

## After 2015

Contexts, politics and processes for a post-2015 global agreement on development

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### **Abbreviations**

WTO

World Trade Organisation

**ASEAN** Association of South East Asian Nations **BMGF** Bill and Melinda Gates Foundation **BRICS** Brazil, Russia, India, China, South Africa **CAFOD** Catholic Fund for Overseas Development CIGI Centre for International Governance Innovation DAC **Development Assistance Committee** DFID Department for International Development (UK) EU **European Union GDP Gross Domestic Product** GNI **Gross National Income** G8 Group of Eight (countries) G20 Group of Twenty (countries) Highly Indebted Poor Countries initiative **HIPC IDGs** International Development Goals International Labour Organisation ILO International Monetary Fund IMF **IMR** Infant Mortality Rate (deaths per 1000 live births) Least Developed Countries (UN categorisation) **LDCs** Low Income Countries (World Bank categorisation) LICs **MDGs** Millennium Development Goals MICs Middle Income Countries Marginal Tax Rate MTR **NEPAD** New Partnership for African Development Non-Governmental Organisations **NGOs OCED** Organisation for Economic Change and Development ODA Official Development Assistance **SDGs** Sustainable Development Goals UN **United Nations UNCTAD** United Nations Conference on Trade and Development UNESCO United Nations Educational, Scientific and Cultural Organisation UN DESA United Nations Department for Economic and Social Affairs United Nations Development Programme **UNDP** UNFCCC United Nations Framework Convention on Climate Change WeD Wellbeing in Developing Countries World Economic Forum WEF World Health Organisation WHO

## **Executive summary**

The Millennium Development Goals expire in 2015, just 4 years time. Discussions are already starting on what might replace them as a global agreement to promote development and poverty reduction. This paper sets out the context for those discussions, and some of the issues that will need to be addressed if a new agreement is to be both effective and politically acceptable.

The first section looks at the history of the MDGs, identifying some of the factors that led to the creation and adoption of the agreement. A strong core group of individuals and countries led the process, with international agencies acting as technical support and consensus building institutions.

It is hard to judge the impact of the MDGs, without a counterfactual example to draw on. But there is reason to think that they have had the effect of mobilising aid funds, and of directing aid towards particular sectors such as primary education. They have also been used as an advocacy tool in both global and national contexts. The MDGs have also been criticised for the lack of participation involved in their formulation, lack of specific commitments for rich countries, and for neglecting key areas of importance for development.

Whatever the rights and wrongs of the current set of MDGs, a new agreement will be addressing a poverty and development context that is both similar and different to that of the 1990s when the MDGs were drawn up. Since 2000, there has been clear progress on all of the MDG targets at a global level, although Africa and South Asia have made the slowest progress on most targets. Within countries, aggregate improvements have in some cases masked growing inequalities, with particular groups such as ethnic minorities and those living in very remote areas often the most excluded from progress. A new agreement will inherit these continuing trends.

A new agreement will also have to tackle some new characteristics of poverty: where climate change and other shocks are making progress increasingly precarious, where urbanisation, migration and demographic change offers both opportunity and threat, where growth is becoming less effective at reducing poverty in many regions, and where the majority of poor people now live in middle income countries. In this context, new thinking about poverty has expanded our understanding of how poor people themselves define their situation, and of the complexity of both analysing and seeking to intervene in poverty and poverty reduction.

The global political climate of 2015 is likely to be very different to that of the 1990s. Economic and climatic shocks have increased global risk and insecurity, making cooperation more important. However, the impact of these shocks at national level has tended to force politicians to look inward and to close down the space for policy makers to make the compromises necessary for collective action. The exception is aid spending, which has held up well to date. At the same time, the emerging economies have changed the face of multilateralism, shifting the locus of power from small groups such as the G8 to the G20, and making their voices heard in negotiations on trade and climate change. They are also increasingly important as donors to low income countries.

There are a number of options for a post-2015 agreement, of varying degrees of ambition. Identifying useful possibilities will involve both research and political iteration. While research is starting now, the political process may not get going in earnest until 2013. Until then, the development of thinking and options should be based on what has been learned from the MDGs, analysis of the current problems an agreement would be aiming to solve, experience from other global agreements, and a realistic assessment of likely political interests and processes.

# 1 How did we get here? A brief history of the MDGs

Before assessing the options for what might come after 2015, it is useful to look at the conditions which led to the development of the MDGs themselves, and at their strengths and weaknesses as global goals.

The MDGs have their origin in the flurry of international development conferences and initiatives which took place during the 1990s. The first of these was the 1990 World Summit for Children, which set specific goals for (among others) infant, under-five and maternal mortality, universal access to primary education, reduction in malnutrition, and universal access to safe water and sanitation. Other key events in the same year included a World Conference on Education for All, an UNCTAD conference on least developed countries, the first UN Human Development Report, and the 1990 World Development Report, which, according to one observer, marked the 'rehabilitation' of the concept of poverty within the Bank<sup>1</sup>. Other conferences, on environment and development, human rights, population, social development and women followed in the next five years<sup>2</sup>.

This crowded timetable of summits continued until 1995, when fatigue began to manifest itself. Instead of conferences, the conversation about target setting moved to a smaller set of meetings focused around the OECD's Development Assistance Committee (DAC). In 1995, following a strong push from US DAC representative Colin Bradford among others, the DAC set up a *Groupe de Reflexio*n, based on an EU proposal for such a group to "review the future of development aid and the role of the DAC". The group's membership was drawn from political rather than expert levels, but with support from the DAC secretariat. One of the secretariat's tasks was to "draw up a list of the declarations agreed at UN summits and see if these could be pulled together into something more coherent". 4

In May 1996, the Groupe published a paper entitled *Shaping the 21<sup>st</sup> Century: the Contribution of Development Cooperation.*<sup>5</sup> Included in the 20 page paper, which had been signed off by all OECD members, was a set of proposed 'International Development Goals' (IDGs) – which would, in large part, form the basis for the MDGs (six of the MDGs were listed). The Goals were largely drawn from the various UN summit declarations. The actual targets were based on extrapolations from trends over the previous 25 years (where the data existed), with the goal based on projecting those trends forward for a further 25 years<sup>6</sup>. The exception was the poverty goal, which was proposed by the DAC in '*Shaping the 21<sup>st</sup> Century*'<sup>7</sup>. Among the proposed goals was one aiming for universal access to reproductive health services for all by 2015, drawing on the outcomes from the UN summits on population and on women's rights in Cairo and Beijing respectively.

However, the IDGs lacked a serious action plan, and it appeared that their principal cheerleaders were donors who were progressive but with limited influence, principally Denmark, the Netherlands, Norway and Sweden. Larger donors, like the US, UK, Japan and France, appeared less engaged, and it appeared that the IDGs might become just another piece of international rhetoric.

By 1998, though, the IDGs had attained much more momentum, and plans were underway for a Millennium Summit that would launch a set of Millennium Development Goals. In part, this was because a more powerful donor country – the UK – had become much more engaged following the 1997 election that saw Labour elected and Clare Short arrive as Secretary of State at the newly created Department for International

Development. But many other factors were also relevant, including growing public support for development, the larger alliance of 'Utstein' countries (comprised of the UK, Germany, Norway, Netherlands, all of which at that time had female development ministers), strong policy development from the UN Development Program, and political pressure on UN Secretary-General to make a success of the Millennium Summit – 'the mother of all summits' – following the damp squib of the UN's 50<sup>th</sup> Anniversary Summit in 2007.

Kofi Annan duly appointed John Ruggie to lead the process of drafting a Declaration for the Summit, entitled *We the Peoples*. This was much longer than *Shaping the 21* to Century (80 pages rather than 20), covered a much broader range of issues, and set out a rather different range of poverty reduction goals (with gender and health issues seen as losing out – the goal on reproductive health was missing, for example, following opposition from the G77 group of developing countries – and more emphasis on economic growth, technology, environment, Africa, and action in developed countries).

Another important document published shortly afterwards was *A Better World for All*, coproduced by the IMF, OECD, UN and World Bank. While this paper was supposed to mark "an unprecedented show of solidarity" between the four agencies, the paper strongly reflected the OECD's IDGs agenda – rather than the approach set out in *We the Peoples*. 9

These documents put the world onto 'final approach' for the Millennium Summit. Throughout this period intense debate was underway between OECD countries and international financial institutions (who wanted to retain the IDGs as they were) and everyone else – other states, NGOs, businesses, social movements and so on – who wanted to amend them, add in other priorities and so on.

The Millennium Declaration, agreed on 8 September 2000, set out a long list of commitments, but the Millennium Goals (not yet Millennium *Development* Goals) set out in the Declaration were manifestly different from the IDGs that OECD states still wanted to prioritise (arguing that they had the advantages of being few in number, concrete, achievable, and straightforward to monitor). One casualty appeared to be any mention in the goal for reproductive health, which had been dropped following opposition from the G77 group of developing countries, and the absence of strong lobbying by women's rights organisations or health NGOS<sup>11</sup>. This created the question of whether the two would be reconciled, or whether a 'twin track' approach would be followed.

Richard Manning (2009) tells the story of how the two tracks were reconciled to become the MDGs we know today:

A group of staff from the UN (Secretariat, Funds and Programmes, and several Specialised Agencies), OECD, IMF and World Bank... reconvened in June to July 2001 under the chairmanship of Michael Doyle from the UN Secretary General's Office. Its task was to agree a set of goals that would highlight key commitments in the Millennium Declaration that could be quantified, and for which there were established indicators for which reasonable data existed... The results of this exercise, a framework containing 8 Goals, 18 Targets and 48 Indicators, were annexed to the Secretary-General's Road Map of 2001. This list became the authoritative statement of the MDG framework, despite the fact that, ironically, it was never endorsed as such by the General Assembly...

The MDGs were informally endorsed at the UN Conference on International Financing for Development at Monterrey in 2002, and it was there that funding commitments started to be made on the basis of the MDGs.

When we talk about 'the MDGs' today, in fact this usually refers to the set of targets and goals that came after the original Millennium Declaration of 2000. The Declaration has a longer and higher set of aspirations, and should not be confused with the very specific and time-bound set of indicators which comprise the 8 MDGs and 21 targets through with progress towards the Declaration is to be measured.

After their formulation it took time for the MDGs to gain traction. Governments in Europe were faster to embed the MDGs within their bilateral programmes than their counterparts in other OECD countries and – crucially – many developing countries. As late as 2005, in the build up to the World Summit, the government of the United States argued for removing the references to the MDGs in the draft Summit Outcome Document, with the rationale that they had never been agreed (although they were eventually persuaded to retain them). The final 2005 World Summit Outcome document reaffirms the UN Millennium Declaration on the first page, but only begrudgingly recognizes the MDGs in the paragraph seventeen. <sup>12</sup>

Civil society groups – including in the north, but especially in the south – were also initially lukewarm to the goals. Particular concerns included how the goals would fit with national ownership of development priorities, the reductionist nature of the targets (and the incentives and behaviours that this would create), the overriding focus on social and human development at the expense of economic aspects related to employment and infrastructure, the focus on the symptoms of poverty rather than underlying causes, and the much weaker structure of MDG 8, which sets out what the global community is expected to do to contribute to the goals. The global partnership for development was seen as being incomplete in its formulation, with fewer and less binding numerical targets, and indicators that did not sufficiently measure the effort of development partners.

In time, many northern NGOs increasingly saw the political opportunities afforded by the goals, but many in the global south still felt that they do not sufficiently capture a balanced sense of the transformational change inherent in 'development'. Even though that feeling remains strong, recently some groups have aligned themselves with the political opportunity represented by the MDGs. <sup>13</sup>

#### Box 1: Key features of the MDG development process

- The wider political context for agreeing international development goals could hardly have been more auspicious, with the end of the Cold War, a 'long boom' of prosperity for OECD countries and widespread public and media preoccupation with economic globalisation.
- The MDGs were developed during a period in which multilateralism was broadly on the ascendant, but which also included a period of summit fatigue during which a smaller group dynamic within the OECD was critical.
- The MDGs had a very lengthy gestation period over a decade, if dated from the World Summit on Children in 1990.
- Powerful individual countries like the US and UK had considerable agenda-setting and 'championing' capacity. Within them, key individuals such as Clare Short in the UK and Colin Bradford in the US mattered a great deal.
- Tugs of war were evident between developed countries and international financial institutions on the one hand, and the UN and its agencies on the other.

- UN processes and agencies provided the principal avenue of influence for developing countries and civil society, but such opportunities were still relatively limited – confined primarily to pushing for particular goals to be included, rather than setting the overall agenda.

### 1.1 Strengths and weaknesses of the MDG framework

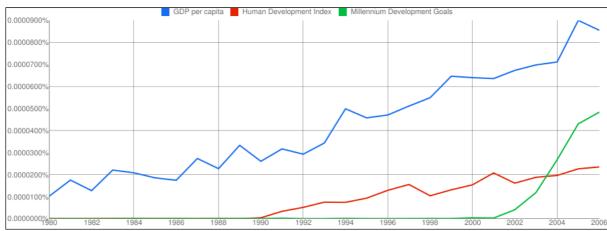
It's impossible to answer whether the MDGs were, on balance, a good thing, because it is impossible to know what would have happened had they not been agreed. However, like any agreement the MDGs have their supporters and their detractors. Some of the arguments that are made are as follows:

#### **Strengths**

• **Brevity.** Many commentators agree that one key reason for the impact the MDGs have had lies in the limited number of goals and targets<sup>14</sup>. Rather than trying to encapsulate everything that was or could be known about development and poverty, the MDGs are a succinct list of a few goals on which there is global consensus and through which popular support and political action can be mobilised. Any new agreement will have to make a trade off between brevity and comprehensiveness.

This brevity is one of the factors that have enabled the MDGs to influence the global debate. At a global level, the MDGs have certainly changed the rhetoric of development – no global leaders communiqué is now complete without a reference to the importance of achieving the MDGs, and MDGs have been the basis for campaigning and advocacy both North and South<sup>15</sup>. They have also changed the terms of the academic and popular debate: a search of publications on the Google database reveals that since 2000 the term 'Millennium Development Goals' has overtaken the 'human development index' in terms of number of references, and is gaining on GDP per capita.

Figure 1: Number of times the phrases "GDP per capita" "Human Development Index" and "Millennium Development Goals" have been mentioned in books published between 1980 and 2006 as scanned by the Google Books project



Source: Kenny and Sumner, 2011<sup>16</sup>

- Increased aid volumes. The MDGs were associated with increasing aid volumes in many donors between 2000 and 2005. This is correlation rather than causality aid budgets were rising before the MDGs were agreed, and the particular political and economic circumstances which were driving an increase in aid budgets also led governments to negotiate the MDGs. However, the big increase in aid promises in 2005 was predicated on an assessment of the amount of money needed to reach the MDGs. Jeffrey Sachs estimated that reaching the MDGs would require donors to raise their aid spending by \$50 billion a year by 2015 (from around \$100 billion in 2005)<sup>17</sup>. This became the target set by Tony Blair for his fellow G8 leaders in Gleneagles in 2005. So whatever the exact relationship between the MDGs and the increase in aid spending it can be argued that the former provided useful leverage for people arguing for the latter.
- Rationalised aid. With the same caveats about the difficulty of attributing causality, there is reason to think that the MDGs have some effect on concentrating aid on the social sectors in general and on some specific areas, such as primary education and child health, in particular<sup>18</sup>. Absolute aid spending on the social sectors doubled between 2000 and 2008<sup>19</sup>. While again, this might have been correlation rather than causality, aid has tended to be concentrated on the areas specified in the MDGs for example, within education; basic education has received the majority of the new resources.

The graph below shows the volume of aid from all OECD donors for primary and secondary education. While the volume of aid for primary education more than quadrupled between 2000 and 2008, the volume of aid for secondary education barely changed.

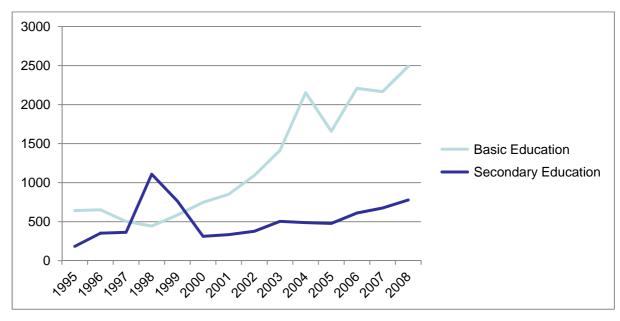


Figure 2: Aid from OECD to education sector, 1995-2008 (USD, millions)

Source: OECD DAC figures

The focus from donors has been most evident where the MDGs were aligned with what were already shifting priorities among donors. The graph shows that aid to primary education was rising before the MDGs were agreed. Similarly, the greater attention to infectious diseases might have been partly a response to the MDGs, but also to other developments, such as a strong political alliance in the USA around HIV/Aids<sup>20</sup>. Where MDGs were not aligned with existing donor

concerns, as in the case of the target on employment, they did not have this rationalising or galvanising effect.

- National level accountability While the MDGs have been criticised for their lack of attention to national level processes and conditions, they have also proved a useful vehicle for some civil society organisations to hold their own governments to account for this very public promise. The UK aid agency CAFOD surveyed 100 people in countries where they work, and found on balance a positive assessment of the MDGs' impact on national level advocacy and outcomes<sup>21</sup>.
- Improved data collection. The lack of data is a common complaint among researchers and policy makers working on development, but there is some reason to believe that the existence of the MDGs, and the political attention devoted to them, has encouraged the collection of better data to assess their progress. A number of specific initiatives have been developed to improve data collection for monitoring the MDGs. The number of countries with at least two data points for a range of MDG indicators rose from 56 per cent in 2006 to 71 per cent in 2008. For any future agreement, the benefits of expanding the range of outcomes monitored or the type of framework adopted, and of incentivising data collection on that basis, must be set against the risk of derailing the progress made on data collection based on the current range of indicators.

#### Weaknesses:

- Lack of participation in process. As the above account makes clear, the process of agreeing the specific targets and goals that make up the indicators for the MDGs was dominated by a small group of donors, with minimal input by the governments of developing countries. This is still a source of resentment for many developing country governments. What impact this had on the actual goals agreed is not certain, but it is clearly a far from ideal way to design a global agreement about poverty.
- **Distorting priorities.** The whole point of the MDGs is to distort priorities and to focus attention on a few key goals and targets. But it is essential that the distortion improves outcomes for development. Some argue that by focusing on the social sectors, the MDGs have effect of reducing the importance that donors attached to aid focused on infrastructure, agriculture and industrial development, with a possibly detrimental effect on growth and job creation, and on poverty reduction in the long term<sup>23</sup>.
- Masking inequalities. A further critique is that the formulation of targets in terms of global and national averages allows the impression of progress to be given in cases where inequality is growing and the poorest are being marginalised. Progress on under-five mortality can, for example, be achieved nationally even if the poorest are seeing no change in death rates<sup>24</sup> (see discussion below)<sup>25</sup>
- Lack of commitments by rich countries. A common theme in the critiques of the MDGs is their lack of specific commitments by rich countries. MDG 8, which aims to 'create a global partnership for development', contains targets on trade reforms, debt relief, access to new technologies and to essential drugs. However, these do not have specific quantified targets or dates attached, and in some cases have not led to any noticeable action on the part of the countries or companies responsible for delivering them.
- Missing issues. The MDGs have been accused of leaving out some key issues of importance to development. Climate change is one, also conflict, security and

disability<sup>26</sup>. In part, this reflects the political compromises needed to get them agreed (as, for example, the lack of mention of reproductive health). It also reflects the underlying view of the time about what was important, and, more prosaically, the range of issues on which there was data sufficient to monitor progress towards the goals (or at least the prospect of developing the data for monitoring).

• The translation of global trends and goals into national policy making. The MDGs were established as a set of global targets, on the basis of global trends. Some of their architects argue strongly that they were never intended to be met in every country, given how different the existing trends were across the globe<sup>27</sup>. However, given that policy making is national, the targets have inevitably come to be applied nationally, with the targets, for example to reduce infant mortality by two-thirds, being applied at national as well as global level. This is inappropriate for countries with both very high levels of infant mortality, for whom a two thirds reduction may require improvements far beyond historical trends, and for countries with very low levels of mortality, for whom a reduction may be simply impossible or not a cost-effective use of healthcare resources. A future agreement may need to find a better way of translating global goals into nationally applicable targets.

#### Impact and lessons from the MDGs

All of the resources and the government level action are means to an end. The central test of the MDGs must be if they actually improved outcomes for poor people. This is the hardest of all to assess, since even if the MDGs were having a significant impact, it would be only one of a range of factors driving progress<sup>28</sup>.

Attempts to assess if progress on the range of MDG indicators has been faster since 2000 are inconclusive – the results depend very much on the method used<sup>29</sup>. There is no way of establishing definitively if the MDGs have contributed to faster progress on the indicators in any particular case, or, if they helped in preventing a loss of momentum in some areas.

This may seem unsatisfactory and a weak empirical basis for embarking on a new round of negotiations for a global framework for poverty reduction and development, and in some ways it is. However, some lessons can be drawn from this for future goal setting. The key finding seems to be that though there is reason to believe that the MDGs influenced the level and allocation of aid spending, the impact of that on development outcomes is tenuous. This has a number of implications for a future agreement (and perhaps for aid more generally):

- If the primary intention of a post-2015 agreement is to mobilise resources for development, greater attention should be paid to where resources can be allocated in the most effective way. Some targets might be amenable to achievement through resource mobilisation (for example, childhood vaccination rates), while others are less so (for example, employment rates).
- Future resources for development will come as much from developing countries themselves – in the form of domestic financing mobilised for development – as from donors. A future agreement will have to work both for donors and for national governments in developing countries.
- If, instead, the primary intention is to mobilise global action for long term development, greater attention should be paid to how resource flows fit with other policy levers such as trade policies, and how an agreement could most effectively combine different types of incentives for policy makers to tackle the most pressing global barriers to development. This may involve something quite

different to the current MDG framework. This approach would be more in line with the 'G20 consensus on development' agreed at the Seoul meeting of the G20, where the focus was more on trade and other economic policy instruments, and less on the traditional aid focus of the G8.

• In order to maintain public confidence in goal setting and in the possibility of global action being useful in reducing poverty, more attention should be paid to establishing a baseline for monitoring the impact of an agreement, and defining more clearly what the expected impact is (with due regard for the complexity and unpredictability of the development process – see discussion below).

#### Conclusion

Although the MDGs were ultimately adopted through the UN, and it was agreements reached at myriad UN conferences that provided the basis for many of the targets ultimately agreed, they are unlikely to have been agreed without the momentum provided by the OECD's DAC and the small but politically important group of countries and institutions that drove the process forward in the UN. It is their origins in this group that are responsible for the MDGs strengths: driven by donors, they have had most impact on donors and on aid levels; and their weaknesses: lacking much input from developing country governments, they don't necessarily reflect the main priorities of governments or people in the South.

A new agreement has much to learn from this. There will be a need for political muscle to drive through an agreement. But ideally it would be powered by a strong sense of what such an agreement would do for and at the national level so that the agreement went with, and not against, the grain of the processes that will in the end determine the fate of development and poverty reduction.

## What's the problem? Poverty in 2015

The MDGs are about solving a specific global problem – that of the persistence of poverty in the world. In order for a new agreement to work after 2015, it has to be rooted in a good understanding of what that problem is today, and of current trends that are shaping the nature and extent of global deprivation.

The MDGs were born in a world where extremes of poverty were the norm in many regions. In Asia and Sub-Saharan Africa more than half of the population lived on less than \$1.25 in 1990. Between a quarter and a half of all children in the two regions were underweight, and in Africa only half of all children were in school.

Things are different, and better, in 2011. While extreme income poverty has been slow to decline in some areas, particularly Africa, it has shrunk to well under half of the population in Asia. Social indicators have improved at a faster rate. One to two fifths of children are now underweight. Three quarters of children in Africa are now in school, and well over 90 per cent in most of Asia. It is true that an unacceptably large number of people still suffer from extreme poverty, but the improvements are tremendous.

But the news is not all good. The less extreme but still grindingly desperate forms of poverty have shown slower improvements. While the proportion of the world's population living on less than \$1.25 per day fell by 40 per cent between 1990 and 2005, the proportion on less than \$2 fell by just 25 per cent.

This section outlines in more detail some of these trends, and discusses how changes in thinking about and analysing poverty are informing research and policy.

## 2.1 Summary of Progress on key MDGs, 1990-2015

A huge amount has been achieved since 1990. Globally, there has been progress on all of the seven key MDGs (income poverty, primary completion, gender equality in education, nutrition, child mortality, maternal mortality, and water). For three of these (income poverty, gender parity in primary education and water), progress has been sufficient to meet the goals at a global level. Three will be nearly met (nutrition, primary completion and child mortality), and just one (maternal mortality) is lagging very far behind the target<sup>30</sup>. Progress since 2000 has been faster than the previous decade, indicating that there is not yet at least a problem of progress slowing as the remaining groups become harder to reach.

The MDGs were agreed at global level and some of the original architects argue that applying them at national level is misleading and unhelpful<sup>31</sup>. However, it is perhaps inevitable that they have been applied at national level since that is where accountability lies. At a country level, half of countries will meet the income, education, gender and water MDGs and a quarter to a third of countries will meet the targets for nutrition, child mortality and maternal mortality.

It is important to note that these improvements are national averages which can mask inequalities within countries<sup>32</sup>. In some cases, progress is concentrated among the better-off in a given country. Research by Save the Children found that in some cases progress on child mortality, for example, was achieved nationally even were the poorest saw no change – and occasionally, as in Burkina Faso, an increase - in death rates<sup>33</sup>

#### Were the MDGs unfair to Africa?

Progress on the MDGs is calculated in a relative sense, and each country has its own starting point. The target on infant mortality, for example, was to reduce the global infant mortality rate by two-thirds between 1990 and 2015. While there is some debate about how these targets should be applied at national level, they were adopted by national governments, donors and NGOs as national level targets, with the assumption that each country should be looking to reduce its own IMR by two thirds in the same period. This means very different things depending on the starting point. Vietnam, for example, had an IMR of 56 deaths per 1000 live births in 1990, and has reduced that to 15, thus achieving the MDG at a national level. Compare that with Malawi, which started the 1990s with an IMR of 209 per 1000 live births, and had reduced this to 111 by 2007. Malawi has not achieved the MDG at a national level, and yet in absolute terms has reduced its IMR by more than Vietnam (41 children out of every 1000 were not dying in Vietnam by the end of the period, compared with 98 in Malawi).

Progress on the MDGs is normally calculated on a relative level, as the targets demand. But when absolute progress across all the MDGs is set aside relative progress, the top performers at a national level look quite different

Table 1: Absolute and relative progress on the MDGs, top 10 achievers

Absolute progress	Relative progress
Benin	Ecuador
Mali	China
Ethiopia	Thailand
Gambia	Brazil
Malawi	Egypt
Viet Nam	Viet Nam
Uganda	Honduras
Nepal	Belize
India	Nicaragua
Cambodia	Armenia

Source: ODI, 2010, Millennium Development Goals Report Card: Measuring Progress Across Countries, London

Table 2: Summary of Global and National MDG Progress

	Improvement since 1990?	'Distance progressed to global goal' (100% = goal attained)	On Track?	Faster Progress 1990-2000/ 2000-8	Faster than Historical Patterns?
Global progress					
Poverty	Υ	80	Υ	Υ	
Undernourishment	Υ	77	N	N	
Primary Education	Υ	90	N	Υ	N
Gender Equality*	Υ	96	Υ	N	N
Child Mortality	Υ	69	N	Υ	Υ
Maternal Mortality	Υ	57	N	Υ	Υ
Drinking Water	Υ	88	Υ	N	
National progress					
	% of countries making progress	% of countries on track	% of countries Faster Progress than pre-MDGs	% of countries Outperforming Historical Pattern*	
Poverty	63	47	51		
Undernourishment	55	25			
Primary Education	75	55	35	68	
Gender Equality	61	89/82**	46	56	
Child Mortality	95	36	32	51	
Maternal Mortality	83	30		33	
Drinking Water	73	66	34		

Sources: Kenny and Sumner<sup>34</sup> (2011) based on Fukuda-Parr and Greenstein (2010), Leo and Barmester (2010), World Bank (2011) and authors own estimates based on World Development Indicators and Hogan et. al. (2010) data. Notes: \*Represents the proportion of developing countries for which the appropriate data is available \*\*Gender Equality for primary and secondary education, respectively.

### 2.2 MDG 1: Behind the global figures on incomes

While the aggregate figures on income poverty are encouraging, the global figure masks considerable variation between countries and regions. Income poverty trends are measured by both changes in the incidence of poverty (% population) and changes in the absolute number of poor people.

Figures on the incidence of poverty are particularly encouraging. The percentage of the world's population living on less than \$1.25 a day has fallen from 42 per cent in 1990 to 25 per cent in 2005. It is projected to fall to 14 per cent in 2015<sup>35</sup>. In absolute terms, these figures represent a fall from 1.8 billion poor people in 1990 to 1.4 billion in 2005 and a projected 0.9 billion in 2015.

However, the success on income poverty is very heavily concentrated in China, which, because of its size, dominates the global average. The figures on absolute poverty in some other regions are much less positive. The absolute number of poor people rose slightly in South Asia between 1990-2005 (although this is projected to fall significantly by 2015), and the number of poor people in Sub-Saharan Africa increased from 300 million in 1990 to almost 400 million in 2005. The projection is for there to be 350 million people in Africa living on less than \$1.25 by 2015.

The most significant rates of poverty reduction between 1990 and 2005 were achieved in East Asia and the Pacific. These regions saw reductions of nearly 70 per cent in the number of people living on less than \$1.25 per day, and over 50 per cent reduction in the number of those with less than \$2 a day. These positive trends are expected to continue to 2015 when the total number of people living below the \$1.25 poverty line in East Asia and the Pacific is predicted to be 119 million – just 13 per cent of the 1990 figure.

Table 3: Global poverty estimates, 1990-2015

	Popula	ition poor (	·%)	People po	oor (millions)	
	1990	2005	2015	1990	2005	2015
US\$1.25 poverty li		2000	2010	1770	2000	2010
East Asia and Pacific	54.7	16.8	5.9	873.3	316.2	119.0
China	60.2	15.9	4.8	683.2	207.7	66.1
Europe and Central Asia	2.0	3.7	1.2	9.1	17.3	5.8
Latin America and the Caribbean	11.3	8.2	4.7	49.6	45.1	29.1
Middle East and North Africa	4.3	3.6	1.3	9.7	11.0	4.8
South Asia	51.7	40.3	22.4	579.2	595.6	379.3
India	51.3	41.6	22.4	435.5	455.8	276.8
Sub-Saharan Africa	57.6	50.9	35.8	295.7	388.4	344.7
TOTAL	41.7	25.2	14.4	1,816.6	1,373.5	882.7
TOTAL MINUS CHINA				1133.4	1165.8	816.6
US\$2 poverty line						
East Asia and Pacific	79.8	38.7	19.7	1,273.7	728.7	399.4
China	84.6	36.3	15.4	960.8	473.7	213.4
Europe and Central Asia	6.9	8.9	4.5	31.9	41.9	21.4

Latin America and the Caribbean	19.7	16.6	10.7	86.3	91.3	66.3
Middle East and North Africa	19.7	16.9	7.2	44.4	51.5	26.2
South Asia	82.7	73.9	57.1	926.0	1,091.5	967.2
India	82.6	75.6	56.9	701.6	827.7	702.0
Sub-Saharan Africa	76.2	73.0	57.7	391.2	556.7	555.6
TOTAL	63.2	47.0	33.1	2,753.5	2,561.5	2,036.1
TOTAL MINUS CHINA				1792.7	2087.8	1822.7

Source: World Bank (2011, p. 11).

Projections about what might happen to poverty reduction inevitably depend on assumptions about how fast economies might grow, and how that growth will be distributed. These assumptions make a great deal of difference. The World Bank's projection that 0.9 billion people will live below \$1.25 in 2015 is based on set of predictions about changes to inequality, to demography, to employment and to the nature of economic growth. Different predictions will provide different results, such as the more optimistic 0.6 billion figure projected by Brookings economists Chandy and Gertz<sup>36</sup>

## 2.3 MDGs 2-7: Behind the global figures on health, nutrition, education and sanitation

As with income, the global progress on non-income poverty is distributed unevenly between regions. The proportion of children aged under 5 who are underweight has decreased across all regions of the world since 1990, with an average 23 per cent decrease in all developing countries<sup>37</sup>. However, progress in Southern Asia and sub-Saharan has been slower than the average, with less than a 20 per cent reduction in underweight, compared to an above-average 60 per cent decrease in Latin America and Eastern Asia.

Related data also shows that these two regions have achieved a 60 per cent reduction in deaths per 1000 live births between 1990 and 2009. In sub-Saharan Africa, the infant mortality rate remains above one in 10, nearly 20 times the number of deaths experienced in developed countries. Elsewhere, countries in Southern Asia have witnessed a decrease in the infant mortality rate from over 120 deaths per 1000 live births to under 70 over the last two decades. With the exception of these two regions and Oceania all other parts of the world have reduced child mortality rates by more than half, representing a significant improvement in nutrition and other health indicators in young children.

Many regions of the developing world have now attained levels of primary education enrolment at between 90 and 95 per cent. However, the average enrolment rate across developing regions remains slightly lower due in particular to the effect of sub-Saharan Africa, which despite an increase of over 30 per cent in the decade leading to 2008/09 has an enrolment level of just 76 per cent.

Progress on access to water and sanitation presents a mixed picture. In most regions less than 15 per cent of the population lack access to unimproved water, a significant improvement on 1990. However, in sub-Saharan Africa forty per cent of the population are still using untreated water. Similar patterns are evidence for sanitation. In every region apart from South Asia and sub-Saharan Africa more than half the population now has access to improved sanitation. In sub-Saharan Africa the proportion is just 31 per cent, while in South Asia it is 36 per cent.

These successes should not be underplayed, but as progress has been made in these areas, new problems have emerged, particularly in education and health. While the MDGs focus on getting children into school, success in that area has revealed huge disparities in the quality of education that children receive. Research by the Southern and Eastern Africa Consortium for Monitoring Education Quality (SACMEQ) found big disparities in educational attainment in the countries studied, and that only seven out of the 15 countries had seen an improvement in maths and reading levels between 2000 and 2007<sup>38</sup>. In health, although infectious diseases are being curbed through a huge increase in vaccination programmes, HIV prevention, and the like, so chronic conditions like diabetes and heart disease are on the rise in developing countries. The WHO estimates that by 2030 chronic diseases will kill more people in Africa than maternal mortality, and infectious diseases combined<sup>39</sup>.

Table 4: Non-income MDGs, 1990-2009

	1990	2000	2009
Proportion of children under age !	who are underv	veight (%)	
Developing regions	30		23
Southern Asia	52		43
Sub-Saharan Africa	27		22
South-Eastern Asia	30		18
Western Asia	11		7
Eastern Asia	15		6
Latin America & the	10		4
Caribbean			
Adjusted net enrolment ratio in p	rimary education	(%)	
Developing regions		82	89
Southern Asia		79	91
Sub-Saharan Africa		58	76
South-Eastern Asia		93	94
Western Asia		83	88
Eastern Asia		95	96
Latin America & the		93	95
Caribbean			
Under 5 mortality rate (Deaths pe	er 1,000 live birth	ns)	
Developing regions	99		66
Southern Asia	122		69
Sub-Saharan Africa	180		129
South-Eastern Asia	73		36
Western Asia	68		32
Eastern Asia	45		19
Latin America & the	52		23
Caribbean			
Population using unimproved soul		on)	
Developing regions	28		16
Southern Asia	25		13
Sub-Saharan Africa	51		40
South-Eastern Asia	28		14
Western Asia	14		10
Eastern Asia	31		11
Latin America & the	15		7
Caribbean			
Population using improved sanital		opulation)	
Developing regions	42		53
Southern Asia	25		36
Sub-Saharan Africa	28		31
South-Eastern Asia	46		69
Western Asia	79		85

Eastern Asia	43	56
Latin America & the	69	80
Caribbean		

Source: UN (2011, p. 13, 16, 24). Note: Primary enrolment for years 1998/9 and 2008/9; Water and sanitation for 2008.

## 2.4 Inequalities in MDG achievement

The MDGs were agreed at global level and applying them to national level was not the intention of the original architects of the Goals. Nonetheless, identifying national and subnational trends in MDG achievement among different groups does provide useful information on the processes associated with progress and some of the barriers to that progress. The reliance on averages has been one long standing critique of the MDGs, which it is argued can mask serious and systematic discrimination within countries.

There are considerable differences in improvements between urban and rural populations, and worse than average outcomes for some ethnic and religious groups. These and other inequalities have increased in many countries since 2000, and this has led to slower progress on poverty reduction. Globally, between 1981 and 2005, while the impact of economic growth was to lift hundreds of millions of people out of poverty, increases in inequality meant than nearly 600 million people who would have escaped poverty had inequality remained static were denied that chance<sup>40</sup>.

The people who have not benefitted from progress on MDGs 1-7 are not randomly distributed within countries – they tend to be from ethnic minorities, and/or to live in remote areas, and/or to be from religious groups who are discriminated against. Disability is another common and widely ignored source of inequality: UNESCO estimate that one third of the approximately 75 million children who do not attend school suffer some disability<sup>41</sup>. Within these marginalised groups women and girls often fare worse than men and boys.

MDG indicators are consistently worse for disadvantaged groups in every region<sup>42</sup>:

#### Latin America:

- In **Peru**, the national average years of schooling for young adults is just under 10 years. For indigenous people the figure is 7 years, while for poor, indigenous women the figure is 5 years.
- In **Brazil**, 74 per cent of households in the bottom 10 per cent by income are of African descent.

#### Asia

- In **China**, the percentage of underweight children in the richer Eastern provinces (5.8 per cent) is less than half that of the poorer Western provinces (12.5 per cent).
- Ethnic minorities comprised 46 per cent of **Chinese** living in extreme poverty in 2003
- In **Nepal**, under five mortality rates among Dalit communities (90 per 1000 live births) are more than double those of the Newar caste (43 per 1000 live births).
- In **Vietnam**, only 7 per cent of ethnic minority households have access to improved sanitation, while the figure for the majority Kinh and Chinese groups is 43 per cent

#### Africa

- In **Nigeria**, the Southwest region has a childhood mortality rate of 32 per 1000 live births, while the Northwest region has 139 deaths per 1000 live births
- In **South Africa**, black African incomes are around 13 per cent of white incomes
- In **Kenya**, among the Mijkenda/Swahili ethnic groups, 27 per cent of women giving birth have a skilled attendant with them, while for Kikuyu women the figure is 71 per cent.

While the exact dimensions of inequality vary from country to country, depending on the ethnic, regional and religious picture, when aggregated, a systematic picture of inequalities between rural and urban populations, and between the poorest and the rest is quite clear for almost all regions. These pictures will of course be created by the type of intersecting inequalities described in the examples above. Interestingly, the data show that women as a group are not systematically discriminated against – though, as described above, women in groups that suffer inequalities are likely to be worse off than men in those groups.

Table 5: Selected MDG and national averages vs. women, rural population and the poorest

	National Average	Women	Rural	Poorest 20%
MDG 1 - Underweight prevalence	in children under f	ive (%), 2	2003-9	
Developing countries excl. China	23	24	28	40
Sub-Saharan Africa	22	21	25	29
South Asia	42	42	45	56
LDCs	28	27	30	34
China	6	7	8	n.a.
India	43	43	46	57
MDG 4 - Measles coverage %, 20	08			
<b>Developing countries excl. China</b>	81	64	61	51
Sub-Saharan Africa	72	58	55	45
South Asia	74	59	58	44
LDCs	76	65	62	56
China	94	n.a.	n.a.	n.a.
India	70	56	54	40
MDG 5 - skilled attendant at deliv	ery, 2003-9			
Developing countries excl. China	63	-	50	28
Sub-Saharan Africa	46	-	36	24
South Asia	42	-	33	17
LDCs	38	-	29	24
China	98	-	97	n.a
India	47	-	38	19

Source: <u>UNICEF (2010: 51-63)</u>43.

As progress is made against absolute poverty worldwide, the remaining groups are more likely to be those that suffer discrimination of various kinds. Unless action is taken to deliberately address the inequalities they face, then it is possible that progress on global poverty reduction will slow and perhaps even stall. A future global agreement on development will need to incentivise action by governments to address these deep seated inequalities if the aspiration in the Millennium Declaration – to eradicate global poverty – is to be realised.

## 2.5 MDG 8: progress on a global partnership for development

The targets attached to MDGs did not have specific dates attached, which has itself been a source of some contention for NGOs and others. However, indicators mention trade, new technology and essential drugs, and addressing the specific needs of LDCs – which is interpreted as a commitment to increase aid.

The Doha round of trade talks was launched in 2001, the same year as the MDGs. Ten years later, it is still not completed. Globally, the commitment in MDG 8 to 'develop further an open,

rule-based, predictable, non-discriminatory trading and financial system' has clearly not been met. Despite this failure, the percentage of goods from developing countries which enter rich country markets duty-free has increased since the 1990s, and average tariff levels have fallen. Actual trade patterns among developing countries vary enormously. Exports from many Asian countries have continued to increase, and high commodity prices have been a boon for some exporters. However, least developed countries have lost out, with their share of world trade declining to less than one per cent of exports in 2008, and their exports becoming more concentrated on fewer products, making them vulnerable to increasingly volatile markets, particularly for primary commodities<sup>44</sup>. It is probably fair to say that whatever the strengths of the MDG framework, it has not succeeded in incentivising changes in trade rules or other tricky global economic governance issues of relevance to poverty reduction and development.

Aid and debt, however, have fared rather better since the 1990s. Aid volumes have gone up since the 1990s, and debt service ratios for developing countries have gone down, in some cases considerably. As of March 2011, 32 of 40 countries had reach completion point in the HIPC process, leading to cancellation of a significant part of their debts<sup>45</sup>. Despite the economic crisis, 2010 saw \$128.7 billion of net ODA spending, the highest ever real terms level, surpassing even 2005 which saw exceptional debt relief.<sup>46</sup> However, these data also put G8 members off track for their spending commitments made at Gleneagles in 2005.

The DAC secretariat estimated that these commitments implied raising spending from \$80 billion to \$130 billion in 2004 dollars – which would entail a 2010 total of around \$155 billion after adjustment for inflation, \$25 billion short of current DAC ODA. 47 However, most countries have not delivered on the promises of 2005, in which they committed to providing the volume of aid that was then estimated to be needed to meet the MDGs.

The MDGs have also been used in decisions about how to allocate this growing volume of aid. Some donors have made this specific - the European Commission, for example, makes some of its aid provided through budget support conditional on progress toward the MDGs through 'MDG contracts' Overall, aid has tended to be allocated disproportionately to countries furthest from the MDG targets, providing further weight to the argument that the poverty focus of the MDGs was at least correlated with aid spending in recent years. Africa, of course, was been a particular focus of G8 summits prior to the economic crisis of 2009, and aid to Sub-Saharan Africa increased from \$12 billion in 2000 to \$42 billion in 2009.

Since the 1990s, OECD donors have been taking tentative steps to make their aid more effective, by aligning it more directly with the development strategies of developing country governments. The 'Paris Declaration' on aid effectiveness, agreed by the OECD's Development Assistance Committee in 2005, contained 13 specific targets, to be achieved by 2010, on improving the coordination and the responsiveness of aid. However, the DAC's own assessment finds that only one of these targets has been met<sup>51</sup>.

Action on trade rules and on aid is very much the business of governments. However, the other targets in MDG 8 require a combination of public and private sector involvement to be achieved. Access to essential medicines remains limited in many developing countries, with less than half of all public sector health facilities in many countries stocking a range of essential drugs, and drugs for chronic diseases in particularly short supply. The negotiations around intellectual property and generic drugs in the WTO, and a range of public-private initiatives in the area of essential medicines show that progress can happen, but the job is still far from complete.

Access to some technologies has been expanding rapidly in developing countries, driven by private sector investments in mobile phone and internet connections. The rapid developments in mobile phone use and the range of services available show that the private sector can make a huge contribution to driving development, if the incentives and the environment are right. Other areas, such as the spread of green energy provision, or the development of low cost

housing or cooking technologies, could benefit too from an environment where the private sector saw marketing to the poor as a viable business strategy.

## 2.6 New poverty problems since the 1990s

While the situation of poor people has been changing, the world around them has changed as well. The opportunities and challenges they face, and the barriers to progress, are different (in some ways) to those of the 1990s, with new forces emerging to shape the dynamics of poverty and the lives of individuals and households as they experience it. The trends have combined to increase people's vulnerability to different types of shocks, but also to provide new opportunities for escaping poverty and building more secure lives.

#### Climate change

As the impacts of climate change on weather patterns become clearer, it becomes more evident that a very large number of poor people will be increasingly vulnerable to its effects. These make life more uncertain for people already living extremely precarious lives. Of the top 20 countries most at risk of extreme weather in 2015, 19 are countries with large numbers of poor people. They include middle income countries (China, Colombia, Cuba, India, the Philippines, Sri Lanka, Vietnam, Honduras, Thailand, Zambia) and other much poorer countries (Kenya, Somalia, Mozambique, Bangladesh, Djibouti, Ethiopia, Bolivia, Madagascar, Zimbabwe)<sup>52</sup>.

The impacts on poverty vary by country and by group. Some countries, such as India and Indonesia are likely to see dramatic increases in the size of the population vulnerable to sea level rises. With respective increases of 80 per cent and 60 per cent the two countries are likely to house a combined total of over 58 million of the most vulnerable people by 2050. A further 6 million people in China will also be exposed to sea level rise to make the total in that country 22 million. Nigeria, the Philippines and Egypt will also see the size of their vulnerable populations more than double between 2008 and 2050. Of the LICs, the size of Bangladesh's vulnerable population is, unsurprisingly set to grow to around 27 million people – more than double the 2008 size and the second largest vulnerable population within the countries listed.

Table 6: Most vulnerable developing countries to sea level rises and vulnerable populations, 2008 vs. 2050

	Vulnerable population (millions)				
	2008	2050			
MICs					
India	20.6	37.2			
China	16.2	22.3			
Indonesia	13.0	20.9			
Philippines	6.5	13.6			
Nigeria	4.3	9.7			
Vietnam	5.7	9.5			
Egypt	2.1	6.3			
Brazil	2.6	4.5			
Turkey	2.6	3.9			
Malaysia	1.9	3.5			
Thailand	1.8	2.6			
LICs					
Bangladesh	13.2	27.0			
Myanmar	2.8	4.6			

Korea Rep	4.8	5.3
Mozambique	1.2	2.8

Source: Wheeler (2011)<sup>53</sup>. Note: Remaining top 20 vulnerable countries were OECD countries.

A further impact on poverty is through projected losses in agricultural productivity. Here Africa is the continent predicted to be worst affected by 2050. In the period between 2008 and 2050, areas of Africa and Asia are forecast to lose an average of between 10 per cent and 20 per cent in agricultural productivity. Areas in Central Africa and the Southern and Northern extremes of the continent are predicted to experience significant losses of at least 18 per cent while East Africa is likely to be affected less severely, with productivity losses in the region of 10-14 per cent<sup>54</sup>.

The impact of all these, and other changes, on poverty overall is of course still uncertain and dependent on many other factors. Some argue that the impacts of climate change on poverty will be outweighed by economic growth, so that climate change may slow the pace of poverty reduction but will not halt the general positive trends<sup>55</sup>. However, the consensus seems to be the impact of climate change will fall more heavily on the poor than the rich due in particular to higher food prices.

#### **Growth and Jobs**

The 1990s were an era where there was more optimism about the potential for growth to reduce poverty than there is today. In contrast to the expansion of employment opportunities across much of Asia in the 1980s and 1990s, today the phenomenon of 'jobless growth' haunts much of Africa<sup>56</sup>, characterizes much of India's recent experience<sup>57</sup> and is also present in Latin America<sup>58</sup>. South Africa grew at an average rate of five per cent a year between 2003 and 2008, but jobs are being lost – at least one person in three is out of work<sup>59</sup>. In Africa as a whole, a decade of strong growth and export performance has not created many jobs: while exports have growth at 18.5 per cent a year, and GDP at 5.4 per cent, the number of jobs has only increased three per cent per year. Young people are particularly hard hit by rising unemployment<sup>60</sup>.

The quality of jobs may be as important as the quantity, particularly in countries without social security systems where everyone has to be earning some income to survive. The ILO estimates that around 40 per cent of workers worldwide are not earning enough to keep their families above the \$2 a day poverty line<sup>61</sup>. The majority of chronically poor people in India are wage earners, whose jobs are insecure and low paid, and offer very little possibility for accumulating wealth or avoiding risk<sup>62</sup>. These trends are linked to two failures of growth: to create employment and to increase the productivity of employment.

There appears to be something of a quantity/quality trade off emerging in the global demand for labour, as over time the impact of productivity growth seems to be to slow down the rate of employment growth. While in the 1960s, a one per cent increase in output per worker was associated with a reduction in employment growth of 0.07 per cent, by the first decade of this century the same productivity increase implies reduced employment growth by 0.54 per cent<sup>63</sup>.

It is clear that for poor people, and for governments reeling from the impact of the Arab Spring, employment and the lack of it, are a crucial issue. The current MDGs have a target (1b) on full employment, but this has been hard to operationalise and largely ignored. Many voices, including some in the governments of developing countries, are calling for a new post-2015 framework to pay more attention to questions of growth, production and employment. Caution is needed. Not all problems can be solved at a global level, and many issues around growth and employment are a matter for national level policy making, with little that a global

agreement could add. However, a future agreement may want to include different, more effective, targets or other commitments on inclusive growth and/or employment, if it is to properly reflect the preoccupations of poor people and developing country governments alike.

#### Demography, migration and urbanisation

People are on the move everywhere. Within developing countries, continued high rates of overall population growth in some countries (notably in Africa), together with significant rural—urban migration, have contributed to rapid urbanization and related unplanned expansion of low-income settlements on the outskirts of many large cities, or slums<sup>64</sup>.

For poor individuals and households, urbanisation brings greater opportunities with access to a more varied labour market, new business opportunities and greater access to services such as health and education. There are also new risks: urban populations are often reliant on integration into informal employment markets to earn cash income to meet their ongoing consumption needs, and are particularly vulnerable to changes in market prices. In a highly competitive labour market small changes can lead to significant losses of livelihood<sup>65</sup>.

Calculating the numbers for urban poverty is difficult because of lack of data, given the informality of many settlements, and because of the nature of migration, which often involves travel back and forth between rural and urban areas and the expansion of peri-urban settlements. The impact of urbanisation is also felt by rural populations, as remittances flow between households in different areas.

Less than a third (around 300 million) of people living on less than a dollar a day worldwide lived in urban areas in 2008<sup>66</sup>. However this varies considerably by region: in Latin America, three quarters of people who live on less than \$1.25 per day live in urban areas.

Table 7: Estimates of urban poverty as % total and millions, 1988-2008 by US\$1.25 poverty line

	1988	1998	2008
Urban poverty as % total			
Asia	17.4	13.5	27.5
Eastern Asia	13.2	16.0	45.7
South Asia	20.6	13.5	19.3
South Eastern Asia	23.4	5.8	25.5
Sub-Saharan Africa	18.2	23.4	25.0
Latin America	42.4	48.1	73.5
Middle East and North Africa	1.0	38.7	59.9
Developing world	19.5	17.1	28.4

Source: Data processed from poverty data presented in IFAD (2011)

Alternatively, if one makes the assumption that slum dwellers, whatever their income, constitute the urban poor, the figure was around 830 million people in 2010. As with absolute poverty, the proportion of people living in slums has fallen since 1990, but the absolute numbers have been increasing. Overall reductions in the incidence of slum dwellings between 1990 and 2010 have been most significant in Asia with an average shrinking in the size of slum populations of more than a third. This brings the overall proportion of people living in slums to under 35 per cent of the total urban population. In sub-Saharan Africa, despite a nearly 30 per cent reduction in the size of urban slum populations, over 3 in 5 urban dwellers are still living in slums, nearly double the proportion found in any other developing region. The absolute numbers of people living in slums have risen since 1990 in every region of the developing world due to the greater numbers of people now making up the urban population. In sub-Saharan Africa, the number of people living in slums has nearly doubled over the period

1990-2010.

Table 8: Urban population living in slums

Table of Gradit population it in girl oranic									
	1990	1995	2000	2005	2007	2010			
% urban populati	% urban population								
Developing	46.1	42.8	39.3	35.7	34.3	32.7			
regions									
SS Africa	70.0	67.6	65.0	63.0	62.4	61.7			
LAC	33.7	31.5	29.2	25.5	24.7	23.5			
Eastern Asia	43.7	40.6	37.4	33.0	31.1	28.2			
Southern Asia	57.2	51.6	45.8	40.0	38.0	35.0			
SE Asia	49.5	44.8	39.6	34.2	31.9	31.0			
Millions of people	e (thousands)								
Developing	656,739	718,114	766,762	795,739	806,910	827,690			
regions									
SS Africa	102,588	123,210	144,683	169,515	181,030	199,540			
LAC	105,740	111,246	115,192	110,105	110,554	110,763			
Eastern Asia	159,754	177,063	192,265	195,463	194,020	189,621			
Southern Asia	180,449	190,276	194,009	192,041	191,735	190,748			
SE Asia	69,029	76,079	81,942	84,013	83,726	88,912			

Source: UNHABITAT, 2010.

People are also on the move between countries. While the overall numbers are difficult to assess – not least because much migration is illegal – the UN DESA estimates that there are around 214 million migrants in the world today, sending an estimated \$440 billion back to their home countries in 2010 (up from \$132 in 2000), of which \$325 billion went to developing countries<sup>67</sup>. Migration can bring huge gains to migrants, to source countries and to destination countries, but political pressures mean that migration is still highly restricted. One estimate has the potential gains to the global economy of liberalising the movement of people at between 50 to 150 per cent of global GDP<sup>68</sup>. These are astonishingly large numbers.

Driving some of this increase in mobility is the increasing youth of the population in many developing countries. Increasing life expectancy and declining fertility (in some countries) has meant that the proportion of people of working age has increased in both LICs and MICs in the last 20 years. This creates the kind of dynamic population likely to migrate internally or internationally, and also offers the possibility of a 'demographic dividend'. An IMF working paper estimates that between 40-50 per cent of the remarkable rise in per capita incomes in India since the 1970s is due to the changing structure of the population<sup>69</sup>. In China, an aging population structure might start to slow growth rates at some point in the future, while in Africa, still-high (though declining) fertility rates mean that the demographic dividend might be slower in coming. The impact is not only economic – a growing, increasingly educated, and young population are also likely to demand political reforms, as the governments of Egypt, Tunisia and Libya discovered to their cost during 2011.

Although fertility has been declining in almost all countries since the 1980s, a number of countries, particularly in Sub-Saharan Africa, still have fertility rates well above replacement level, and will have to cope with growing populations for several decades to come. While this puts extra pressure on health and education services, and potentially limits the employment prospects for women, it also raises the possibility of a large and energetic population of young people contributing to future growth. It is notable that although lack of access to contraception is clearly a huge health problem for many women, academic estimates indicate that providing universal access to contraception would reduce the future population of Africa by just ten per cent by 2050<sup>70</sup>. Other policies to reduce fertility are well known: improving women's education has a sometimes quite dramatic effect on fertility rates, and raising incomes, providing improved health and education services and other policies which reduce infant mortality are also important. These policies, of course, are entirely congruent with the

existing MDG agenda and are likely to form a very substantial part of any post-2015 global agreement as well.

#### Poverty in middle income countries

In 1990, more than 90 per cent of the world's poor lived in LICs. Now, more than 70 per cent – up to a billion of the world's poorest people or a "new bottom billion" -- live in middle-income countries.

The proportion of extremely poor people living in fragile states has risen from 14 per cent (mainly low-income countries) in 1990 to 24 per cent (of which nearly half were in low income fragile states and half in middle income fragile states) in 2008, but the vast majority of the world's very poor people do not live in fragile states.

Over this period several countries with large populations (and specifically large poor populations) have shifted from LIC to MIC status as their average per capita incomes have risen<sup>71</sup>

Table 9: Global distribution of world poverty (% of world poor, \$1.25, adjusted base years) by country type, 2007

	Millions	% world poverty
Low Income Countries (LICs)	342.7	29.1
Middle Income Countries (MICs)	836.0	70.9
Total	1178.7	100.0
Low-income, non-FCAS	194.2	16.5
Low-income, FCAS	148.5	12.6
Middle-income, non-FCAS	711.9	60.4
Middle-income FCAS	124.0	10.5
Total	1178.6	100.0
FCAS Total (43 in 2008)	272.6	23.1
China and India	561.33	47.6

Sources: Processed from World Bank PovCal Net. Notes: FCAS (Fragile and Conflict-Affected States) = 43 countries of combined three lists as per OECD (2010); LIC/MIC status is based on World Bank country classifications for World Bank financial years 1992 and 2011 (which are based on GNI per capita atlas data for two years.)

Projections of the future geography of poverty point in different directions. Moss and Leo<sup>72</sup>, estimating future GNI per capita, suggest the number of LICs may well fall to around 20 in 2025 moving more of world poverty towards the MICs over time. However, Chandy and Gertz<sup>73</sup> project that this proportion of the world's poor in MIC will fall slightly to around 55 per cent in 2015. This projected fall of the share of the world's income poor in the MICs is based on an assumption of static inequality and thus fast falling poverty in the MICs especially so in India and China (see earlier discussion)

While to some extent the division between low and middle income countries in an arbitrary one, there are real differences between the groups in terms of their average per capita incomes and their human development indicators. There is also a stark difference in their aid dependence, with MICs much less aid dependent than the poorest countries.

There are also clear differences within the MIC group, particularly in regards to the need for official development assistance (ODA). There are "emerging" powers, such as India and Indonesia that have little need for ODA but still have substantial poor populations. Large fragile MIC, such as Nigeria and Pakistan, also have large numbers of poor people and may have limited need for ODA, but state capacity for poverty reduction and public health programs

are a significant constraint. Stagnant, non-fragile MICs may need ODA to support productive capacities, including human capital investments in health and education, and there are also fast growing LICs, which will graduate to MIC status soon.

Table 10: MICs and LICS, key indicators

Indicator	Data periods	LICs	LMICs	LMICs minus China and India	LMICS minus China, India, Pakistan, Nigeria and Indonesia	UMICs
GNI per capita (Atlas, current US\$)	2009	494.5	2276.3	1851.4	2112.7	7480.3
GNI per capita (PPP, current int'l \$)	2009	1156.5	4703.6	3769.0	4370.0	12494.9
Human Development Index	2010	0.39	0.58	0.55	0.58	0.71
Non-Income HDI	2010	0.46	0.62	0.60	0.63	0.74
Poverty headcount (% population, US\$1.25) (non-adjusted base years)	2000-2007	52.4	27.1	25.4	15.6	5.2
Net ODA received (% of GNI)	2008	12.3	0.6	1.5	2.2	0.2
Net ODA received (% of gross capital formation)	2008	51.3	2.0	5.8	7.8	0.9

Source: Data processed from World Bank (2010; 2011b); Data refer to the most recent available data within that period and if there is no data between those periods, then that data point (for a particular country, for a particular indicator) is ignored; all table lines are population weighted as follows: (sum of (indicator x country population))/total population of countries with data on that indicator); correlations use the most recent data in the periods stated (Atlas GNI pc, 2009; HDI 2010; Non-HDI 2010; Poverty headcount 2000-2007).

One key issue for MICs is the role that domestic resource mobilisation can play in financing development. Domestic taxation is a much larger part of the story than in many low income countries. Martin Ravallion<sup>74</sup> of the World Bank has estimated the marginal tax rates (MTRs) on the 'rich' (those earning more than \$13 per day) required in order to end poverty in each country. The rate varies considerably: in India, for example, the poverty gap would require an MTR on the 'rich' of over 100 per cent. In general, the research suggests argues that most countries with an average per capita income over \$4,000 would require very small additional taxation to end poverty. This finding is borne out in the experience of cash transfer schemes in Latin America: Brazil's *Bolsa Familia* which distributes US\$50/month to 11 million families cost about 0.5 per cent of GDP in 2005<sup>75</sup>, and Conditional Cash Transfers in Brazil, Mexico and Chile have cost less than 1 per cent of GDP and have accounted for 15-21 per cent of the reduction in inequality in those countries<sup>76</sup>.

As more countries become richer, and poverty is a function of national as well as global inequality, the capacity to redistribute will become an important issue for poverty alleviation in middle-income countries. Public service provision will be crucial: clearly, if public services are of low quality, the middle classes are more likely to consider themselves a loser in the fiscal bargain and less willing to support redistributive fiscal policy<sup>77</sup>.

Chronic poverty: Vulnerability and exclusion

Since the 1990s there has been a growing awareness of the importance of vulnerability and exclusion in understanding and explaining poverty. The Chronic Poverty Research centre, which has led the research effort in this area, was set up to 'challenge the apparent omission of almost a billion people from the 2015 poverty target of the MDGs'<sup>78</sup>. The focus was on the half of the world's poor who would remain poor even if the MDG target was reached: on identifying them, analysing why they would remain poor, and devising policy recommendations to tackle poverty in these hard to reach groups.

Around half a billion people – that is just over one third of all people living on less than \$1.25 a day – are likely to be chronically poor <sup>79</sup>. These are people who are likely to remain poor all their lives, and to pass their poverty on to their children. Their poverty is structural – caused by social relationships like discrimination on the basis of ethnicity or disability; or by economic relationships such as 'adverse incorporation' into labour markets; or by geography – the chronically poor are more likely to live in remote areas ill-served by roads or other infrastructure; or by personal circumstances such as ill-health or bereavement. The combination can means that particular groups are particularly likely to be trapped in poverty: Scheduled tribes in India, ethnic minorities in Vietnam, residents of Northern provinces in Uganda. Shocks – economic, environmental or conflict-related can push people into chronic poverty very fast, while escaping it requires the painstaking building up of assets over time.

The increasing number and severity of both environmental and economic shocks since the 1990s has focused more attention on vulnerability and risk as key aspects of poverty. NGOs have been developing models of 'disaster risk reduction' – trying to reduce the potentially devastating consequence of environmental shocks by increasing community preparedness, while there has been increasing interest in social protection and other transfers partly for their role in providing a minimal level of security of income.

As poverty falls in fast-growing middle income countries, an increasing number of those remaining are likely to be chronically poor, and to be poor because of discrimination and exclusion as much as because of a society-wide lack of opportunity. Deliberate policy measures are therefore required to address poverty in this group: measures such as social protection to provide insurance against shocks, rules such as those on asset ownership and transfer of assets to prevent particular groups, such as widows from being forced into poverty, and spending decisions which prioritise remote regions and excluded groups.

## 2.7 What will poverty look like in 2015?

What problems will a new post-2015 agreement need to solve? The MDGs were designed for a world where absolute poverty was the main preoccupation, and where getting people above a minimum threshold of human development, with the help of external resources, seemed to be the priority.

Those problems have not gone away. The significant number of people living in low income countries on below \$1.25 a day in 2015 will be living very similar lives to the ones their parents were living in the 1990s. However, the world has changed and the problem of poverty has changed with it. Three major changes stand out:

The very poorest, those left behind by progress since the 1990s, are increasingly
enmeshed in a web of inequality and discrimination which limits their chances of improving
their own situation, and makes their escape from poverty a matter of social and political
change as well as economic opportunity or resource transfers. The architects of a new
post-2015 agreement will have to think hard about what global actions are most likely to

benefit the marginalised and excluded within developing (and, in some cases, rich) countries

- Those whose lives have improved are still living in a situation of deep vulnerability and risk. New challenges such as climate change or economic shocks can push them back into poverty, and traditional routes out, like the creation of new jobs through the expansion of manufacturing industry might be more difficult, but new opportunities such as urbanisation or international migration can help people to protect themselves against risk and continue to improve their and their children's lives. The architects of post-2015 will have to think about poverty in a dynamic sense, rather than simply as a single threshold to be crossed.
- Poverty will be even less defined by national boundaries in 2015. Poor people will
  increasingly live in countries which are themselves growing rapidly. A global agreement
  will no longer just be about resource transfers from rich to poor countries, but about
  identifying where collective action at a global level can help to diminish the barriers which
  stop people from escaping poverty, and reduce risks which can push people back into
  poverty again.

### 2.8 New thinking about poverty since the 1990s

The MDGs were very much informed by the 'human development' paradigm which defined progress in terms of social indicators such as health and education outcomes. This was a deliberate counterbalance to the previous focus on economic growth as the main, if not the only, indicator of progress, and as such has been extremely influential. But, inevitably, as with the nature of poverty itself, so also thinking about poverty, has moved on since the 1990s. The sharp divide between human development and growth focused approaches has to some extent broken down, and instead more holistic approaches attempt to broaden the range of issues of concern and focus more on the complexities of poverty and poverty reduction.

Four main trends are important in considering if the MDG approach is still the only or the best lens through which to analyse the problems a global agreement would be aiming to solve.

#### Participatory poverty assessments and surveys: how poor people understand poverty

Policy makers and researchers know a great deal more about how poor people themselves define poverty, and their priorities for action in tackling it than they did in the 1990s. During the 1990s the World Bank and other donors started to invest more in participatory exercises to complement the quantitative analysis based on poverty lines and other indicators. The most ambitious of these was the Bank's 'Voices of the Poor' study<sup>80</sup>, published in 2000, which involved tens of thousands of people across the world. More recently, survey companies such as Gallup and Globescan have started to include representative samples of people from developing countries in their regular polling exercises, generating extra information on the needs and concerns of poor people<sup>81</sup>.

These new approaches have thrown up some challenges to the human development approach as encapsulated in the MDGs. Firstly, a range of issues not included in current metrics for poverty monitoring – such as the threat of violence, or emotional issues such as the humiliation involved in being poor – turned out to be high on the agenda of poor people, as ways of defining poverty and as priorities for action. Secondly, they revealed that existing issues should be looked at through a different lens – so that material dimensions of poverty are seen as important, but for poor people assets are as important an indicator of material poverty as incomes, the more commonly used measure in the MDGs as elsewhere.

Thirdly, within the MDG approach, the priority given by poor people to different dimensions of poverty often does not reflect what donors prioritise through their spending. A recent Gallup World Survey exercise surveying 26 countries in Sub-Saharan Africa to establish African views about the relative importance of different MDGs found that, unsurprisingly, reducing poverty

and hunger ranked top, followed by reducing the spread of HIV and Aids and then providing more jobs for young people<sup>82</sup>. Despite its inclusion in the survey, providing jobs is an area that did not figure highly in the MDGs, and has been neglected by donors for many years. There is clearly something of a disconnect between the outcomes considered important by poor people and those prioritised by donors through the MDGs framework, a disconnect that should be rectified in any new post-2015 strategy.

#### Wellbeing

Ideas around 'human wellbeing' are emerging as a complement to the more traditional and material ways of conceptualising and measuring poverty and deprivation. The commission recently appointed by President Sarkozy of France is one of several recent attempts to look at alternative measures of progress. The commission, which included both Joseph Stiglitz and Amartya Sen, identified eight dimensions of wellbeing which are critical to happy and fulfilled lives 83:

- Material living standards
- Health
- Education
- Personal activities including work
- Political voice and governance
- Social connections and relationships
- The present and future environment
- Security, both economic and physical<sup>84</sup>

In the development landscape, the five-year, multi-country research of the ESRC Wellbeing in Developing Countries (WeD) network (e.g. Copestake, 2008; McGregor, 2007; White, 2008, 2010) was crucial in formulating ideas and starting to identify indicators to measure progress in this area. The project defined its approach in terms of seven indicators of wellbeing, drawing more on subjective and psychological dimensions of wellbeing than the Sarkozy Commission's list, which includes 'enjoying peace of spirit'; 'experiencing self-worth' and 'sustaining close relationships', among others<sup>85</sup>. These different dimensions can be summarised into three categories: (i) needs met (what people have); (ii) meaningful acts (what people do), and; (iii) satisfaction in achieving goals (how people are)<sup>86</sup>.

The first three of these map clearly on to the existing MDGs. However, for the architects of any post-2015 agreement, the wellbeing approach offers a further challenge to incorporate more subjective and holistic concepts of progress. The question will be which of these can usefully be measured and incentivised at a global level, and which should remain at the national or even sub-national levels of analysis.

#### **Complexity and Process**

A quite different strand of new thinking focuses less on specific objectives and more on an improved analysis of how change happens and what role outsiders can play in that process. It implies a greater humility about the role that outsiders can play in development, and a greater awareness of the limited and uncertain benefits of aid and other forms of assistance.

A focus on process, and the uncertain way that intentions or actions are translated into impacts on the ground, is a direct challenge to the idea of target setting in development. The emphasis is on adaptive change, being prepared to amend objectives as the situation changes, being responsive to local circumstances and flexible in the means and the timing of getting results. Learning from more process driven ideas will be important in thinking through how any new agreement could actually play out at national or sub-national level, and how

monitoring and accountability mechanisms could be designed to encourage flexibility while retaining the urgency that drives action.

There are many and diverse examples of new thinking in this area, but the key ones are:

- In economics, the 'growth diagnostics' framework developed by Dani Rodrik and applied (in a somewhat different version) through the UK's International Growth Centre
- In politics, increasing interest in how donors can relate to political processes in developing countries, for example in ODI's 'Africa Power and Politics Project'<sup>87</sup>
- Across disciplines, a growing academic focus on the role of complexity, and an associated interest in what aid and development can learn from other processes such as biological evolution<sup>88</sup>

#### Trends in social policy in developing countries

Like poverty itself, and like the analysis of poverty, poverty policy is subject to revision and evolution. In sharp contrast to the 1980s and 1990s, an era when Structural Adjustment policies dominated the landscape of low income countries, with their focus on cost-cutting, user fees and private sector provision, today's trends in social policy are towards a more universalist system of provision. Two things in particular stand out.

- 'Social protection', a term given to a range of measures including, but not limited to, cash transfer programmes, is an idea which, among developing countries, began in Latin America but has spread to every continent. The idea that if people are poor one remedy might be to give them money was surprisingly slow in coming to development practice, despite the fact that cash transfers of one sort or another are the cornerstone of welfare policies in most OECD countries. Social protection policies can offer protection against just the sort of risks and shocks that are becoming a larger feature of the landscape of many people's lives. Sometimes the cash is conditional on certain behavior such as sending children to school. Conditional or not, the impact of these programmes is quite remarkable: high school enrollment in Mexico, for example, doubled for children whose families are in the *Oportunidades* social protection programme<sup>89</sup>. Social protection schemes now exist on every continent, and more are being introduced almost daily. The costs can be small a few percent of GDP, and the benefits substantial.
- Free health and education. During the 1980s and 90s the received wisdom was that user fees had to be charged for health and education services, to raise funds and to ensure that those using the services really needed them. This view had many critics the idea of charging already poor people to use essential services was anathema to many NGOs and social movements in developing countries and in donor countries. In recent years a number of developing country governments have chosen to make these services free to users. Kenya's announcement in 2003 that primary education would be free to all was met with a mass influx of students to schools, and a halving of families' expenditure on education. However, standards seem to have fallen as the resources available to state schools could not cope with the increased numbers of students, and the proportion of children enrolled in private schools has gone up, possibly leading to the opening up of new inequalities in educational attainment 90. In Sierra Leone, a basic package of health care for pregnant and lactating women and for children under five has been free since April 2010. Many more women and children attended clinics, but as with Kenya's experience in education, increased demand was hard to meet given shortages of staff and of drugs and other equipment 91

Whatever the limitations of existing schemes, this changing approach to social policy in developing countries makes the universalist aspirations of the Millennium Declaration a much more realistic prospect. The idea of a basic package of income and social services for all is no longer a utopian ideal but a real project that many governments, including some extremely poor ones, are working to achieve.

#### Conclusion

A new global development agreement should be based on a good analysis of the nature of poverty, the trends likely to affect who stays poor and who escapes poverty, and by a growing understanding of the meaning and measurement of what it is to be poor. While there has been much progress since the MDGs were agreed, too many people remain in absolute poverty, and too many people remain vulnerable to shocks and changes that might push them back into poverty at any moment. Inequality and vulnerability need to take a more central place in post-2015 thinking if today's problems are to be solved. For many developing countries, tackling the problem of growth and joblessness will be crucial to getting political support for any new agreement, and to making gains that are sustainable over the long term. And in addition, a growing understanding of how poor people understand poverty, and of the complexities in trying to define and tackle it are part of our reality in a way that they were not in the 1990s.

In trying to address this more complex picture, the politics will be easier if a new agreement goes 'with the grain' of current anti-poverty policy than against it. Developing countries are innovating rapidly with new approaches and instruments to address the current problems of poverty they face, and these can be a useful place to start in thinking through how to tackle the new realities of poverty and vulnerability beyond 2015.

## 3 The changing face of multilateralism

Getting a new agreement is not only about the right analysis of past agreements and of current problems, but, crucially, is about understanding and working with current politics. Global governance has a bad reputation of late, with failures to agree binding climate change targets and the slow death of the WTO's Doha round held up as examples of a weak commitment to multilateralism by key powers. Recent global shocks do not seem to changing that picture. Although a combination of economic and climate related shocks have increased global risk and insecurity, the political impact of both has been, paradoxically, to close down the space for policy makers to deal collectively with the causes of these shocks.

#### 3.1 Economic shocks

One of the most obvious features of the current political economic landscape is the global financial and economic crisis. Recent events have made clear that the financial and then economic crisis that erupted in 2008 has not been resolved – on the contrary, as a recent research paper by the investment bank UBS put it, this is the "same crisis, three years older, just more political". 92 The crisis has a number of facets, including:

- A sovereign debt crisis at present rooted primarily in OECD economies, but with extensive implications for emerging economies, in terms of both the value of their foreign exchange holdings (China is estimated to hold around \$2,000 trillion in US dollar denominated assets<sup>93</sup>), and the wider risks of a global downturn or even depression.
- A *financial* crisis which can be seen in the enormous price volatility across many asset classes in 2011, and in still-unresolved accumulations of bad debts and 'toxic' assets. While developed country bad debts have received most attention, the issue also extends to other economies (e.g. bad loans to local government in the Chinese banking sector<sup>94</sup>).
- A *trade* crisis seen in the fact that the Doha trade round remains on life support despite numerous attempts to resurrect it, in competitive currency devaluations between major trading nations (on which the Brazilian finance minister has been especially vocal<sup>95</sup>), and in ongoing global trade imbalances.
- A jobs crisis unemployment in both the United States and the Eurozone is now close to 10 per cent, pay levels are stagnant even as price inflation remains high, and labour's share of GDP is now at or close to all-time lows in OECD economies. All of these factors create intense political pressures. While emerging economies have higher growth and lower unemployment, there are weak signals that the phenomenon of 'jobless growth' could spread beyond OECD economies. 96

Overall, the global economic outlook appears gloomy and hallmarked by considerable risk. Perceptions appear to be growing that OECD policymakers are running out of ideas on the economy, with stimulus plans and quantitative easing having failed to deliver the hoped-for results. <sup>97</sup> More fundamentally, the sheer pace, complexity and severity of the current crisis has led to fears that governance systems may simply be overwhelmed, leading to kneejerk policy responses at moments of institutional breakdown. <sup>98</sup>

As noted above, while the current crisis is heavily concentrated in OECD economies, emerging and developing countries are also vulnerable to some aspects of it. Perhaps more fundamentally for any post-2015 development framework, the economic crisis also places

donor countries in an introspective mood in which policymakers will be under more pressure to 'focus on problems at home'.

The current economic crisis contrasts markedly with the economic situation that obtained during the MDGs' gestation period. During the 1990s, OECD economies were experiencing a "long boom". 99 Sovereign debt and major financial crises were confined to Africa and Latin America during the 1980s and early 1990s, and then to Russia and Asia in the second half of the 1990s, but not to OECD countries.

And the status of liberal economic orthodoxies has also shifted. During the early 1990s, the 'Washington Consensus' was at its apogee. While the MDGs themselves were supposed to represent a move away from orthodoxy and towards 'country ownership', the extent to which this was really the case remained contentious. Now, by contrast, liberal economic models may be on the retreat as a result of the economic crisis, with much greater contestation of the balance between both markets and planning, and between citizens and states.

#### 3.2 Climate and resource shocks

Sustainable development issues were undoubtedly on the political radar during the MDGs' formation during the 1990s. The Brundtland Commission had published its report *Our Common Future* in 1987<sup>100</sup>; the Rio 'Earth Summit' in 1992 seemed to hold out the promise of a synthesis of development and environment (although the reality fell some way short); and concern about climate change grew throughout the decade, in particular as negotiations on what was to become the Kyoto Protocol got underway from 1995 onwards. Environment had also been allocated its own Millennium Development Goal, number 7 – although it risked appearing an afterthought next to the much greater specificity of goals 1 to 6.

Even so, today's political context for issues of environment, resource use, climate change and sustainability is very different. Firstly, climate change has stopped being a theory, and started being a major driver of change all over the world - with key impacts, above all the rate of melting of Arctic sea ice, taking place much faster than anticipated. Concern is also growing over the risk of abrupt changes as key (and unquantified) thresholds are passed. <sup>101</sup> IPCC projections suggest that most key near-term impacts on developing countries will stem from reduced water availability, together with falling crop yields in low latitudes (i.e. where most poor people live), tens of millions of people at additional risk in densely-populated coastal 'megadeltas' in Africa and Asia, and health effects (especially on the poor, elderly, young and marginalised). <sup>102</sup>

The problem of climate change is still outpacing the solution. Since 1990,  $CO_2$  concentrations in the air have risen from 354 to 390 parts per million (ppm). <sup>103</sup> The International Energy Agency forecasts that without emissions will rise by another 21 per cent a year from 2008 to 2035 under the modest policies agreed at Copenhagen. <sup>104</sup>

The economic impacts of climate change are increasing – but will not necessarily be drivers for action on the issue. Firstly, oil markets are much tighter. In 1990, oil cost \$23 a barrel (just under \$40 in 2011 dollars). Today, Brent crude is at \$110, having reached \$147 in 2008. The IEA is warning that investment in new production is inadequate to meet future demand, setting the stage for further volatility in future. Since high prices are primarily the result of steep demand increases, they are unlikely to result in significantly lower carbon emissions. They are, however, a major driver of global inflation, with especially severe impacts on import-dependent low income countries.

For most of the 1990s, food prices were in a long term slump. Now, prices are much higher as a result of heightened demand (growing population, an expanding global middle class, more crops going to biofuels), tighter supply (under-investment in agriculture, more expensive

inputs, low stock levels, 'Green Revolution' yield gains running out of steam, droughts and extreme weather events) and other factors (including policies such as subsidies and export bans, and – to an uncertain extent – the effect of large amounts of capital flowing into commodity index funds). The FAO Food Price Index now stands at 231, as compared to 90 in 2000; the number of undernourished people has risen from around 850m in 1990 to close to a billion. Dooking ahead, food demand is projected to rise 50 per cent by 2030 even before other demand sources for land – including biofuels – are taken into account. Dooking and Dooking and Dooking biofuels – are taken into account.

The impact of these changes is to intensify a global competition for resources, both within states and internationally. 80 million hectares of land access deals have been agreed since 2001 (with over half the total in Africa), replicating the scramble for oil and mineral resources already underway in many developing countries. 111 As supply / demand balances tighten further in future, security of supply concerns may drive more 'resource nationalism policies, as well as panic measures like food export bans – although these pressures *might* catalyse more international cooperation instead.

The combined effect of these shocks may well prove to have narrowed the political space for collective global action, leading to a paradoxical situation in which, as Mark Malloch Brown puts it, "the dilemma of the modern politician is that the answers are abroad but the votes are at home". 112 Economic upheaval has seen increased pressure on politicians to concentrate on 'issues at home', despite the fact that the global economic crisis can reasonably be argued to stem at least in part from a failure to manage risks globally. When policymakers *do* manage global risks effectively (as in the risk of an avian flu outbreak in 2009), they can find themselves criticised for overreacting. 113

## 3.3 Changing global politics

The global balance of power has changed enormously since the 1990s. Back in 1990, China was not among the world's 10 largest economies (by PPP-adjusted GNP). Today, it is the second biggest. India and Brazil are both in the top ten too, and half the next ten are emerging as well. 115

From a development perspective, the rise of the new powers has been an extraordinary – and positive – driver of change. Millions of people have been lifted out of poverty in the emerging economies, making them the single most important driver of progress towards meeting the MDGs, and challenging old categories of North and South, or OECD and G77. Emerging economies have also been the launch pads for powerful innovations in poverty reduction and sustainable development, for example in scaling up access to social protection (e.g. Mexico, Brazil, India, China) and high rates of renewable energy and clean technology roll-out (especially in China). 116

While then the G8 was the core economic grouping which essentially led global discussions on most issues of importance, current global governance is both more diffuse – with the rise of the G20 – and more concentrated, with growing talk of a 'G2', consisting of the USA and China as the major economic and political global power bases. An alternative view is that there is little effective leadership at all.

At the 2011 World Economic Forum in Davos, much of the conference talk was around the idea that far from moving from a G8 to a G20 world, international relations was in fact sliding into a 'G Zero' model. The term, coined by Ian Bremmer and David Gordon, refers to a situation in which, "For the first time since the end of World War II, no country or bloc of countries has the political and economic leverage to drive an international agenda." 118

Certainly, the G20 has not quite lived up to its early promise. Early hopes that the G20 would become a key global leaders' forum appear over-optimistic, as the body's track record since

2008 shows limited appetite for taking on a broader role than economic crisis management (and even there, the G20 has arguably failed to live up to the expectations set at the 2009 London Summit).

Other multilateral institutions have fared even worse. Two of the most important multilateral processes for development – the Doha round and UNFCCC talks on what should follow Kyoto after its expiry in 2012 – appear to be at risk of becoming 'multilateral zombies' (staggering on, never quite dying). Prospects for the Rio 2012 sustainable development summit appear poor. <sup>119</sup> Much as in 1995, a period of 'summit fatigue' appears to be setting in.

The general weakness of multilateralism has led to a diminishing role for the UN. The institution found itself on the sidelines of global responses to the economic crisis, and has also lost credibility as a result of growing questions about the effectiveness of summit processes like the UNFCCC. Secretary-General Ban Ki-moon has stated that sustainable development will be the key priority of his second term as SG – so much rides on how the outcome of the Rio 2012 summit is seen.

However, regional multilateralism has shown continuing innovation in the last few years, particularly among emerging economies, which have shown considerable appetite for creating and testing out new cooperation forums. Among the most significant are the BRICs, which have held annual summits since 2009; BASIC in the climate change context (Brazil, South Africa, India, China), which played a pivotal role at Copenhagen; the India-Brazil-South Africa dialogue forum, or IBSA; and the Shanghai Cooperation Organisation, a mutual security body that brings together Russia, China and several Central Asian states.

### 3.4 Changing national and regional politics

The limited prospects for multilateral action also apply at the level of individual countries and blocs:

- The European Union is in highly introspective mood as it confronts the continuing economic crisis in the Eurozone, which both raises questions about the future of the European 'project', and illustrates Europe's struggle to act collectively even when the future of the European project may be at stake. Even before the Eurozone crisis began, Europe's capacity to set and pursue global agendas was being called into question, with the Lisbon Treaty seeming to create more rather than less incoherence between EU institutions, the birth of the EU External Action Service appearing to be a damp squib, and Europe left on the sidelines at the Copenhagen climate summit.
- The United States is in a state of political sclerosis, to the extent that wrangling over how to reduce the US's budget deficit led to serious discussion of the possibility of a sovereign default, and an actual downgrade of US debt by Standard and Poor's. While an isolationist streak to US foreign policy is nothing new, the rise of the Tea Party movement has made this more pronounced, as shown for example in recent sizeable spending cuts applied to the State Department and foreign aid budget. 120
- Emerging economies have become indispensable to collective action on most global issues including aid. But while emerging economies are becoming more confident in foreign policy, they appear for the most part reluctant to set major global agendas. Instead, there is often a tendency to emphasise G77 solidarity and a rigid north/south divide overlooking the extent to which this divide has become much more blurred in recent years. There is also increasing concern that emerging economies' expansion is also contributing to deadlock in some political processes (e.g. climate change, trade).

Low income countries have limited opportunities for influencing top level multilateral agendas, particularly given their de facto exclusion from the G20. But they can exert leverage where they organise themselves successfully into blocs. One long-standing example of that is the AOSIS group of small island states in the climate context, who have achieved high visibility and moral suasion despite their tiny size and invisibility in most other multilateral contexts. More broadly, some low income countries – such as Bangladesh, Ethiopia, Ghana, Malawi, Rwanda and Tanzania – have been active and constructive members of the Cartagena Dialogue for Progressive Action on climate change.

### 3.5 The changing face of aid and development cooperation

These changes have particular ramifications for the narrower world of aid. Emerging economies are now becoming aid donors rather than (or in some cases as well as) being recipients. Aid from non-OECD members reached \$11.2 billion prior to the financial crisis), with aid from the BRICs more than doubling. <sup>121</sup> This compares to a total of \$129 billion in ODA spent by OECD DAC members in 2010. <sup>122</sup> Perhaps more fundamentally, many low income countries increasingly regard emerging economies as providing the development models that they aspire to follow. As *The Economist* sums up, "the establishment donors' aid monopoly is finished". <sup>123</sup>

As well as new countries, other new actors have emerged as key players in global aid debates. While foundations such as Ford and Rockefeller have existed for decades, the emergence of new philanthropic donors on the scale of the Bill and Melinda Gates Foundation (BMGF) is new since the 1990s. Although the BMGF was founded in 1994, it was scaled up dramatically after 2000, and now has an endowment of \$36.3 billion. Philanthropic donors now have tremendous reach, influence and agenda-setting capacity in international development and other sectors. In addition, the potential for climate finance to both substitute for and complement traditional aid flows is huge – current commitments for resource transfers from rich to poor countries for climate mitigation and adaption are around \$100 billion a year 125

Among traditional donors, the most recent data tell a surprisingly upbeat story: despite the economic crisis, 2010 saw \$128.7 billion of net ODA spending, the highest ever real terms level, surpassing even 2005 which saw exceptional debt relief. However, these data also put G8 members off track for their spending commitments made at Gleneagles in 2005. The DAC secretariat estimated that these commitments implied raising spending from \$80 billion to \$130 billion in 2004 dollars – which would entail a 2010 total of around \$155 billion after adjustment for inflation, \$25 billion short of current DAC ODA.

How aid is given, and how it is organised, have also undergone something of a change. Institutions are different: as well as the traditional bilateral and multilateral donors, the proliferation of 'vertical funds', such as the Global Fund to Fight Aids, TB and Malaria, of public private partnerships such as the Global Alliance for Vaccines and Immunisation (GAVI) and other models, have led to changes in the organisation and distribution of aid. In addition, and responding to growing concerns from civil society, recipient governments and others, donors have been attempting to improve the quality of their aid. The 'Paris Declaration on Aid effectiveness', agreed under the auspices of the OECD in 2005, was a response to growing evidence of the importance of 'country ownership' to development. The Declaration contained a number of principles to guide donor action, with the intention of supporting country ownership and reducing the distortions and transaction costs that aid from multiple sources can bring. A major meeting in Busan in November 2011 will review the success of the Declaration and suggest ways forward.

Disappointingly, in the run up to that meeting, a review of donor action found almost unanimous failure to meet the principles of the declaration. Only one of the 13 targets set in

2005 had been met by the deadline year of 2010<sup>128</sup>. In addition, declaration has been criticised for being unduly optimistic about the developmental orientation of many developing country governments. It is suggested that the purpose should not be maximising country ownership per se, but also on using aid to build country ownership of development strategies through institutional development and political change<sup>129</sup>

A second, newer, dynamic leading to changed aid practices is the increased focus on results and outcomes in major donors, chiefly the UK and the USA. The intention is to improve accountability of donors to their taxpaying publics and to tackle the growing perception that 'aid doesn't work'. Examples of innovations deriving from this approach are:

- The 'cash on delivery' approach to aid, developed by the Centre for Global Development in Washington<sup>130</sup>
- The 'results agenda' in the UK's DFID, and the resulting 'results-offer' process for allocating the UK's bilateral aid<sup>131</sup>

There is a danger that a focus on results could shift attention away from country level priorities and towards indicators that are most easily measured and communicated to skeptical donor country taxpayers. However, the focus on results could also, if used properly, provide much needed rigour in the aid processes and a greater focus on delivering the results that poor people themselves would want to see 132

A new agreement will have to think about how to incentivize effective resource flows in a context where the donor landscape is more diffuse and contains many more players with different interests. It will also have to content with a growing skepticism about aid in many donor countries, and consider how the development of a new agreement could help to temper the perception that aid is a futile endeavor. In addition, it will need to work with the grain of attempts to rationalize and improve the delivery of aid from the recipients perspective.

### 3.6 Changing societies

There have been a myriad of incremental changes to the social landscape since the 1990s. The dramatic upheavals of the Arab spring show how incremental change can, under some conditions, lead to very rapid transitions. Two transitions in particular stand out as global phenomena:

- The growth of social network technologies. In 1987, only university researchers had ever heard of email. Today, 2.1 billion people have internet access, and access in low income countries may be about to grow exponentially as cellular telecom networks go 3G. 133 While the political impact of social network technologies has so far been notable primarily for their role in enabling relatively short-term 'surges' of activity, such as protests, they also have the potential to facilitate more enduring forms of political participation, such as transparent 'crowdsourcing' in public sector budget processes.
- The coming of age of a generation of 'global teenagers'. Many emerging economies are now witnessing significant declines in their dependency ratios as 'bulges' of young people mature and enter the workforce. While the political impact of this will clearly differ from country to country in particular, depending on whether economic opportunities are available or not history suggests that profound social and cultural change may well result even when economic opportunities are available (e.g. the baby boomers in developed countries). Interestingly, while the views and values of the 'Millennial' generation in developed countries have been mapped exhaustively by

sociological researchers, marketers and pollsters, much less is known about their more numerous brethren in emerging and developing countries.

The changing environment, and the evolution of their own campaigning strategies, have led to changes in the priorities of the major campaigning NGOs and movements.

- New priorities and challenges in Northern NGO campaigning strategy. Global development and environment NGOs are increasingly campaigning on a broader set of issues, raising tensions between recognition that progressive agendas rarely fit neat silos, and on the other hand fears about 'scope creep' and loss of clarity. Anecdotal evidence seems to suggest that many global NGOs are also increasingly concerned about the perceived need for stronger links with grassroots supporters and the South (including emerging economies).<sup>134</sup>
- The reduced profile of the anti-globalisation movement but signs of a new focus developing. During the 1990s, concerns about economic globalisation attained very high profile, and were crystallised in highly dynamic protests (especially, but not only, around G8 summits). However, the global justice movement arguably peaked shortly after the 'Battle of Seattle' protests at a WTO summit in 1999 in particular after 9/11, when the global justice movement attempted to focus around anti-war activism, but to little effect. It is possible, but not yet certain, that new protests such as the 'Occupy Wall Street' movement might become a global movement on the scale of the 1990s.

#### Conclusion

The climate of risk and introspection in many of the countries that have previously been the prime movers behind global initiatives such as the MDGs will make any post-2015 framework harder to initiate and agree.

But the situation is by no means hopeless. The emerging economies have so far escaped the worst of the global economic downturn and may be ready to stake their claim to a new global development framework, based on their own successful experiences of tackling poverty at home. The communiqué from the G20 summit in Cannes recognised 'the importance of investing in nationally determined social protection floors', and new donors such as the Brazilian government are keen to explore how their experience with social protection can be applied in other contexts<sup>135</sup>.

Even within the OECD, some countries such as the UK, have maintained their commitments to aid in the face of economic slowdown, and may be willing to negotiate agreements – with the likely proviso that they have very limited cost implications. It is also possible that a vacuum in national leadership will allow a multilateral institution such as the UN to lead a more inclusive process of developing a post-2015 framework.

Social changes may lead to a new movement for change, once there is an idea of sufficient strength to mobilise around. Shocks – economic or environmental – can open up political space for new ideas, if those ideas are ready. New technologies, and an increasingly young and educated population in developing countries, could lead to a new form of global social movement driven by communications technologies and rising aspirations everywhere.

# 4 The road to 2015

The two strands that need to be welded together to make up a post-2015 agreement are a clear analysis of the problem – the state of poverty in 2015 – and a realistic assessment of the possibilities – the nature of global politics and the drivers for action. These are all fast-moving and highly contested areas and debates will continue. But, at some point, the discussion needs to focus on what a post-2015 agreement might actually look like, and what the process might be for agreeing one. This section addresses those issues.

### 4.1 Post-2015 models

The MDGs are not the only global agreement. There are very different models in existence which together illustrate the range of possible types of agreement which could be negotiated as part of a post-2015 development strategy.

Existing agreements are highly diverse, in the types of problem they were trying to solve, the instruments chosen to solve these problems, and the impact they have had on resource flows between countries and policies within countries. Some focus on domestic policy, and involve signatories agreeing to do or not to do different things in the domestic arena. Others are focused on outcomes, where the signatories agree to meet particular goals, with the process for doing so not necessarily specified. Both types of agreement have their successes and failures – with the successes usually linked to a rigorous monitoring framework, in some cases, as with the WTO, with sanctions attached.

Successful agreements have a number of different characteristics, and it is difficult to generalise. However, there are some factors in the success of existing agreements which are of importance in thinking through possible models for a post-2015 agreement.

#### Clear goals

One of the oft-cited reasons for the success of the MDGs is the clear and relatively short set of goals they embody. Other agreements, such as the Montreal Protocol and the agreement on Good Humanitarian Donorship also share this feature and have been effective at mobilising action at a global level. But clarity of goals does not substitute for political feasibility. The Paris Declaration, discussed above, is another agreement which outlines clear goals but which has conspicuously failed to be met.

Successful goal-focused agreements have not only a clear set of goals, but also a clear set of goals which go with the grain of existing politics and interests in the key implementing countries. As we have seen, the MDGs built on a decade of global political level discussion and momentum. The Montreal protocol too came out of several years of campaigning and was relatively easy for implementing countries to put into practice, at little political cost to themselves. The Paris Declaration, by contrast, challenges donor countries' ability to use aid to further their own political agendas and was therefore less likely to be successful.

Table 11: Examples of successful international agreements

Name of agreement	Policy area	Type of agreement	Monitoring system	Impact
Montreal Declaration on reducing the hole in the Ozone layer	Environment	Outcome: 1 specific goal	UNDP, UNEP, UNIDO and the WB	The phasing out of CFCs and reduction in the use other ozone depleting chemicals in manufactured products
WTO	Trade	Policy: limits scope for national level trade policies	Peer monitoring system with regular reports Dispute settlement with sanctions	Some changes to domestic trade policy
Geneva Conventions and their Additional Protocols	Human rights	Policy: limits on how governments conduct wars	International Humanitarian Law: Ratifying nations must "enact any legislation necessary to provide effective penal sanctions for persons committing or ordering to be committed any of the grave breaches (violations)" of the Conventions	Established standards for treatment of victims of war
Good Humanitarian Donorship (GHD)	Aid	Outcome: set of indicators that monitor how donors are delivering against some of their core commitments	Self & peer monitoring	Improved harmonised reporting;
Antarctic Treaty	Environment	Policy: limits on national governments freedom of manoeuvre in Antarctic	28 consultative nations, The Antarctic Treaty Secretariat. Dispute resolution - negotiation, arbitration, or, adjudication by the International Court of Justice.	Peaceful use of Antarctica

#### Strong monitoring frameworks

Other agreements, such as the WTO's Uruguay round, lack clear goals – the agreement runs into 100s of pages of dense text. However, success is down to a strong monitoring framework – the legally binding Dispute Resolution System, combined with peer review through the trade policy review system. There are also strong domestic economic incentives for countries to monitor each other since one countries' breach of the rules could disadvantage companies trading out of another country. Similarly the Antarctic treaty is adjudicated through the International court of justice and is subject to strong peer pressure – one country's breach will affect the rights of the other 27 signatories. The Geneva Conventions work both at global level through international law but are also internalised into different countries' own legal systems which establish how soldiers should conduct themselves in other countries. However, in the absence of strong domestic incentives to comply, monitoring alone will not necessarily lead to a successful agreement – the fate of the Kyoto protocol shows that where the national level political incentives point to non-compliance (since compliance requires politically unpopular moves to change public and company behaviour), the existence of a global agreement may not be enough to create those incentives.

#### Norm setting

Some agreements lack either clear goals or a strong monitoring framework yet succeed over the long term because they become part of global norms, often through their adoption by civil society. While some human rights law is justicable internationally, arguably the biggest contribution of the international declaration of human rights has been to very gradually establish a set of global norms on what is considered acceptable behaviour, through the establishment of strong civil society movements such as Amnesty International. Often when these norms become codified – as with, for example, the ban on corporal punishment in schools in the UK – it is following a wider change in social norms over many years.

A further way in which norms can become more established is through the production of global comparisons – the Human Development Index has, since 1990, served to establish and promote a set of norms around what constitutes development through producing a set of data which is used by both governments and civil society to compare progress across states and regions.

The range of existing agreements shows that a post-2015 agreement would not have to stick to the targets and goals approach of the MDGs. Another possibility would, for example, be an approach where countries are ranked according to certain criteria as with the annual Human Development Index, or where rules are set to define the acceptable boundaries of national level policy making, as with the WTO's Uruguay round agreement. However, jettisoning this approach would have considerable risks, and the politics as well as the principles of any proposal will have to be thought through extremely carefully.

### 4.2 Roadmap to 2015

As with the development of the MDGs during the 1990s, there are a number of staging posts between 2011 and 2015 which will be important moments to influence the debate and to assess the likely direction of momentum towards a post-2015 agreement. This will be a constantly changing list, but at the moment the key events are:

year	month	event	where
2011	November	UN ECA workshop on Africa's position on the post-2015 agenda	Accra
	December	UN General Assembly resolution to provide mandate for Secretary General to initiate process on post- 2015	New York

2012		USA chairs G8	
	January	Likely discussions on post-2015 on fringes of WEF	Davos
		Task Team of senior technical experts from UNDP and UN-DESA to being preparatory work on UN's vision and roadmap for post-2015	New York
	February	Second meeting of intergovernmental contact group on post-2015	
	May	OECD ministerial meeting	Paris?
	20-22 June	United Nations Conference on Sustainable Development (Rio+20)	Rio de Janeiro
	June	G20 leaders meeting	Mexico
		UN task team reports	
	July	UN SG to appoint High Level panel of Eminent Persons to advise on post-2015	
	September	UN General Assembly	New York
2013		UK chairs G8	
	Feb	UN High-Level panel to deliver report	New York
	May	OECD ministerial meeting	
		(tbc) European Report on Development on post-2015 agenda published	
	15-20 September	International Conference on Nutrition	
	September	UN Special Session on MDGs	New York
		(tentative) UNDP Human Development Report on post-2015 published	
		(date tbc) Report from the five UN regional bodies published: 'Beyond 2015: A Future UN Development Agenda'	
	November	G20 leaders meeting	Russia
2014-15		Intergovernmental negotiating process on post-2015, details depend on outcome of process to 2013.	

### 4.3 Current politics of post-2015

This is a fast moving agenda and the politics will be changing rapidly. However, this is the latest information we have on the basis of interviews with a range of politicians and officials at the UN in New York and in country capitals. Interest in and engagement with a post-2015 agenda varies enormously between countries, but while some are waiting for the UN meeting in 2013, others have begun to think about a future framework and to discuss it at a national and bilateral level.

It is as yet not entirely clear what the process will be towards 2015. The outlines of a UN process have been agreed and are sketched out above. However, it is unlikely that such a process will actually develop new ideas for a framework – that is more likely to come from smaller groups, playing the role that the OECD's DAC did in the development of the MDGs. Who that group might be is not clear. There is consensus among observers that the G20 development group is not able or willing to play such a role – getting concrete discussions or agreement on issues of substance in that group has proved extremely difficult.

OECD donors are agreed that it would be illegitimate for them to play such a role again. However, the 'Contact Group' established by the Japanese government is one possible place where such a group might develop. It is attended by a range of different countries interested in the post-2015 agenda, and has developed a certain momentum with one meeting in 2011 and more planned in 2012. It is also possible that the UN's task team and the eminent persons group established by the Secretary General might come up with the key ideas that form the basis for an agreement, but there would still have to be a lot of politics, in the OECD, the G20 and other forums to turn those ideas into politically acceptable bargains for a global agreement.

One concrete idea on the table at present is the proposal for 'sustainable development goals' from the Colombian government in the run up to the Rio+20 conference in Brazil in June 2012. The reception has been mixed (see below), and the idea is as yet not very specific, though the Brazilian government, as hosts of Rio+20, is interested in developing the proposal to see if it can form the basis of a future agreement.

This section sketches out the current positions of some of the main players, as far as they are known:

#### **Least Developed Countries**

- Process issues dominate: There is a longstanding critique among many LDCs of the
  way the MDG agenda was developed, a process led mainly by OECD donors. One key
  'red flag' issue for many LDCs in any new framework will be the process by which it is
  agreed. There is also a sense that MDG 8 has not been delivered, with lack of progress
  on climate and trade negotiations, and failure to meet aid commitments, cited as
  particular sources of resentment.
- Fear of diversion from the MDG agenda: Some LDCs also share the nervousness felt by many that too much attention on post-2015 will detract attention from the need to make as much progress as possible on the MDGs between now and 2015. Linked to that, some felt that the MDGs had value as a brand and that any new agreement should build on that rather than come up with something new.
- Suggestions for particular changes that could be made to the current framework included: more focus on growth and structural transformation, greater attention to national context in target setting. There was less interest in rights and governance elements among LDCs than among the MIC countries interviewed.
- **Scepticism about SDGs:** There was some scepticism among African countries about the proposal for 'sustainable development goals' put forward for the Rio+20 conference

- partly because of lack of clarity about what that would mean in practice, and partly out of fear of diluting the MDG agenda.

#### Middle Income Countries

- Divisions on the proposal for 'Sustainable Development Goals' (SDGs) and integrating environment and development goals in a post-2015 framework. The proposal, put forward by Colombia for discussion at Rio+20 is for work on SDGs to proceed in tandem with work on the post-2015 framework, leading to one coherent set of goals. Some key countries are in favour of the idea, while others (MICs and LICs) are actively opposed for fear that the poverty focus will be lost, and that the environmental focus will be abused to justify protectionism or new conditionalities. Others support the discussion on the 'green economy' at Rio+20, but prefer to focus on a narrower range of issues such as technology transfer.
- Fear about diluting the focus on achieving the current MDGs. There is a strong sense that discussions about the post-2015 future should not distract from current work to achieve the MDGs by 2015. Diplomats repeatedly said that the time to begin talks on post-2015 was in 2013 at the UN special session.
- But some critique of current MDGs and views about what might go into a new agreement. Issues of growth, industrialisation, infrastructure and employment were repeatedly mentioned as gaps in the MDG framework, as were food security and nutrition. Several countries mentioned that their own poverty reduction strategies were as much about growth as about social development and this should be reflected in a post-2015 global agreement. Other issues raised were energy, technology, human rights, inequality and conflict and security. It has been suggested that MICs would be more likely to be interested in a post-2015 agreement that was more ambitious and spoke to more of their concerns (e.g. on trade or finance) than the narrow aid-focused agenda of the MDGs.

#### Regional institutions:

- ASEAN Leaders have tasked Ministers to develop a framework and guiding principles that include new elements of high-impact targets and quick wins that go beyond 2015
- The UN's **ECA** and **NEPAD** are organizing a workshop of African policy makers, the private sector and civil society to establish an African position on post-2015 to feed into the UN report from regional bodies to be produced in 2013.
- A group within the **European Commission** has been established to think through positions on post-2015. It is likely that the European Report on Development in 2013 will focus on the post-2015 agenda and be an important input into an EC position.

#### **OECD** countries

The UK, Dutch and Germans have begun internal discussions about the post-2015 agenda within their development or foreign affairs ministries. The Japanese held a meeting on the MDGs in June 2011, and have established a group involving a number of countries (including Brazil and Saudi Arabia), which met in December 2011 in New York and will meet again in February 2012.

#### Civil society groups

A group of mainly UK NGOs have set up the 'beyond 2015' group, which has focused mainly on process issues, arguing that the development of a post-2015 agreement must be participatory and democratic. The group now has a large number of members, with many from the South, but there has been criticism by some Southern civil society organisations that it is too Northern dominated. GCAP are starting to be active on this issue and were represented at the ODI/UNDP workshop in Cairo in October 2011. The major international NGOs and networks are not yet putting significant resources into this issue, though Save the Children UK are starting to strategise on post-2015 and Oxfam have a person leading on this issue.

#### Other groups and institutions

The Canadian Centre for International Governance Innovation (CIGI) have led a group of NGOs and other experts which has come up with a suggested new set of goals, based on an analysis of current issues. This group, now also involving a number of think tanks from Brazil, China, India and South Africa, will meet again in April 2012 to prepare a further options paper for release in the autumn of 2012.

The World Resources Institute, based in Washington, are doing some preliminary thinking around post-2015, partly from an environmental perspective, as are the Centre for Global Development in Washington, taking a more development-focused approach.

The United Nations, through its various agencies, will be central to the discussions on post-2015. The UNDP is already putting significant resources into this issue, and are proposing an ambitious project of national level consultations and research. The Secretary General is convening the special session in 2013. Those groups involved in monitoring progress on the current set of MDGs will be important repositories of evidence and insight into the impact of the current framework and ideas for improvement, but while there is much internal discussion there is little clarity as yet about how the UN sees its role and if it is ready – or able – to assume leadership of the post-2015 process.

The Overseas Development Institute, authors of this report, are leading a research project on options for post-2015 funded by the UK's Department of International Development, the William and Flora Hewlett Foundation and an number of other European donors. The research will draw on the expertise of an international group of researchers and a high-level advisory panel to combine academic research with policy dialogue and networking. A number of working papers will be released during 2012, with a final options paper early in 2013.

### 4.4 Options for a post-2015 agreement

An almost infinite range of possible agreements could follow the MDGs in 2015. However, based on the current politics and thinking on this, the following seem to be the current options. These are not mutually exclusive and may end up as components of any final agreement (for example, options one and three could be combined to form both a minimum requirement and a maximum level of aspiration in a new framework).

#### Same terrain, new framework and instruments:

The idea of 'finishing the job' of the MDGs is gaining ground in some quarters. This type of agreement would remain within the human development territory of the MDGs, but rather than set benchmarks of progress would aim to set a global set of entitlements for every person on the planet. So, for example, rather than the MDG of halving global poverty, a new agreement could set a global minimum income - say \$1.25 per day – below which no person should fall.

This would be achieved through a combination of new employment opportunities, cash transfers, investments in micro credit schemes and the like, depending on the context. Similarly, rather than say reducing infant mortality by two thirds and maternal mortality by three quarters, a new agreement could identify a package of essential health interventions – ranging from essential drugs to proximity to clinics, to nurses per head of population, to which every person on earth would be entitled by a certain date. Other issues, such as access to energy and personal security could be brought into such an approach if that were agreed by governments.

Rather than focusing on aid as the main instrument for delivery, such an agreement would have to be financed by an agreed division of responsibility between national governments and donors, depending on the wealth of individual countries, and the exact mechanisms for delivery would of course vary enormously from country to country depending on existing institutions, politics, and economic structures. In this, it would provide a response to the changing geography of poverty and the need for a new global agreement to accommodate this. It would also go with the grain of some current trends in social policy in developing countries, such as the rise of social protection systems and the growing shift to universal provision of health and education services.

This approach would provide a clear pathway from the MDGs to the post-2015 framework and would allay the fears of many activists and policy makers who are anxious about the discussion on a post-2015 agreement diluting efforts between now and 2015. It would address the problem of inequalities in MDG outcomes, the growing concern about vulnerability in the face of shifting demographics and the growing threat of shocks, and could be an inspiring rallying cry for activists.

It would not, however, address the issues of growth and employment identified by many governments and civil society organisations as the key omissions from the MDGs. It would also not provide a vehicle to address other global governance problems such as trade or climate change.

#### New terrain, same framework

The desire to incorporate new issues such as economic growth or environmental issues into the MDGs could be achieved without significantly changing the framework. One example of this approach is the goals proposed by the group led by the Canadian Centre for International Governance Innovation<sup>136</sup>. A somewhat different approach would be to build on the SDG proposal and fully integrate environmental objectives into the post-2015 agreement, while retaining the structure of goals and targets. In different formulations, this idea could serve to focus more attention on some of the new problems of poverty and development identified or newly emphasised since the 1990s, such as employment or climate change.

The benefits of this approach would be the use of an established structure, the power of goals to focus attention on and measure progress, and the possibility of linking outcomes to resources and to make claims on global funding on this basis. It could also help to maintain aid budgets in OECD countries if a global campaign were built to support an agreement.

The disadvantages would be the limitations imposed by the targets and goals approach, and in particular the difficulty of using this approach to incentivise broader changes in policy - such as trade or technology transfer policies in OECD countries. This would restrict the type of problems that could be tackled and the range of options for solving them. This gap might make such an agreement of less interest to G20 countries, who would not see themselves as either major donors or recipients of resources for development. This type of agreement might therefore bypass the majority of the world's poor who live in middle income countries.

#### New terrain and new framework.

This would the most ambitious and as yet the least well defined option. The aim might be to get movement on a wider range of policies that would have a bearing on development. This would include trade (possibly extracting parts of the Doha agenda in the WTO which would have the most impact on development), climate (again, possibly extracting from existing negotiating texts), and other areas such as intellectual property.

In order to get action on some difficult issues such as trade, such an agreement would have to be a combination of the target driven and the policy process types of international agreement, and would need a strong monitoring framework to be effective.

The benefits of this approach would be that in its greater comprehensiveness it would be much more effective in having an impact on poverty and development than one which focused on finance alone. It would also be more likely to get support from the G20 countries, who would see it as an opportunity to get some movement on the global issues of most concern to them.

The main drawback would be that its higher level of ambition would make agreement much more difficult. There would also be a risk that agreements would not be met if they proved too politically contentious in key OECD countries.

A different framework altogether would shift the focus away from poverty and towards solving common global problems, of interest to rich and poor countries alike. There would have to be some basis for selecting which of a range of key problems would be addressed, and how. As well as the obvious issues of trade and climate, possible contenders might be non-communicable diseases in the health sector, barriers to IT uptake in education or migration. The key would be creating a narrative of shared problems between North and South, and an actionable agenda to resolve these.

The benefits of this approach would be the creation of a genuinely shared global agenda which moved away from an 'us and them' approach common in much development thinking. All countries would have a clear stake and mutual expectations and accountability should make monitoring and enforcement an easier proposition.

The problems would be in the huge ambition of the agenda – getting such a big change in thinking on global governance and development might be something that cannot be achieved by 2015. The design of agreements would also be subject to the same problems of incentives and compliance as other types of agreement<sup>137</sup>. There would also be a danger that some of the specific and real problems of poverty would be sidelined if the focus was on those issues which are of common interest to all countries.

#### Conclusion

However, the politics and the processes around post-2015 develop over the coming months and years, the range of options and the combinations in which they are proposed will continue to expand and develop for the foreseeable future. By 2013 though, there will need to be a concrete proposal with a reasonable degree of political momentum if an agreement is to be reached by 2015. While it is not yet clear how that momentum will be achieved, or what the shape of a future proposal might be, the rapidly increasing levels of interest and activity on this agenda are making some agreement more likely. This is the moment for civil society to develop ideas, make common cause with sympathetic governments, and take up the rare opportunity to develop a coherent and plausible positive agenda for change.

# 5 Conclusion

The right global agreement on poverty would be a huge prize. The right agreement would be something which had the effect of galvanising collective action where it could have most benefit to poor people and contribute most to sustained development. It would tackle the real causes of poverty and lack of development in the world today, and maintain a global consensus behind the necessity of doing something about it.

In 2011, we are a long way from such an agreement. But the building blocks are there. The experience of the MDGs has shown that such things are possible, and that progress can be made. The global political environment is challenging, but new dynamics and changing circumstances can provide opportunities for action as well as barriers to progress. The problems of poverty and development are daunting, but things are getting better and could get better still.

What is needed is clarity about what an agreement would be for, and what kind of action is needed. Beyond that, there is a need for political actors and coalitions to mobilise behind something that is both effective and politically feasible. And through all of this, it is essential that the voices of the most marginalised – who have most to gain from the right global decisions – are heard loud and clear.

This report is intended as a resource for individuals and organisations hoping to bring about these changes and contribute to creating the circumstances where a good and effective agreement can be made. Much will change between now and 2015, and constant information, good research and effective strategy will be needed. But we need to start somewhere, and this is one such start.

# 6 Appendices

#### 6.1 Post-2015 scenarios

This section sets out five brief scenarios. In each case, the scenario is briefly summarised, together with an assessment of the likelihood of the scenario actually coming about, and of how low income countries and civil society organisations might be able to maximise their influence.

The politics of post-2015 will unfold in unpredictable ways over the next four years. It is unlikely that any of the scenarios described below will fully describe actual events, but thinking through the likely consequences of possible processes is still of some value in planning strategy and thinking through processes of change.

The scenarios are as follows:

- Scenario 1: The UN finds its voice
- Scenario 2: The OECD and IFIs take charge
- Scenario 3: The emerging economies in pole position
- Scenario 4: A civil society groundswell
- Scenario 5: The dampest squib

#### Scenario 1

#### The UN finds its voice

#### How it might play out

As member states increasingly realise that Rio 2012 is on course to be a damp squib, they start to focus in early 2012 on 'Sustainable Development Goals' as a potential outcome acceptable to a broad quorum of countries. Recognising that not enough time is available before the summit to define the Goals, the UN Secretary-General's office nudges member states towards using Rio 2012 as the launch pad for an 18 month process to define SDGs, ending in early 2014.

Initially, key donors and IFIs are sceptical of the SDGs agenda, fearing that the MDGs' poverty focus will be diluted. However, strong thought leadership from UNDP – coupled with a proactive and politically sophisticated operation to reach out to key low income country governments – successfully builds a movement towards a reframed set of Goals that OECD donors ultimately have little choice but to accept.

Resilience and sustainability are both key elements of the new framework – as is a move away from a rigid developed/developing typology, towards a framework that places much more specific demands on developed countries at the same time as recognising the changing role of emerging

#### economies.

However, there are real questions about whether an alliance of the UN, LICs, progressive donors and NGOs will have the clout to force through new and additional financial commitments or domestic policy coherence measures. By 2016, development campaigners are bemoaning the 'Goals without teams or a ball'.

#### Likelihood

**Medium.** UNDP is gearing up to play this role and has powerful legitimacy with low income countries. But it will be constrained to some extent by the weakness of the Secretary-General – and by the political demands of the scale of outreach required to make this work. Emerging economies and developed countries would probably oppose targets that required more demanding domestic action from them.

# LIC and civil society influence

**High.** The UN system would place strong priority on legitimacy and outreach, and would seek to put LICs in the driving seat. UNDP is strongly interested in crowdsourcing / social media, and could potentially be an effective platform for a linked crowdsourcing exercise.

#### Scenario 2

#### The OECD and IFIs take charge

#### How it might play out

From around mid-2012 onwards, OECD bilateral donors (especially the UK and US) increasingly start to set out their stall on what should follow the MDGs. The World Bank and IMF follow suit, with broadly compatible positions.

Given the budgetary constraints on them, OECD countries fight shy of an approach that would make many specific asks of developed countries. Instead, the MDGs' focus on developing (and especially low income) countries is retained. The existing sectoral focus of the first generation MDGs is largely maintained, with some additional areas included such as climate resilience.

Emerging economies remain largely to one side during the process. OECD donors avoid pressuring them hard to engage fully with the new agenda so as to avoid a spat; emerging economies, for their part, are largely content with preservation of the old North/South dichotomy, particularly as no new responsibilities for them are involved.

OECD countries push successfully for a UN development summit in 2015 to ratify the newly agreed goals, but the UN's involvement is largely ceremonial. Low income countries have little choice but to go along with the agenda, but there is little real sense of ownership.

#### Likelihood

**High.** OECD countries and the IFIs have strong motivation to lead the development agenda, as this would both enable them to channel it in a way that avoids major new financial

commitments, and that defends their current powerful position in the system. At the same time, their high capacity and agenda-setting capability also provides them with the opportunity to do so. However, there is a real risk that this scenario leads to a framework that becomes steadily less relevant over its lifetime, given the lack of engagement of emerging economies.

# LIC and civil society influence

**Low.** In this scenario, considerable outreach and consultation would be likely, but this would probably be primarily at the level of window-dressing rather than a serious attempt at a participatory approach based on genuine country ownership. NGOs and LICs would be able to increase their influence to the extent that they organised around shared positions, but would still not be in an agenda-setting role.

#### Scenario 3

#### The emerging economies in pole position

#### How it might play out

As the economic crisis in OECD countries goes from bad to worse, developed countries' commitment to development wanes steadily. But at the same time, continued strong demand from emerging economies means that commodity prices stay high – as does strategic interest in producer states.

Against this backdrop, emerging economies focus ever more building up their bilateral diplomatic presence, and on multilateral forums like the Forum on Africa-China Cooperation (FOCAC). While commodity inflation is hurting OECD countries too, political pressure to 'focus on problems at home' mean that even the US is increasingly giving up trying to counter emerging economy influence in low income commodity exporters – instead concentrating on fire-fighting political and economic problems at home, where endemic inflation is just one among many problems.

For a time, it looks as though the MDGs will simply be forgotten, with the 2015 review summit more of a wake than a baby shower. But emerging economies can see the opportunity for a diplomatic coup. While ensuring that the usual linguistic conventions about donor countries' responsibilities are observed, low income countries are left in no doubt where the global push for a new set of goals – focused mainly on growth and infrastructure – are coming from. It is also very clear who now has the money.

Development commentators observe hopefully that the new dispensation may, over time, see emerging economies focusing more on state fragility given their need for stability in producer countries. The real casualties, though, are low income countries with few resources to export – who find themselves the focus of much less attention than was the case in the 2000s.

#### Likelihood

Low in the near term, high in the long term. Over a 15-20 year time horizon, this scenario may well be the 'business as usual' trajectory. But with only four years to go until 2015, it seems unlikely that even a massive global economic shock would see emerging economies willing to become development leaders quite so fast.

# LIC and civil society influence

**Low.** While this scenario could see relatively high overall commitment to development, this would be a vision of development very much in keeping with donors' national interests. Donors would hence want to use their aid to maximise their own influence, not that of other actors.

#### Scenario 4

#### A civil society groundswell

#### How it might play out

Early in 2012, the Brazilian government starts talking a lot about 'multilateralism 2.0', and how it wants to use social network technologies to make Rio 2012 the first 'crowdsourced summit'. A few programmers and participation specialists adept in social network technology – some of them involved in setting up Ushahidi back in 2008 – decide to take the Brazilians at face value, and have a state of the art crowdsourcing platform up on the web a little over a week later.

The Brazilians – who had wanted to set up their own platform, but had planned on taking two months to do it – are taken aback, but decide not to reinvent the wheel, and insteadgive the site Rio 2012's official imprimatur. For a couple of months, discussion on the platform is pretty desultory. But then a series of climate shocks and crop failures in April and May focus global attention on sustainability and development. A compelling and gut-wrenching post from a woman farmer in Mali – transcribed and posted for her by an NGO worker – goes viral, and suddenly the full glare of the global media is on the Rio 2012 crowdsourcing platform.

Anger, debate and determination build steadily. Mainstream NGOs are at first behind the curve, but then start to deploy their own formidable resources behind this new civil society groundswell. The crowdsourcing platform is well-enough designed that both an overall global manifesto for change, and a few core priorities, are quickly drawn up. Veterans of Obama's 2008 election campaign comment that this feels like a global equivalent – except with the activists in charge of policy.

Rio 2012 achieves only modest successes, but this only energises The Network – as it has become called – even further; it has only just started to see what it can do.

#### Likelihood

**Medium.** Variations on this scenario are already happening (c.f. the Middle East) – but not yet at global level. For that to happen, the right systems will need to be in place: Facebook

and Twitter might be enough to organise protests, but not to integrate diverse perspectives and synthesise competing priorities. And shocks would probably also be needed to catalyse truly wide-reaching participation (see Appendix 1).

# LIC and civil society influence

**Very high.** As the most bottom-up driver of change in these five scenarios, this is also the one that would do most to empower civil society. Low income countries would probably also find their influence higher in this scenario than any of the others. The big question would be how much developed and emerging economies felt able to ignore the civil society groundswell – and, conversely, how much the latter would be able to bypass them.

#### Scenario 5

#### The dampest squib

#### How it might play out

From late 2011 onwards, the economic crisis goes truly global. OECD countries are on the ropes, but now the malaise is spreading to emerging economies, as they struggle to cope with soaring inflation, massively volatile foreign exchange rates, increasing protectionism in the trade context and – in late 2012 – a sharp unwinding of global economic imbalances that leaves both China and the US staring into the abyss as the dollar collapses and ceases to be the world's reserve currency. The eurozone implodes shortly afterwards.

Against this backdrop – and that of unemployment rates unseen since the 1930s, coupled with widespread unrest – development is simply forgotten about. The media hardly bother to turn up to UN summits, which are largely seen as pointless talking shops. NGOs' capacity and reach falls fast as their funding streams fall of a cliff; their advocacy capacity is increasingly focused on defensive agendas.

To be sure, the general air of chaos and upheaval does see a surge in popular engagement in politics and activism. But it is not the kind that development campaigners would want to see. Instead, the political pressure bends increasingly towards nationalism, protectionist, anti-immigrant sentiment in many developed countries, and a decisive move against liberal, cosmopolitan and globalist views.

#### Likelihood

**High**. While the exact form that economic and political headwinds will take will of course vary from the examples set out in this scenario, the prospect of *no* follow-up framework to the MDGs may well be the default outcome on present course.

# LIC and civil society influence

**Low.** While there are some bright spots even amid the general economic gloom – for example, the surprising resilience of charitable giving in the UK even during a tough economic downturn – this scenario would be likely to see significantly reduced civil society influence on development policy, and reduced multilateral 'bandwidth' that would also impact low income countries.

# 6.2 The MDGs

Millennium Development Goals (MDGs)			
Goals and Targets (from the Millennium Declaration)	Indicators for monitoring progress		
Goal 1: Eradicate extreme poverty and hunger	1.1. Decreating of page lating halou 61 (DDD) year dougle		
Target 1.A: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day	<ul> <li>1.1 Proportion of population below \$1 (PPP) per day<sup>138</sup></li> <li>1.2 Poverty gap ratio</li> <li>1.3 Share of poorest quintile in national consumption</li> </ul>		
Target 1.B: Achieve full and productive employment and decent work for all, including women and young people	<ul> <li>1.4 Growth rate of GDP per person employed</li> <li>1.5 Employment-to-population ratio</li> <li>1.6 Proportion of employed people living below \$1 (PPP) per day</li> <li>1.7 Proportion of own-account and contributing family workers in total employment</li> </ul>		
Target 1.C: Halve, between 1990 and 2015, the proportion of people who suffer from hunger	<ul><li>1.8 Prevalence of underweight children under-five years of age</li><li>1.9 Proportion of population below minimum level of dietary energy consumption</li></ul>		
Goal 2: Achieve universal primary education			
Target 2.A: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling	<ul> <li>2.1 Net enrolment ratio in primary education</li> <li>2.2 Proportion of pupils starting grade 1 who reach last grade of primary</li> <li>2.3 Literacy rate of 15-24 year-olds, women and men</li> </ul>		
Goal 3: Promote gender equality and empower women			
Target 3.A: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015	<ul><li>3.1 Ratios of girls to boys in primary, secondary and tertiary education</li><li>3.2 Share of women in wage employment in the non-agricultural sector</li><li>3.3 Proportion of seats held by women in national parliament</li></ul>		
Goal 4: Reduce child mortality			
Target 4.A: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate	<ul><li>4.1 Under-five mortality rate</li><li>4.2 Infant mortality rate</li><li>4.3 Proportion of 1 year-old children immunised against measles</li></ul>		
Goal 5: Improve maternal health			
Target 5.A: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	<ul><li>5.1 Maternal mortality ratio</li><li>5.2 Proportion of births attended by skilled health personnel</li></ul>		
Target 5.B: Achieve, by 2015, universal access to reproductive health	<ul> <li>5.3 Contraceptive prevalence rate</li> <li>5.4 Adolescent birth rate</li> <li>5.5 Antenatal care coverage (at least one visit and at least four visits)</li> <li>5.6 Unmet need for family planning</li> </ul>		
Goal 6: Combat HIV/AIDS, malaria and other diseases			
Target 6.A: Have halted by 2015 and begun to reverse the spread of HIV/AIDS	<ul> <li>6.1 HIV prevalence among population aged 15-24 years</li> <li>6.2 Condom use at last high-risk sex</li> <li>6.3 Proportion of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS</li> <li>6.4 Ratio of school attendance of orphans to school attendance of non-</li> </ul>		
Target 6.B: Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it	orphans aged 10-14 years  6.5 Proportion of population with advanced HIV infection with access to antiretroviral drugs		
Target 6.C: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases	<ul> <li>6.6 Incidence and death rates associated with malaria</li> <li>6.7 Proportion of children under 5 sleeping under insecticide-treated bednets</li> <li>6.8 Proportion of children under 5 with fever who are treated with appropriate anti-malarial drugs</li> <li>6.9 Incidence, prevalence and death rates associated with tuberculosis</li> <li>6.10 Proportion of tuberculosis cases detected and cured under directly observed treatment short course</li> </ul>		
Goal 7: Ensure environmental sustainability			

Target 7.A: Integrate the principles of sustainable development into country	7.1 Proportion of land area covered by forest
policies and programmes and reverse the loss of environmental resources	7.2 CO2 emissions, total, per capita and per \$1 GDP (PPP)
	7.3 Consumption of ozone-depleting substances
T 170 0 1 1 1 1 1 1 0010 1 10 1	7.4 Proportion of fish stocks within safe biological limits
Target 7.B: Reduce biodiversity loss, achieving, by 2010, a significant	7.5 Proportion of total water resources used
reduction in the rate of loss	7.6 Proportion of terrestrial and marine areas protected
	7.7 Proportion of species threatened with extinction
Target 7.C: Halve, by 2015, the proportion of people without sustainable	7.8 Proportion of population using an improved drinking water source
access to safe drinking water and basic sanitation	7.9 Proportion of population using an improved sanitation facility
Target 7.D: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers	7.10 Proportion of urban population living in slums <sup>139</sup>
Goal 8: Develop a global partnership for development	
Target 8.A: Develop further an open, rule-based, predictable, non-	Some of the indicators listed below are monitored separately for the least
discriminatory trading and financial system	developed countries (LDCs), Africa, landlocked developing countries and small island developing States.
Includes a commitment to good governance, development and poverty	
reduction – both nationally and internationally	Official development assistance (ODA)
	8.1 Net ODA, total and to the least developed countries, as percentage of
Target 8.B: Address the special needs of the least developed countries	OECD/DAC donors' gross national income
	8.2 Proportion of total bilateral, sector-allocable ODA of OECD/DAC donors
Includes: tariff and quota free access for the least developed countries'	to basic social services (basic education, primary health care, nutrition,
exports; enhanced programme of debt relief for heavily indebted poor	safe water and sanitation)
countries (HIPC) and cancellation of official bilateral debt, and more generous	8.3 Proportion of bilateral official development assistance of OECD/DAC
ODA for countries committed to poverty reduction	donors that is untied
	8.4 ODA received in landlocked developing countries as a proportion of their gross national incomes
Target 8.C: Address the special needs of landlocked developing countries and	8.5 ODA received in small island developing States as a proportion of their
small island developing States (through the Programme of Action for the	gross national incomes
Sustainable Development of Small Island Developing States and the outcome	Market access
of the twenty-second special session of the General Assembly)	8.6 Proportion of total developed country imports (by value and excluding
or the thenty second special second of the contract issuingly	arms) from developing countries and least developed countries,
	admitted free of duty
	8.7 Average tariffs imposed by developed countries on agricultural products
Target 8.D: Deal comprehensively with the debt problems of developing	and textiles and clothing from developing countries
countries through national and international measures in order to make debt	8.8 Agricultural support estimate for OECD countries as a percentage of
sustainable in the long term	their gross domestic product
	8.9 Proportion of ODA provided to help build trade capacity
	Debt sustainability
	8.10 Total number of countries that have reached their HIPC decision points
	and number that have reached their HIPC completion points
	(cumulative) 8.11 Debt relief committed under HIPC and MDRI Initiatives
	8.12 Debt service as a percentage of exports of goods and services
Target 8.E: In cooperation with pharmaceutical companies, provide access to	8.13 Proportion of population with access to affordable essential drugs on a
affordable essential drugs in developing countries	sustainable basis
	8.14 Telephone lines per 100 population
of new technologies, especially information and communications	8.15 Cellular subscribers per 100 population 8.16 Internet users per 100 population

ne Millennium Development Goals and targets come from the Millennium Declaration, signed by 189 countries, including 147 heads of State and Government, in September 2000 <a href="http://www.un.org/millennium/declaration/ares552e.htm">http://www.un.org/millennium/declaration/ares552e.htm</a>) and from further agreement by member states at the 2005 World Summit (Resolution adopted by the General Assembly - (RES/60/1, <a href="http://www.un.org/Docs/journal/asp/ws.asp?m=A/RES/60/1">http://www.un.org/Docs/journal/asp/ws.asp?m=A/RES/60/1</a>). The goals and targets are interrelated and should be seen as a whole. They represent a partnership between the eveloped countries and the developing countries "to create an environment – at the national and global levels alike – which is conducive to development and the elimination of poverty"

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