## **Challenges in Meeting the Millennium Goals**

- Comment: Making Hard Choices in a Shared World
   Salil Shetty
- Are the Millennium Development Goals addressing the Underlying Causes of Injustice? Understanding the risks of the MDGs Dr Lorna Gold
- The Millennium Development Goals: A Critical Discussion Dr Su-ming Khoo
- Structural Injustice and the MDGs: A Critical Analysis of the Zambian Experience Ciara Gaynor
- Trading for Development: Developed Countries' Responsibilities under MDG 8
   Bill Morton and Ann Weston
- Addressing Aid Effectiveness: A Key Challenge in Meeting the MDGs Caoimhe de Barra

**Reviews: Books and Reports** 



# TROCAIRE Development Review 2005

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## TROCAIRE Development Review 2005

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## **Editorial Statement**

Trócaire, the Irish Catholic Agency for World Development produces the Trócaire Development Review as part of its programme of policy research and development education. This programme aims to raise awareness in Ireland and elsewhere of the scale, dimensions and causes of world poverty and to advocate for policies to overcome it.

Trócaire, in producing the Trócaire Development Review, draws together policy analysis and research findings with particular relevance to Ireland's evolving role in international development. Review articles are on economic, social and political themes related to poverty and injustice in the developing world. A particular focus is the impact on developing countries of aid, trade, financial and other policies adopted by industrialised countries. Ireland's policies in the context of European Union policies are of special interest.

Articles that fall within the remit outlined above are welcomed. While analytical, they should not be overly technical in presentation. In general, individual country case studies should only be used to illustrate a general argument. Research findings on pertinent issues would be particularly welcome. All articles will be refereed and should not exceed 7,000 words.. Short notes and comments are also welcome.

Trócaire Development Review is published annually in the spring. Contributions should be submitted by 1 December and addressed to:

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### Preface

There is a growing sense that 2005 will mark a watershed in global politics, for better or for worse. A convergence of major global events this year means that a number of key decisions and reforms in relation to poverty and injustice, particularly in Africa, are up for discussion. The G8 in the UK is focusing on Africa, the UN Millennium +5 Summit in September 2005 will review the implementation of the Millennium Declaration, and in December the World Trade Organisation will hold its next Ministerial in Hong Kong.

The convergence of these three global events offers the possibility to shift the global agenda, which has focused predominantly on terrorism since 2001, and to put the fight against poverty and injustice centre stage. Such a shift may be a tall order, but the aftermath of the Tsunami in December 2004 has added an even greater sense of urgency to this debate. On the one hand, it has created even greater needs amongst the poor in the vast region affected. On the other hand, it has led to unprecedented solidarity and compassion on the part of the general public in the wealthy countries. For the first time, perhaps, the reality of the "globalisation of solidarity" was felt in every home. This public generosity also opened up a political space for change. In terms of the number of deaths, the equivalent of a Tsunami happens every week in the least developed countries. The causes, though complex, in many cases are preventable as they are not due to uncontrollable natural forces but rather, injustices perpetrated by human beings.

Progress towards the UN's Millennium Development Goals (MDGs) is at the heart of the debate throughout 2005. These eight goals, agreed by all 189 members of the UN at the Millennium Summit in 2000, have come to constitute the core of a framework for development. The framework embraces not only the rights of developing countries, but the responsibilities of developed countries in building a global partnership for development. Progress towards the goals has been slow, and in many cases, is in reverse.

The Trócaire EU Presidency Seminar Series held in 2004 (reviewed in this issue) examined many of the policy blockages towards meeting the MDGs in relation to finance, trade and debt. This year's Trócaire Development Review continues that debate. The articles selected for the Review cross a range of disciplines and present distinctive perspectives on the Goals. Whilst some are critical of their implementation and formulation, such criticism is not intended as a rejection of the core objectives of the MDGs. On the contrary, the aim is to continue to encourage an informed and constructive discussion around the Millennium Development Goals, so as to ensure that they contribute towards lasting change.

Director of Trócaire 1 May 2005

## **Editor's Introduction**

The Millennium Development Goals (MDGs) have emerged in recent years as a "global consensus" on international development. In his Report on the implementation of the Millennium Declaration, In Larger Freedom: Towards Development, Security and Human Rights for All, Kofi Annan, the UN Secretary General, underscores the importance of this global agreement on development goals. These goals cover a broad range of human development indicators from halving poverty, increasing the number of children in primary education and reversing the spread of HIV/AIDS. All of these are laudable objectives and agreement around their importance is a major political achievement.

Whilst this political consensus is a positive achievement, there is a risk that the sense of unity of purpose generated by their adoption could generate blindness to the potential risks involved. Such is the euphoria in certain quarters over the MDGs, the idea that they could have a down side is often greeted with astonishment. Yet even the Secretary General of the UN, in the above Report, highlights the fact that the MDGs are only part of the picture: "We need to see the Millennium Development Goals as part of an even larger development agenda... they do not in themselves represent a complete development agenda." He goes on to say that the goals "do not encompass some of the broader issues covered by the conferences of the 1990s, nor do they address the particular needs of middle-income countries or the questions of growing inequality and the wider dimensions of development and good governance."2 The MDGs reflect certain priorities that must be set against other competing priorities in international development policymaking. Recognising the MDGs as a list of priorities is important: if certain objectives are deemed more urgent than others, finance and political attention will follow. One may ask whether there are other areas of development which could suffer as a consequence of the MDGs.

#### Taking a critical view of the MDGs

This year's Trócaire Development Review addresses some of these wider controversies around the MDGs with a view to broadening the debate. It does this through situating the goals within the broader context of the global political economy in

which decisions are made. These are not made through a narrow technocratic lens, but one that entails power relationships embedded within technical discourses. Each contributor addresses the MDGs from a different angle, highlighting both the strengths of the approach and the weaknesses. The article draws on primary research carried out by Trócaire in November 2004 in Zambia and Kenya. This research sought to identify the ways in which the MDGs are being implemented, adapted and used to shape national policies in those two countries. This analysis identified a number of risks or blind spots associated with the MDGs. Key findings of this research point to the way in which the MDG debate has focused principally on volumes of finance – but has paid little attention to the structural injustices that perpetuate underdevelopment.

The "missing dimensions" of the MDGs are further highlighted in the research by Su-ming Khoo, who traces the links between the MDGs and the broader human rights agenda that emerged over the 20th century. Taking a historical perspective, she argues that although the MDGs are found to be problematic, the processes of goal-setting have a value in themselves and over time have proved central to the progressive realisation of human rights. The key concern, however, is the technocratic approach which has been associated with the UN development agenda and the MDGs. This approach prioritises economic means over human ends and is seriously problematic. The core value of the MDGs, she argues, rests in the overarching global partnership for development - or Goal 8 – and whether that goal will be implemented in the spirit of rights-based development, with proper attention being given to the problems of conditionality and the fundamental inequalities of power and resources.

#### A global partnership for development?

Both Morton and Weston, and de Barra offer further insights into two aspects of Goal 8 that need to be addressed if the global partnership is to be successful. Morton and Weston analyse the trade dimension of Goal 8, assessing progress on the promises made in donor countries on trade. Their key conclusion is that the donor reports are "unwilling to 'grasp the nettle' and to tackle the underlying issues that hold back development-oriented trade reform." Within the reports there is limited attention to the key concern that developing countries have regarding trade liberalisation: namely the extent to which trade agreements

expect them to open up their markets, and the need for a global trading system that allows them policy space to determine the pace and extent of liberalisation. They argue that new indicators and targets in relation to Goal 8 are required in order to highlight these important issues.

Another dimension of the international aid agenda not directly covered by Goal 8, but nonetheless critical, is aid effectiveness. This important, but controversial agenda, has been highlighted in the past two years as a critical factor in meeting the MDGs. De Barra examines the theoretical and practical dimensions of this debate, drawing on three studies of donor practice in this area. The article makes some important points which highlight the distance that exists between the theory and practice in this area. The main conclusion underscores the importance of a deeper and more meaningful partnership between donor agencies and recipient governments. De Barra concludes: "multi-donor budget support is the preferred aid modality of developing countries, but it needs to be implemented from a base of trust, with the highest degree of clarity in assumptions and expectations. Mutual accountability is the keystone for successful partnership agreements, but these have to be born out of explicit statements on the developing country's part as to its preferences with respect to aid relationships."

Many of these issues are highlighted in the detailed case study provided by Gaynor, who examines the attempts by the Zambian government to achieve the MDGs. This article illustrates some important issues regarding the way the MDGs are viewed at a national level by government and by civil society actors. This research confirms the view that the MDGs, as currently being proposed, fail to address the underlying structural injustices within Zambia. She highlights the weak position that Zambia finds itself in after many years of structural adjustment and indebtedness to international organisations. In Gaynor's words: "Zambia's dependence 'on the kindness of strangers' obliges it to behave in an inordinately deferential manner to donors. In its quest to secure resources, be they from the UNDP, IMF, World Bank or bilateral donors, the government will simply say yes to anything that is brought to them." In her view, the MDGs represent one more set of conditions that have to be mct in order to access international funds. The adoption of the MDGs does little to tackle this underlying inequality in power relations. Rather, it risks creating another layer of reporting mechanisms which the country has to meet.

#### Power and poverty

All of the articles in this Trócaire Development Review highlight the fact that the MDGs on their own are no panacea for international development. They are a set of donor priorities, but not the full picture. As they are currently being adopted, they are masking underlying power relations in the international system. The technical approach being forwarded by them is blind to the inequalities that exist in donor-recipient relations and the institutional blocks to empowerment. Building partnerships requires a levelling of the playing field in international economic decision-making. The lack of voice of poor countries in the international financial institutions (IFIs) and the lack of accountability of these institutions remain a core blockage in achieving sustainable development. The Africa Commission Report Our Common Interest, launched in March 2005, put the issue of African participation in economic decision-making at the very heart of the road map to achieving sustainable development in Africa.4 The Secretary General's Report cited above contains one weak passage urging these institutions to "broaden and strengthen the participation of developing and transition countries in international economic decision-making and normsetting."

The articles in this volume confirm the view that the power of the IFIs as the lynch pin in the international financial system remains a blind spot in the achievement of a more equitable world. Their power, as institutions that signal a country's financial health, as in the case of Zambia, has granted them the unilateral right to reshape the economies of the poorest countries. The proposed MDG national development strategies exist within the parameters set by the IFIs. The pay-off for poor countries is access to aid, debt relief and loan restructuring – with no end in sight in the cycle of debt and aid dependence. They have no recourse to independent arbitration and little control over setting the basic parameters of their economies. The absence of any concrete proposals on the reform of the IFIs in 2005, such as a mechanism to bring them more fully into the UN family and accountable to human rights, has far reaching consequences. It maintains the status quo that has so seriously damaged the UN agenda in recent years - shifting the economic and financial power further away from the organisation and its mandate to promote development and security and into the hands of the rich nations through the IFIs. Clearly the UN Secretary General

omitted such proposals so as to stay within the bounds of political reality. A clear analysis of the scope and potential of the MDGs, therefore, means reflecting on where the power lies.

> Lorna Gold Editor

<sup>1</sup> UN (2005), In Larger Freedom: Towards Development, Security and Human Rights for All, A/59/2005, paragraph 30

<sup>&</sup>lt;sup>3</sup> Based on published donor MDG reports as of January 2005.

<sup>4</sup> Our Common Interest http://www.commissionforafrica.org/english/report/introduction.html

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Five years ago world leaders signed the Millennium Declaration, pledging to reduce poverty significantly and promote development by 2015. These eight Millennium Development Goals (MDGs) are the theme of the main articles in this year's *Trócaire Development Review* which focus on the likelihood of their achievement and the risks and challenges inherent to the MDG approach.

In his introductory Comment Salil Shetty contrasts increasing prosperity for most people in the North with poverty and deprivation for 2 billion people in the South. He notes the UN position that appropriate development is a first line of defence against terrorism and "makes everyone more secure". Lorna Gold examines the shortcomings of the MDGs and whether they can be effective in tackling injustice. She argues that while the intent of the Goals is admirable, they may distract from seeking a solution to the causes of structural injustice.

Su-ming Khoo's article considers the MDGs must be part of a strategy to make human rights actionable with a global development partnership focus on the poorest and the most deprived through collective responsibility and action. Using a case study of Zambia's transition from relative prosperity to crippling poverty, Ciara Gaynor examines that country's efforts to meet the MDGs and the many obstacles to achieving them, in particular the roles of the IFIs and bilateral donors.

Bill Morton and Ann Weston argue for radical trade reform to achieve MDG 8—a global partnership for development and assess the strengths and weaknesses of the Goal and its targets in some detail. Examining donor aid practices, Caoimhe de Barra points to some of their shortcomings and suggests the gap between donor rhetoric and action will impact on aid effectiveness and achieving the MDGs.

A range of book reviews on topics as diverse as globalisation, ecology, aid policy and economic literacy make up this timely and thought-provoking issue of the *Trócaire Development Review* 2005.

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