Why the MDGs are an Own Goal for Development

This week the world's leaders meet in New York to discuss progress on the Millennium Development Goals (MDGs), which were agreed ten years ago as time-bound targets for achievable reductions in poverty. The spin masters of global policy have already been busy framing this milestone in the media. But aside from the spin, the reality is very different and poses significantly different implications for the future of cooperation for poverty reduction everywhere, North and South. Working on the real causes of poverty might not win a round of applause at a charity night, but is the only moral and practical answer to the evidence mounting up before us.

Commenting on progress on the MDGs in the New York Times on Saturday, the Columbia University economist Jeffrey Sachs wrote on Saturday that “a great deal has been achieved” and how “cynicism has been replaced by hope, born of experience, commitment and breakthroughs.” He bases that on piecing together a few examples of success, mostly on communicable disease. It is relieving that the rates of infection of HIV/AIDS have declined in Africa, but it is wrong to imply this gets anywhere near meeting the MDG 6 on disease reduction, which includes halting its spread and achieving universal treatment.

The United Nations now acknowledges that only two of the many targets might actually be met: cutting in half the number of people who lack safe drinking water and halving the number of people who live on $1.25 or less daily. The first of these is not cause for celebration if we remember that much of this advance in clean water access comes from wells that are likely to run dry in the near future due to climate change and intensive agriculture. The second of these targets is largely meaningless, when one realises that China accounts for the majority of the increase, and thus exchange rates explain a significant part of the progress, while the cost of meeting basic needs have been increasing worldwide.

One of the goals is for universal primary education, yet according to research by the Global Campaign for Education, 48% of children in sub-Saharan Africa still do not complete primary education. Another of the goals is halving world hunger. With global food prices peaking in the summer of 2008, and climbing rapidly again, over one billion people were undernourished in 2009, an all-time high. 925 million people across the world are still classed as hungry. A child dies every six seconds due to hunger related diseases. Despite this shocking daily disaster, the proportion of the world's hungry has gone down by only half a percentage point since 2000 – from 14 to 13.5 percent.

As halving world hunger is the target, that would mean 14% having reduced to 11.6% by now. I make that 130,185,186 people who are hungry this very day, as living examples of us missing the target. It is a massive missing of a target that was not meant as a pie-in-sky ideal, such as ending poverty, but as a practical one of halving hunger. If this was a match, the goal is so far off, we are still trying to work the ball out of own penalty area. To move forward the poor need more than the

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1 Millennium Goals, Five Years to Go, By JEFFREY SACHS, Published: September 17, 2010 http://www.nytimes.com/2010/09/18/opinion/18iht-edsachs.html?ref=global
5 Hunger Drops Mere Half a Percent over Last Decade, http://www.ipsnews.net/africa/nota.asp?idnews=52866
cult of 'positive thinking' from people who want to keep the MDG show on the road so as to keep
the focus on charity not real change, and receive more fame and funds for their projects as a result.

Poverty is an interconnected reality and challenge, and so even hitting the targets can still miss the
point. The education commissioner of Nigeria’s Kwara state has revealed that nearly 20,000 of the
state’s teachers were made to sit tests in English and Maths that were designed for 9- and 10-year-
olds, but only 7 of the teachers reached the minimum attainment level.\(^8\) As targets are usually about
quantities of input, not qualitative outcomes, then situations like that in Nigeria can arise. In
addition, a focus on just one issue can ignore the interconnected nature of poverty. For instance,
some HIV antiretroviral medications require a minimum caloric intake to work. The government of
Zambia has had trouble containing the spread of HIV after expanding the production and
distribution of antiretrovirals; they realised the problem was that children were not eating enough.\(^9\)
Likewise a focus on just one issue can lead to other important concerns being sidestepped or made
worse. Amnesty International has found that a focus on meeting the MDGs has led to matters of
accountability and rights being sidelined at times.\(^10\)

The percentage of corporate revenues that are paid out as wages has been going down worldwide
for decades.\(^12\) This happens as a result of the balance of power between government, business and
workforces shifting with economic globalisation. Consequently workers have less in their pockets
to buy the products and services that generate the jobs, that employ the workers. To get out of this
situation, workers in some countries have been going into debt, speculating on property, or releasing
equity from their homes. It is a situation that has led to financial volatility and concerns about
financial collapse. In other parts of the world, and for the poor, there is not the same escape through
debt and mortgaging assets. Meanwhile their employers have continued to receive a small share of
the revenues of the value chains they trade in, with the profits accruing to the top of the chain, such
as the famous brands, retailers, related professional services and in turn the financial services sector.
This squeezes the sum available to workers and entrepreneurs in poorer countries, as well as
limiting the potential tax revenues of such countries. The percentage of corporate profits that are
taxed has also been decreasing around the world, therefore meaning governments have less to invest
in social services and promoting enterprise.

The key to achieving development is the promotion of enterprise, with the ability of entrepreneurs
in lower income countries to receive a larger share of income from their value chains, the ability of
their workers to receive a larger share of the generated revenues, and the ability of governments to
generate taxes and use them efficiently and accountably. Some within the international development

\(^8\) Millennium Development Goals: Unesco struggles to meet target to educate 70m children out of poverty, Alex
Renton, The Observer, Sunday 19 September 2010
\(^9\) Hunger Drops Mere Half a Percent over Last Decade
http://www.ipsnews.net/africa/nota.asp?idnews=52866
\(^10\) Amnesty International, ‘States Must Not Ignore Human Rights in Efforts to End Poverty’, 9 June 2010;
06-09.
\(^12\) http://www.thehindu.com/business/Economy/article42746.ece
community have been making this analysis clear, but they are drowned out by those who seek to
keep the focus on a simpler message of charity, positivity, and coming together for another push
towards meeting targets with new donations, often to their own organisations. The alternative would
be to work on matters of economic governance and challenge existing power relations in societies
and economies – not such an easy sell to large donors, or individual supporters watching the latest
disaster appeal on TV. Deluded and self-serving people in the development profession prefer to see
the people who criticise the MDGs as negative or cynical, and so dismiss the reality of the situation
they describe. As a result, as I found in a study for the UN last year, the funding of economic justice
campaigning is limited, and so the relationships with between Western NGOs and civil society in
the global South are not often sufficient for them to have a legitimate and effective voice in policy
making. 13

Many of the issues the MDGs focus on are the symptoms and not the causes of poverty. The cause
of poverty is generally a lack of decent work in a thriving enterprise economy governed by an state
that is held accountable for its regulation and provision of services. A superficial focus on the
symptoms not causes of poverty has been promoted in recent years by the new billionaire
philanthropists, engaged in charismatic charity. Huge donors like Bill Gates focus mostly on the
surface of problems, as that is what is visible. The visibility of a public problem is important as it
makes it more understandable to people without insight into how problems arise, and visible
problems can be explained in ways that generate public support and congratulation. The experts that
the non expert philanthropists rely on are those who have made themselves acceptable to elites in
the business and government, thereby perpetuating a superficial agenda. “Take the huge investments
in global health, micro-credit and environmental services that Bill Gates and others are making,’’
says Michael Edwards who has authored a book on the topic. “The available evidence from these
investments so far suggests that it is perfectly possible to use the market to extend access to useful
goods and services, but far harder to have any substantial impact on social transformation. The
reason is pretty obvious: systemic change involves social movements, politics and the state, which
these experiments generally ignore.” He laments that the rise of the “philanthrocapitalists” is
undermining the power of independent civil society to frame and act on systemic causes of social
problems. 14

As we look back on the last 10 years of action and inaction on international development it is now
clear that the MDGs have scored an own goal for the development community by keeping systemic
issues off the agenda. At best the MDGs acted as a defence mechanism in difficult times,
maintaining interest in poverty when the international community became engulfed in the anti-
terrorism agenda and the related US-led wars.

As I witness business, UN, governments and NGOs coming together this week to call for a another
push to meet the MDGs, I am left wondering what will help unravel this great delusion. Where will
the movement to embrace a serious sustainable development agenda come from? Will we have to
wait another 5 years for a more honest stock take? Five years is a lot of 6 seconds. Over 26 million
more children will have died from hunger and related illnesses.

In my last book I described the emergence of a movement mentality within people in the corporate
responsibility, social enterprise and responsible investment space, where professionals are pushing
forward transformative agendas from within their commercial organisations. 15 Yet I wonder whether
the contradictions between short term profit and long term value generation may mean that an

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13 Noble Networks? Advocacy for Global Justice and the "Network Effect", by Jem Bendell and Annekathrin Ellersiek,
  Paper No.: 31, UN Research Institute for Social Development.
  http://www.unrisd.org/80256B3C005BCCF9/search/A93CF6EA4EDAD27C125577D002931BA?OpenDocument
14 http://www.opendemocracy.net/article/globalisation/visions_reflections/philanthrocapitalism_after_the_goldrush
15 Bendell, J, 2009 The Corporate Responsibility Movement, http://www.greenleaf-
publishing.com/productdetail.kmod?productid=2767
authentic development agenda will be difficult to place at the heart of corporate strategy. In reflecting on this I recall that 15 years ago a BP executive said that if Greenpeace did not exist he would have had to invent it. Chris Marsden was explaining about how he needed the external spotlight to make his case from within the company. We could debate whether it was an effective spotlight, given the BP record, but at least there was some pressure. It seems we need a development NGO that can apply pressure like Greenpeace has done on the environment, and encourage investors and companies to engage seriously with development issues. In the early Noughties the 'anti-globalisation' movement applied pressure to governments and international organisations without there being one central organisation, but its visibility has waned in recent years as the usefulness of street protest was questioned and attention moved to celebrity events like Live 8 and Live Earth. There seems to be a gap in the NGO market for a direct action development group, and so perhaps a financier could invent one. I hear of some friends of friends with a half a million from their banker bonuses now wondering what the meaning of their life really is.

If you know someone like that, send them this link.

[Jem Bendell, Singapore, Sunday 19th, Sept, 2010]