

MDGs: 10 frequently asked questions

1. What are MDGs?

- The MDGs summarise the development goals agreed at international conferences and world summits during the 1990s. At the end of the decade, world leaders distilled the key goals and targets into the 'Millennium Declaration' (September 2000).
- Based on the declaration, UNDP has worked with other UN departments, funds and programmes, the World Bank, IMF and OECD on a concise set of goals, numerical targets and quantifiable indicators to assess progress. The new set is known as the 'Millennium Development Goals', which includes 8 goals, 18 targets and over 40 indicators.
- The MDGs, to be achieved between 1990 and 2015, include:
 - halving extreme poverty and hunger
 - achieving universal primary education
 - promoting gender equality
 - reducing under-five mortality by two-thirds
 - reducing maternal mortality by three-quarters
 - reversing the spread of HIV/AIDS, malaria and TB
 - ensuring environmental sustainability
 - developing a global partnership for development, with targets for aid, trade and debt relief
- The Secretary-General has asked the UNDP Administrator, in his capacity as chair of the UN Development Group, to act as 'scorekeeper' and 'campaign manager' for the MDGs — both spreading awareness within the system and across the world and making them an integral part of the UN system's work in the field.

2. Are we on track to meet the MDGs by 2015?

- A simple extrapolation of poverty trends since 1990 would suggest that the world is on track to halving income-poverty by 2015. Unfortunately, the reality is more complicated and decidedly less satisfactory. If one excludes China, progress has been less than half the rate needed. The number of income-poor in sub-Saharan Africa, South Asia and Latin America combined, has increased by some 10 million each year since 1990. Dozens of countries experienced absolute declines in average living standards in the past two decades.
- At present, an estimated 1.2 billion people have to struggle every day to survive on less than \$1 per day — about the same number as a decade ago.
- Progress towards the other MDGs has been mixed too. In 1990, the 'education for all' goal was set for the year 2000. The good news is that the gender gap was halved; but the sad truth is that the 1990s saw only a tenth of the progress needed. Not surprisingly, the goalpost was moved to 2015; but at the current rate, this promise will not be kept either; progress will have to accelerate fourfold.
- Progress on child and maternal mortality, malnutrition, access to safe drinking water and adequate sanitation actually slowed down in the 1990s compared with earlier

decades. Because of the AIDS epidemic, the resurgence of other diseases (malaria, TB), and the broken state of health services, conditions have worsened markedly in the 1990s. The 1980s were the ‘lost decade for development’; the 1990s will go down in history as the ‘decade of broken promises’.

- In the early 1990s, the late James Grant — then UNICEF Executive Director — stated, “the problem is not that we have tried to eradicate global poverty and failed; the problem is that no serious and concerted attempt has ever been made”. Indeed, without concerted and intensified efforts, few of the MDGs will be met by 2015.

3. Are MDGs affordable?

- Yes, they are financially affordable and technically feasible. Several countries, however, will require considerably more development assistance, improved policies and stronger institutions.
- It would be unrealistic to expect that the poorest countries can meet the MDGs without extra international support. Progress in sub-Saharan Africa has fallen further behind; HIV/AIDS is undermining human development.

4. Do MDGs make good economic sense?

- Returns on investment in human development in low-income countries are very high. Many economies are caught in a poverty trap, due to ill health, poor nutrition, low education, limited access to safe water, and often rapid population growth. Many of the poorest countries are burdened by extreme geographical limitations — landlocked and small islands, far from world markets, tropical diseases, extreme environmental degradation, climate change.
- These various conditions — some man-made, some physical — explain why private capital flows and foreign direct investment largely by-pass many low-income regions. Extra help will be needed to extricate countries from the poverty trap.
- MDG investment will stimulate economic growth, create more jobs, enhance people's productivity and generate additional fiscal revenue — making macro-economic stability a more feasible goal. MDGs make excellent economic sense.

5. Can the resources gap be bridged?

- Absolutely, an extra \$50 billion in donor resources per year will go a long way towards reaching the MDGs at the global level.
- Although this figure may appear large in absolute terms, it represents around one-fifth of one per cent of donor income.
- Compared with the expected benefits, the MDGs offer an excellent investment opportunity.

6. Can ODA and debt relief make a difference?

- Aid works, when directed at development needs. The record is clear on one kind of health project after another, exemplified by the disease control programmes supported by the Carter Center (e.g. trachoma, guinea worm, river blindness, schistosomiasis); the eradication of smallpox and polio; and the campaigns to extend immunisation.
- ODA and debt relief will be indispensable, especially for the least developed countries. Total ODA now stands at a mere one-third of the agreed target of 0.7 per cent of the combined GNI of developed countries, and only 0.10 per cent in the United States. The shortfall amounts to about \$125 billion per year.
- Regrettably, none of the G-7 countries is a member of the 'G-0.7' group, which comprises Denmark, the Netherlands, Norway and Sweden — and more recently Luxembourg.
- A recent study of budgetary spending in over 30 developing countries found that two-thirds spend more on debt servicing than on basic social services. Some spend three to five times more on debt. In sub-Saharan Africa, governments spend about twice as much to comply with their financial commitment vis-à-vis external creditors than to comply with their social obligation vis-à-vis the people. Debt servicing often absorbs between one-third and one-half of the national budget — making macro-economic stability an elusive goal.
- To spend more on external debt than on basic social services — when tens of millions of people see their fundamental human right denied — is ethically wrong and makes poor economics.
- The HIPC initiative remains the best hope for solving the debt crisis, but its implementation is painfully slow; the initiative itself should be broadened and deepened. The enhanced HIPC initiative was launched in 1999; it is encouraging that Uganda — the first country to receive HIPC support — is spending most of the debt dividend on primary education and AIDS orphans. We need to make sure that debt sustainability is measured against real human needs — specifically against the ability of countries to mobilise the resources necessary to meet the MDGs.

7. Is trade not more important than aid?

- Yes, but both are needed. Access to OECD markets — for agriculture, clothing and textiles — would significantly accelerate growth and create jobs; thereby fostering human development and reducing poverty. But, by itself, more trade will not be enough to meet the MDGs.
- Greater financial resources will be necessary to address the critical areas of health, education and the environment. Without more money, the poorest countries will simply be unable to meet the needs for health and education services, sanitation and water, and other critical challenges.
- While it is encouraging that the Doha WTO ministerial meeting agreed to place more emphasis on the development implications of future trade agreements; the reality remains that developed countries maintain high levels of protection. Their markets remain closed in areas of specific priority concern of the poorest countries: textiles

and apparel, and processed agricultural commodities. Ghana, for example, can export its cocoa beans duty free to Europe, but must pay more than 25 per cent tariffs on processed chocolate; food processing is shifted to Europe, leaving Ghana bereft of the manufacturing base to escape from poverty.

- Human and institutional capacities, as well as infrastructural networks, are complementary elements required to benefit from open trade. Poor countries often lack these elements, so that 'aid for trade' will remain important, even if private capital flows and foreign direct investment will continue to increase.

8. Are capacities strong enough to handle additional funds?

- True, resources alone are unlikely to be sufficient; but donor resources can help to strengthen management. Human and institutional capacities need to be made stronger. Collecting taxes efficiently and equitably, making sure that budget priorities reflect the MDGs and influence actual spending, gender-sensitive budgeting, and aligning aid with national and sub-national priorities require strong national capacities. These are political goals, but also expensive management needs. Donor assistance can dramatically improve service delivery. Of course, it will help those countries keen on helping themselves.
- To put this another way, the frequent argument that existing resources have to be used more efficiently before more public money is to be invested creates a false dichotomy. It misses the point that insufficiencies of resources create inefficiencies of service delivery. Policy-makers seldom face a choice between either improving efficiency or increasing budget allocations. In most cases, they have to address both aspects simultaneously. Indeed, inefficiencies and insufficiencies are not independent, but interdependent.

9. What are MDGRs?

- UNDP supports MDG-scorekeeping at the country level. The premise is that country reports can help accelerate progress; they can help bring the MDGs from the global to the national level, for global target setting and national priority setting have been inadequately linked.
- The purpose of Millennium Development Goal Reports (MDGRs) is to raise public awareness; promote study, scholarship, and debate around the great development challenges; forge stronger alliances; renew political commitment; and help poor countries and donors create the deep, better financed and trusted partnerships that will be needed for success.
- MDGRs show progress at a glance with a view to help focus the national debate on specific development priorities, which in turn will trigger action — in terms of policy reforms, institutional change and resource allocation.
- Their main audience is the media and the general public. MDGRs are meant to be short and easy-to-read reviews that convey messages quickly in a non-technical way. They should also provoke deeper analysis at the country level. MDGRs build upon existing reports — such as CCAs, PRSPs or NHDRs — in order to minimise the country's reporting burden.

- So far, 6 MDGRs have been issued — Cambodia, Cameroon, Chad, Madagascar, Tanzania and Viet Nam. They confirm the mixed picture on progress vis-à-vis the MDGs. A dozen other are under preparation. The plan is to have at least one MDGR per country by the end of 2004.

10. Why a global MDG campaign?

- A global campaign is needed to bridge the gap between the simple messages needed for advocacy (e.g. the number living on less than a \$1 a day) and poverty's more complex reality. For 'goals on paper' to become a practical reality for millions of people, we need to sharply focus public attention and public action on poverty reduction and human development.
- The purpose of the campaign is to keep the eyes and actions of the world focussed on the MDGs. In developed countries, the campaign would focus on making the case for aid and for urgent debt relief, based on clear evidence of results; ensuring that aid is allocated to sectors and services relevant to the MDGs; and opening markets more widely to developing countries, especially the least developed countries.
- In developing countries, the campaign would focus on mobilising domestic resources, prioritising budget expenditure on the MDGs, and strengthening human rights, democracy and good governance as specified in the Millennium Declaration. Each of these objectives must be pursued in ways sensitive to country context and target groups. It will be absolutely critical for campaign activities to be tailored to country-specific circumstances.
- We are contemplating a 'continuous campaign' till 2015, to help transform the political and intellectual debate at the national and global levels so as to put development goals way ahead of its current priority; to create 'business plans' deeply grounded in evidence, on how to achieve the goals; build informed constituencies for more spending on health and education, by demonstrating the enormous returns from such spending; and focus on equity and human rights as part and parcel of the MDGs.
- Although our efforts may start with simple slogans like a \$1-a-day poverty, if the campaign is to be sustained and change the political debate and hence public policy priorities, it must, like Rowntree did in the early 20th Century UK, get deep into the facts and findings, and generate academic, public policy and political debate around the MDGs. If we are successful, it will quickly grow out of its early simplicity, and demonstrate to the world the amazing things that can now be accomplished, if we put our minds and hearts into it.

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