "emergency summit" is to be held on the 25<sup>th</sup> September 2008, attended by governments, business and civil society.

<sup>&</sup>lt;sup>1</sup> Cf. http://www.dfid.gov.uk/mdg/declaration-heads-07.asp (viewed on 9 September 2008)



assumed (World Bank 2008b). With this new calculation, the midpoint review becomes more sobering, and the fragility of the data base appears particularly clearly. In a nutshell, the MDG project has run into crisis. Against this background, both the agenda for the second half on the way to the 2015 goals and all post-2015 strategies have to take the political, conceptual and methodical challenges in realising the MDGs into account.

# 2 MDGs: Just the tip of the iceberg of international development goals

The abbreviation "MDG" stands for an original set of eight goals, 18 targets and 48 indicators. In a negotiating process among the UN, IMF, World Bank and OECD in 2000, they were distilled from the resolutions of world conferences of the 1990s as the smallest common denominator.

The MDG catalogue has been extended several times since 2000. Already in its first version, which the UN Secretary-General published in his *Road Map* on the implementation of the Millennium Declaration in 2001 (UN Secretary-General 2001), the catalogue points beyond the original set of seven development goals, which had been defined by the UN, IMF, OECD and World Bank as common priorities in 2000 (IMF/OECD/World Bank/UN 2000). In the *Road Map*, an eighth goal titled "Global Development Partnership" was added, above all in response to the G-77's criticism of the one-sided setting of these priorities. It refers to the responsibilities of the industrialised countries, in particular in the areas of trade, financing development, debt cancellation and technology transfer. But unlike the goals for the developing countries, MDG 8 contains no quantitative time-bound commitments but mere general declarations of intent.

Following the Johannesburg Summit on sustainable development in 2002, the "Environment MDG" (MDG 7) was supplemented by the target to lower by half the proportion of people with no access to sanitation. As a result of the World Summit 2005 the range of topics addressed by the MDGs was once again substantially extended in 2007, with the target of productive full employment and decent work for all, the target of general access to reproductive health by 2015, the target of ensuring general access to HIV/AIDS treatment and the target of significantly reducing the current rate of biological diversity

The set of goals, targets and indicators has been extended several times since the Millennium Declaration.



The MDGs are only a small part of the Internationally Agreed Development Goals.

In most countries most of the MDGs will not be achieved by 2015 if current trends continue. loss by 2010 being added.<sup>2</sup> The MDG catalogue since valid thus comprises eight Goals, 21 Targets and 60 Indicators. In spite of the extensions, the MDGs only form the tip of the iceberg of international development goals, constituting as it were the "Minimum Development Goals".

Therefore, most of the UN official documents do not solely refer to the MDGs but to the "Internationally Agreed Development Goals, including the MDGs". This wording, which has been urged both by the G-77 and by governments of the North, is aimed at pointing to the fact that at the world conferences over the last two decades and on other international occasions, several development goals have been formulated that reach beyond the MDGs and to the realisation of-which the governments have equally committed themselves. Whereas here, the G-77 is above all focusing on those goals addressed to the rich countries, the governments of the North are above all stressing commitments in the field of democracy, human rights and good governance, which have so far not been included in the MDG catalogue.<sup>3</sup>

#### 3 Most countries are "off-track"

In their analysis of progress made so far in realising the MDGs, the UN, World Bank and NGOs are in relative agreement: Their reports, especially the World Bank's Global Monitoring Report, show that in most of the countries most of the MDGs will not be achieved by 2015 if current trends continue.<sup>4</sup>

There clearly are positive developments at global level, such as in the reduction of the absolute number of people living in extreme poverty, or in the increase in the world-wide percentage of people with access to clean drinking-water. However, progress in eradicating poverty has been due very strongly to the "overachievers in East and South Asia" (Bourguignon et al. 2008: 7). Moreover, even in those countries

<sup>&</sup>lt;sup>2</sup> Cf. UN Doc. E/CN.3/2008/29 of 12 December 2007.

In its first report in September 2008, the UN's MDG Gap Task Force compiled the wide range of commitments existing in the thematic area of MDG 8 (creating a world-wide development partnership) alone in a "Matrix of Global Commitments" cf. UN (2008a) and http://www.un.org/esa/policy/mdggap/.

<sup>&</sup>lt;sup>4</sup> Cf. e.g. World Bank (2008a), Commission of the European Communities (2008), Bourguignon et al. (2008), Martens (2007) and the UN's interactive website http://www.mdgmonitor.org (viewed on the 9th September 2008), which provides comprehensive information on realising the MDGs in 130 countries and regions.



that have made progress at national level, this has not been shared equally within the countries. According to World Bank surveys, in those countries that have made particular progress in economic growth, income disparities have also increased, with China heading the list. Measured with the Gini Coefficient, the gulf between poor and rich has shown a steady increase in 42 out of 59 countries (World Bank 2008a: 35).

It has also become possible to speak of progress regarding the MDGs because the governments have weakened previous, more ambitious goals and extended the implementation periods. For example, the UN's decision to take 1990 as the base year in measuring progress instead of 2000 has resulted in the goal of halving the share of people living on less than one dollar a day already being reached in the East Asia-Pacific Region in 2000 owing to China's economic growth. In other words, the governments agreed on a goal in 2000 that they had already achieved in that very year.

There are particularly grave deficits in the reduction of child mortality (MDG 4) and maternal mortality (MDG 5) and regarding the goal of halving the proportion of people suffering from hunger (UN 2008b). Owing to the world-wide rapid increase in prices of staple food, there is a danger of the number of people suffering from hunger in the developing countries growing rather than dropping. Already since the mid-nineties, their number had risen from just under 800 to 830 million (2002-2004) (FAO 2007:130). Owing to the global food crisis, the UN High-Level Task Force on the Global Food Crisis (2008: 9) reckons with a further increase of more than 100 million people. Those in the crisis regions of Africa are particularly hard affected.

One very astonishing result at midpoint is how little progress among the various MDGs is connected. Frequently, there is no significant correlation between the changes regarding different goals, so that the causes obviously need to be sought in very different variables and policies. For instance, there is virtually no link between MDG 1 (reducing poverty) and non-poverty goals such as child mortality and the primary school completion rate. Correlations are low among the non-income goals, too (Bourguignon et al. 2008: 21).

All in all, the current pace of progress is far from sufficient to achieve the MDGs in all countries by 2015. A paper compiled by renowned European research institutions for the UK's Department for International Development (DFID) and the Directorate General for Development of the European Commission (DG-DEV) soberly states: Success stories have become possible because governments have weakened previous, more ambitious goals.

There appears to be no connection among success scored in different MDGs.



"Most countries in all regions are off-track on most MDGs (or data is missing to assess progress), even those countries which have experienced the best growth performances." (Bourguignon et al. 2008: 8)<sup>5</sup> This statement is also backed up by the developments of the Gender Equity Index (GEI) and the Basic Capabilities Index (BCI) published by the civil society network Social Watch once a year. These indexes illustrate that a number of countries, especially in Sub-Saharan Africa, are even moving away from the targets. Poverty, hunger and child mortality tend to increase there rather than to decrease, even though some countries have clearly scored successes, too.

# 4 Fragile statehood as an obstacle to development

The poor functionality of state structures has a particularly grave impact on social development.

That Sub-Saharan Africa should be lagging behind so much is closely related to the fact that a particularly high share of fragile states are located here and that these are showing deficits of a special nature regarding the implementation of the MDGs. Depending on the definition and the data base, 40 to 60 states world-wide are characterised by an erosion of the monopoly of force, of the rule of law and a limited effectiveness of state institutions. This pushes any achievement of the MDGs into the distant future. DFID (2005) assesses the social situation in fragile states as grave in comparison to other poor countries: Per-capita income is just half as high as in the reference group. Child mortality is twice and maternal mortality even three times as high. Around a third of the population are undernourished; large sections of the population are troubled by malaria.

A stocktaking by the World Bank's Global Monitoring Report (2007) came up with similarly dramatic findings<sup>7</sup>. It states that 8 % of the

The background paper titled "Millennium Development Goals at Midpoint: Where do we stand?" was written for the European Report on Development, which is currently being compiled. A total of ten authors from European research institutes as well as Cornell University, USA, were involved.

<sup>&</sup>lt;sup>6</sup> Cf. http://www.socialwatch.org (viewed on 9 September 2008).

Both DFID and the Global Monitoring Report base their identification of fragile states on the World Bank Country Policy and Institutional Assessment rating (CPIA), which has been criticised for, among other aspects, its incomprehensible classifications and a lack of transparency. For instance, Foreign Policy/The Fund for Peace (2007) or Rice/Patrick (2008) have recently classified fragile states in a different manner. However, the basic tendency, that of fragile states performing poorly in terms of the MDGs, can probably be confirmed by and large independently of the source of data.



population in developing countries live in fragile states, while, simultaneously, 16 % of the undernourished children live there. What is even more worrying is that 30 % of the children who did not survive the age of 5 years were from this group of countries (Bourguignon et al. 2008 8). This shows that it is not only structural socio-economic development problems that are endangering the achievement of the MDGs but that the functionality of state structures is of at least as much central importance. Neoliberally motivated scaling down of state structures in the 1980s as well as the erosion of state institutions owing to violent conflict have left crisis regions here with a difficult legacy the overcoming of which needs to be taken into account more than in the past in terms of forward-looking strategies for the MDGs.

### 5 Methodological problems continue to exist

The midpoint review of MDG implementation is complicated by the lack of accurate statistics. In several countries, neither reliable data on the number of people suffering from hunger nor on maternal mortality, the spread of HIV or the number of people dying of malaria each year are available. Moreover, problems already exist regarding consistency and the comparability of data over space and time within individual indicators. This is reflected, for example, in measuring the goal of halving the proportion of the population suffering from hunger, which, depending on the use of relevant indicators (malnutrition indicator of the FAO, underweight children) may vary considerably (Bourguignon et al. 2008: 11-12). In 78 out of 149 developing countries and emerging economies, and thus in more than 50 percent of these countries, there are not even any reliable statistics on the development of income poverty (World Bank 2008a: 22). Progress and setbacks in achieving the MDGs cannot be accurately determined with such a weak data base. At best, rough estimates are possible. The World Bank and UN statistics, on which many policy recommendations and development strategies are founded, reflect a level of accuracy lacking any scientific basis.

Governments and international organisations are well aware of this deficit. For some years, they have been attempting to improve the capacities to establish economic and social data in the developing countries. In 2004, they adopted the *Marrakech Action Plan for Statistics* (*MAPS*) to this end, and in the following years, *National Strategies for the Development of Statistics* were created in more than 100 countries – a positive side-effect of the MDG process.

The lack of a statistical base of economic and social data complicates any assessment of the MDG process.



The World Bank's poverty measure has proven too low in terms of its level and its reference magnitude in purchasing power parities.

Measuring poverty itself represents a far weightier methodological problem. While the indicator of extreme poverty (per-capita income of less than one US dollar a day) is excellently suited to communicate, it has been randomly set in terms of its level, and even as a threshold value of extreme poverty, it has proven to be far too low for wide regions of the world. This is now also held to be the case by the World Bank, which is why its revised poverty estimates of August 2008 put the main poverty line at 1.25 US dollars (Chen/Ravallion 2008). The latest poverty estimates of the Asian Development Bank for 16 Asian countries are based on an average poverty line of 1.35 US dollars (in 2005 purchasing power parities) (Asian Development Bank 2008).

Additional criticism of the World Bank's measure of poverty has been formulated by Sanjay G. Reddy and Thomas W. Pogge of New York's Columbia University. One of the aspects they criticise is the World Bank's practice of expressing the reference magnitude in purchasing power parities (PPP). This is aimed at enabling comparability of national data. With a PPP dollar, one can (theoretically) acquire the same amount of goods and services in every country throughout the world. However, the definition of purchasing power parities is based on international baskets of goods and services that have little in common with what the poor consume. For the services taken into account in the baskets, which are often very cheap in developing countries (e.g. domestic help), are in little demand among the poor. In their consumption, they concentrate on staple foods, which are traded world-wide (rice, grain, etc.) and whose prices vary comparatively little between rich and poor countries. Pogge and Reddy conclude from this that the number of poor people in low income countries is being underestimated by the World Bank (Pogge 2007: 10).

### 6 Reports of success so far need correcting

Given the methodological insufficiency of purchasing power estimates so far, which were based on surveys in 1993, the World Bank, UN and several other international organisations as well as 146 national statistics authorities have embarked on a completely new assessment of purchasing power statistics in a major international project, the *International Comparison Program* (World Bank 2008b).<sup>8</sup> The result, published in December 2007, is referred to by World Bank economist Branko Milanovic (2008) as a "revolution" of historic pro-

The raising of the poverty line and the revision of the purchasing power parities necessitates a reassessment of MDG 1.

<sup>8</sup> Also see http://go.worldbank.org/VMCB80AB40 (viewed on 9 September 2008).



portions. With the new method, the national income of China and India, expressed in PPP, sank "overnight" by 40 percent. Compared to previous estimates, China's share of the global gross domestic product dropped from 14 to 10 %, and that of India from 6 to 4 % (World Bank 2008b: 10). For China, owing to statistical adjustments, the share of absolute poor for the period from 1980 to 2004 has grown by 20 percentage points compared to previous calculations, and the results ought to be similar for India and Bangladesh (Bourguignon et al. 2008: 9).

The raising of the poverty line and the revision of purchasing power parities bear dramatic consequences for the assessment of progress in achieving MDG 1. According to the most up-to-date estimates so far, those of 2004, the number of people living in extreme poverty (i.e. on less than one PPP dollar a day) had dropped to 986 million. But according to the World Bank's revised estimates, they are at 1.4 billion people. World Bank economists Chen and Ravallion (2008) published the new figures for the first time in August 2008, in a paper headed "The Developing World is Poorer Than We Thought, But No Less Successful in the Fight against Poverty". They illustrated the second half of the title with impressive figures: the number of people living in extreme poverty had dropped by 500 million, and their share of the world population had even been halved. However, this news of success was only possible since the authors chose to take 1981 and not 2000 or 1990as the base year.

Even with the new poverty assessments, the situation in Africa is particularly grave. There, the number of people in extreme poverty almost doubled over the last 25 years (from 202 million in 1981 to 384 million in 2005). At 50.4 percent, their share of the population was almost just as high in 2005 as in 1981 (50.8 percent). And for the other regions of the South, progress has been significantly smaller too, if the more realistic poverty line of 2 US dollars a day is taken as a base. The number of people having to live below this threshold rose from 2.5 to 2.6 billion between 1981 and 2005. <sup>10</sup>

The number of people living in extreme poverty exceeds estimates so far by 400 million.

<sup>9</sup> Number of people living on less than 1.25 US dollars (in purchasing power parities of 2005).

<sup>&</sup>lt;sup>10</sup> The number had risen to 2.9 billion by 1999 and has since dropped.



### 7 Donor commitment on the wane

Development assistance has dropped way below the minimum required to achieve the MDGs.

Continued risk of over-indebtedness in many countries.

The governments are not only off-track when it comes to reducing income poverty and numerous other goals and targets, but also in terms of the Global Partnership postulated in MDG 8. The report of the MDG Gap Task Force (UN 2008a) points to flagging commitment on the part of the western donor countries: Between 1997 and 2005, official development assistance (ODA) provided by the 22 members of the OECD Development Assistance Committee (DAC) was still rising significantly. In 2005, at 107 billion US\$, it reached its highest level so far. However, this was above all a result of taking comprehensive debt cancellations into account. But in the following two years, development assistance dropped by around 13 % (UN 2008a: vii-viii). The decline was particularly dramatic with Japan and the UK in 2007. Their ODA was reduced by 30 and 29 % respectively within a single year. With the USA, the reduction was 10 %, and with the EU 6 %<sup>11</sup>. The MDG Gap Task Force estimates that the donor countries will have to increase their development assistance by 18 billion US dollars by 2010 in order to achieve the agreed goals.

Gradual progress has been made in reducing the debt burden of the Highly Indebted Poor Developing Countries (HIPC). Thanks to biand multilateral debt cancellation, the level of debt dropped considerably for 33 of the 41 HIPC. Nevertheless, the initiatives so far have not brought about any lasting solution to the debt problems of many of these countries. According to the IMF and the World Bank (IDA/IMF 2007: 10), at least 12 of them are already running the risk of becoming over-indebted again. At the same time, in 52 countries, larger amounts of money are still flowing into debt servicing than into health care expenditure. <sup>12</sup>

OECD press release of 4 April 2008.

Richard Boudreaux, Poverty-reduction aid lags, study finds, in: Los Angeles Times of 5 September 2008, http://www.latimes.com/news/nationworld/world/lafg-poverty5-2008sep05,0,1143073.story (viewed on 9 September 2008).



# 8 Recommendations up to 2015 – and beyond

The prime object of the MDGs is to draw public and political attention to the most severe problems of poverty and social deprivation and to raise the pressure of expectations on governments. The MDGs have performed this role over the past eight years. However, the results so far show that the governments have not responded with the necessary political measures. So far, the governments of the North have neither been ready to make substantial concessions in international trade policy, nor have they provided their share of necessary additional resources to achieve the MDGs in the shape of *fresh money*. All too often, the governments of many developing countries have so far failed to consistently orientate their policies towards eradicating poverty, overcoming income and wealth disparities in their own countries and mobilising domestic resources. Deficits also continue to exist in the governance sector in several countries. The situation is particularly grim in fragile states in which key functions in the areas of security, welfare and participation are hardly being fulfilled.

Gordon Brown's call for an MDG emergency summit in 2008 was an expression of the admittance that governments have so far failed to meet their responsibility for the achievement of the MDG. However, focusing development strategies on eradicating poverty also bears the danger of politics merely fiddling around with the symptoms, without actually reaching the root causes of the evil. If poverty is above all understood as income poverty, the proposals for solving the problem of reducing poverty will be reduced to the monetary level. In contrast, structural issues such as the unequal distribution of assets, land and political power in the countries affected as well as the framework conditions of the world economy and the impacts of globalised finance and commodity markets have so far been given little attention in the programmes on the implementation of the MDGs. This also applies to environmental aspects, in particular to the consequences of climate change. However, an incomplete problem diagnosis can result in the wrong policy recipes and may tend to be an obstacle to arriving at any lasting solution of the problems.

In the second half of the MDG process up to 2015, the governments should therefore both deal with the deficits in the implementation and methodology of the Millennium Goals and fundamentally review the policy recipes for their achievement. This encompasses the following aspects:

In spite of increased public awareness and political support, there are massive deficits in MDG implementation – both in North and South.



the industrialised

countries have to be

defined and imple-

mented.

Clear binding and The German Federal Governm measurable commitments on the part of merely being part of a far more

Council (ECOSOC). 13

The German Federal Government, but also many governments of the South, are right in pointing to, albeit for different reasons, the MDGs merely being part of a far more comprehensive catalogue of political commitments that the governments entered with the decisions of the world conferences over the past two decades and the Millennium Declaration of 2000. The practice of the United Nations to always mention the MDGs in one breath with the Internationally Agreed Development Goals (IADGs) and to regard them as an element of these goals ought to be retained. This applies in particular to the formulation of national development strategies ("MDG Strategies") and the review of the implementation of the goals and targets, among others at the *Annual Ministerial Review* of the UN Economic and Social

a) Binding targets in the context of the Global

The governments ought to overcome the imbalance in the level of commitment of the MDGs for industrialised and developing countries. This means defining the contribution of industrialised countries in the shape of clear, quantitative, time-bound and therefore checkable commitments. For this purpose, MDG 7 and 8 ought to be extended and put into concrete terms. Among other aspects, this applies to commitments to reduce CO<sub>2</sub> emissions in the industrialised countries, to increase ODA transfers and to eliminate trade barriers and export subsidies. With a view to MDG 8, the report of the UN's MDG Gap Task Force (2008a) provides a useful reference document in this respect.

With its binding ODA timetable, the EU took an important step in this direction in 2005. But to prove its readiness to realise this timetable, all EU governments need to translate this plan into corresponding national timetables.

The introduction of innovative financing instruments at global level is overdue for the financing of additional global tasks, especially in the area of climate change and finance market stability. Here, the proposals for internationally co-ordinated taxes, above all a Currency or Financial Transaction Tax and a CO<sub>2</sub> tax, are of particular importance.

Innovative financing instruments and "Donor Index" long overdue.

With the Matrix of Global Commitments compiled by the MDG Gap Task Force, the United Nations has provided a useful basis to this end, cf. http://www.un.org/esa/policy/mdggap/ (viewed on 9 September 2008).



However, binding commitments on the part of the North regarding the quantity of ODA are far from sufficient. In the context of the Paris Declaration and the Accra Agenda for Action of September 2008, the governments have therefore entered commitments to raise the quality of development co-operation, too. But, in central areas such as untying aid, the abolition of policy conditionalities and the strengthening of democratic ownership, commitments have so far remained vague.

In order to systematically measure how the North fulfills its development commitments, a catalogue of criteria or a Donor Indicator (in addition to the ODA/BNE Indicator) could be worthwhile instruments. A longer-term option could be the development of a form of Global Solidarity Index, which illustrates in a manner appealing to the public how development friendly a country's policies are towards poorer countries and how much solidarity it can muster in this respect.<sup>14</sup>

## b) Linking the MDG debate with a human rights-based development approach

The "High-level Task Force on the Implementation of the Right to Development" (HLTF 2008), which operates under the umbrella of the UN Human Rights Council, makes an interesting contribution to reviewing the Global Development Partnership. At its session in December 2004, it itself set the goal of "integrating the statements made in the Millennium Development goals relating to economic, finance and development policy in the human rights activities of the United Nations and linking development more strongly to human rights" (Schorlemer 2006: 102). Moreover, in 2005, it was commissioned to develop criteria for the regular evaluation of MDG 8 regarding the right to development explained in more detail in a 1986 declaration.

Correspondingly, the High-level Task Force is developing and assessing so-called "criteria for periodic evaluation of global partnerships from a right to development perspective" (HLTF 2008: Annex II, 26-28). Accordingly, global partnerships are to be designed institutionally to contribute to the achievement of human rights, consider particularly vulnerable groups of the population and promote good governance,

Criteria based on human rights required for an evaluation of MDG 8.

The Washington Center for Global Development 2003 has created a model for a similar index with its Commitment to Development Index (CDI). Cf. Center for Global Development (2007) und

http://www.cgdev.org/section/initiatives/\_active/cdi/ (viewed on 9 September 2008).



Right to health of key importance.

democracy, rule of law and effective anti-corruption measures. In order for this to work, freedom of information, gender equity as well as consultation and participation procedures need to be ensured and corresponding human and financial resources have to be available.

Special significance is currently being attributed within MDG 8 to target 17, which is aimed at enabling access to essential drugs at affordable prices in co-operation with pharmaceutical corporations. Here, novel public-private partnerships are gaining attention, such as the Global Fund to Fight AIDS, Tuberculosis and Malaria and the Global Alliance for Vaccines and Immunization (HLTF 2008: Figs. 46-47, 74-76). Such partnerships offer opportunities provided that new resources are mobilised and initiatives can be supplemented by UN agencies and national governments (generally see Beisheim et al. 2008). At the same time, the risks and limitations of such multistakeholder partnerships are obvious. For they have a tendency to promote the fragmentation of global governance and trends towards elite models of global governance, and they give national governments the opportunity to bypass responsibility and accountability for core areas of public welfare. Last but not least they encourage a selective orientation of governance on commercially viable health projects (Martens 2007a). At the same time, the comprehensive responsibility of a wide range of actors is irrefutably on the agenda. In the sense of a human rights approach in development co-operation (Hamm 2003), it ought to be measured against the degree to which progress can been made in implementing the right to health <sup>15</sup>. The relevance of this aspect was already emphasised by the corresponding Task Force of the UN Millennium Project in 2005:

"The lack of access to life-saving and health supporting medicines for an estimated 2 billion poor people stands as a direct contradiction to the fundamental principle of health as a human right." (Leach et al. 2005: 1)

## c) Functioning governance and rule of law as preconditions for MDG progress

The achievement of the MDGs crucially depends on the governability and the changes in political regimes in the South. While this aspect is

See also here the report of the Special Rapporteur on the right of everyone to the enjoyment of the highest attainable standard of physical and mental health, which has appeared titled "Human Rights Guidelines for Pharmaceutical Companies in Relation to Access to Medicines",

http://www2.essex.ac.uk/human\_rights\_centre/rth.shtm (viewed on 9 September 2008).



clearly addressed under the headword "Good Governance" in the Millennium Declaration, it is then not adopted in the MDGs. However, a minimum level of rule of law is a central precondition for the sustainable achievement of the MDGs, just like an orderly transformation of authoritarian regimes. Moreover, there is the insight that fragile states and countries in violent conflict are considerably worse in implementing the MDGs compared to reference groups at a comparable level of development. These aspects can no longer be ignored for "diplomatic" reasons but have to be a central aspect of the MDG Agenda. <sup>16</sup>

## d) Supporting national development strategies and countries' own instruments to measure poverty

Some of the MDG indicators, in particular the poverty lines of 1 US dollar or even 1.25 US dollars a day, are of little relevance for a number of countries of the South, such as Chile or Uruguay. But this does not mean that there are no serious poverty problems in these countries. A world-wide uniform measure of poverty would not, however, do justice to these countries. For this reason, self-determined national development goals and the corresponding strategies adapted to the respective level of development of these countries ought to be given precedence.

Most countries have adopted national and sometimes even subnational poverty lines which, as a rule, lie above the 1 dollar/day mark. They include Bangladesh, Bolivia, Guatemala, Malawi and Vietnam. In the context of its national development strategy, Vietnam has formulated 12 development goals which are based on the MDGs but go beyond them. The survey of European development institutes on "Millennium Development Goals at Midpoint" also presents a sceptical view of the universal use of "absolute poverty measures", and as an alternative, it proposes "to monitor MDG 1 using national poverty lines that are derived at using a consistent methodology (such as the cost of basic needs method that is now most popular in developing countries)" (Bourguignon et al. 2008: 10).

The basis of any effective development strategy needs to be sufficient information on a country's social and economic situation. This presupposes corresponding capacities to establish and process data.

Capacities to establish and process data need strengthening.

Country-specific development strategy needs formulating.

<sup>16</sup> Cf. also OECD/DAC 2004, World Bank Independent Evaluation Group 2006 and BMZ 2007



Only if a government disposes of comprehensive information on the poverty situation in its country, if it knows where child and maternal mortality is greatest, and if it can accurately determine the spread of HIV and AIDS it will also be in a position to take the necessary political steps and calculate their financial requirements. As yet, in the majority of the developing countries, there are still considerable information gaps in this area. This is why development co-operation ought to increasingly support the formulating and implementing of national action plans on developing statistics.

## e) Re-orienting the focus from development goals to development strategies

Technocratic problem solution strategies have reached a culde-sac.

Whereas there are hardly any fundamental controversies on the basic goals and targets set in the MDGs, the ways of achieving these goals are by no means undisputed. As such, the MDGs do not represent a development strategy, as UN Secretary-General Ban Ki-moon also noted in 2007 (UN Secretary-General 2007: Item 40). Superficial harmony regarding the goals sometimes even covers up the serious controversies about the strategies with which the MDGs ought to be achieved. For example, it is highly controversial whether the goal of halving the proportion of those suffering from hunger ought to be achieved by a new "green revolution" in Africa and the industrialisation of agriculture, as the UN Millennium Project suggests. Instead of technocratic problem solution strategies, the cultural, social and geographical peculiarities of each country ought to be given more consideration when formulating its development strategy. This is what the agricultural research project International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD) also demands regarding coping with the global food security crisis in its final report in April 2008.<sup>17</sup>

All in all, as Theo Rauch (2007: 241-242) rightly argues, a political multi-level approach is required which steers the economic globalisation process with tools including social standards and selective protection options, which boosts competitiveness at regional level, which strengthen the rule of law at the national level and increases the access of the poor to public services, and which supports the representation of the interests of the poor at the local level.

<sup>&</sup>lt;sup>17</sup> Cf. here http://www.agassessment.org (viewed on 9 September 2008).



The development discourse should therefore recollect comprehensive strategies of sustainable human development and embed the MDGs as one element in these strategies This also means that the structural causes of poverty, which have so far received insufficient attention in the MDG context, have to be given more consideration within the MDG discourse. This applies in particular to the growing income and wealth disparities within and between countries, their vulnerability vis-à-vis crises on the international finance markets, and the socio-economic consequences of climate change in the countries of the South.

Structural causes of poverty need to be highlighted.

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#### The MDG Project in Crisis Midpoint Review and Prospects for the Future

A sobering interim review is emerging at the MDG's midpoint. In order to get the world back on track in achieving the Millennium Development Goals, at the invitation of UN Secretary-General Ban Ki-moon, a high-level event of governments, business and civil society is to be held in New York on 25th September 2008. This policy brief gives a concise overview of the progress and deficits in implementing the MDGs and highlights some methodological problems in the MDG concept itself. Setting out from this basis, it recommends necessary course corrections in order to successfully continue the MDG project after all. Its proposals contain clear and binding commitments on the part of the industrialised countries, linking the MDGs with the human rights-based approach, promoting functioning governance, strengthening capacities to establish and process data and re-embedding the MDGs into more comprehensive strategies of sustainable human development.

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