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Whatever it takes

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A report sponsored by the United Nations, and overseen by Jeffrey Sachs, urges rich countries to spend more on cutting hunger and poverty in the developing world. But there are still plenty of cynics

THOUGH hunger is of course impossible to ignore for the 850m people who suffer from it, statistics on malnutrition merely nag intermittently at the conscience of everyone else. And though the 1.1 billion people in extreme poverty live in a permanent state of emergency, the development industry that serves them operates at a somewhat gentler pace. What is missing from the aid debate, argues Jeffrey Sachs of Columbia University, is the requisite sense of urgency. “Development is not a spectator sport,” he has said. We are aware, however dimly, of what is happening in the poorest parts of the world. We know, more or less, what to do. What, then, are we waiting for?

A nice round number in the Gregorian calendar is one answer. In 2000, governments from around the world congregated at the United Nations, promising to spare no effort in the fight against “the abject and dehumanising conditions of extreme poverty”. They set eight Millennium Development Goals (MDGs), for such things as halving poverty and hunger, fighting disease and environmental degradation, and building a more fruitful and generous “partnership” between rich and poor countries (see chart). To devise the means to meet these worthy ends, Kofi Annan, the United Nations secretary-general, set up an advisory team of 265 experts, directed by Mr Sachs. On Monday January 17th, Mr Sachs delivered his “practical plan” to achieve the MDGs.

The stakes are high. If the MDGs are met, 500m people will escape from poverty by 2015, 250m will be spared from hunger, and 30m children who would not have lived past their fifth birthday, will. But thus far, progress towards the goals has been spotty. Sub-Saharan Africa, taken as a whole, will not meet a single target, according to the UN’s latest assessment. Child and maternal mortality in the region remain “stunningly high” and extreme poverty is, in fact, rising. The goal of free primary education, set for 2015, will not be met until 2130 at present rates of progress.

Despite this sorry record, Mr Sachs is still adamant that the goals are attainable. Indeed, for him the question is not whether they can be met, but whether the rich world is prepared to do what is necessary to make sure they are. To realise the goals, he calculates, rich countries must dedicate about 0.5% of their combined GDP to aid (0.44% in 2006, rising to 0.54% in 2015). This is about twice what they currently offer, but less than the 0.7% of GDP they long ago promised to set aside for development. Redeeming that dusty pledge, the report argues, should be a minimum requirement for any rich country, such as Germany or Japan, that aspires to a permanent seat on the UN Security Council.

A bold call to arms, or vain whistling in the wind? Mr Sachs has found a propitious moment to make his plea. The world’s response to the Indian Ocean tsunami shows that compassion fatigue is not endemic. And Mr Sachs has some competition in his bid to save the world from want. The British government, which will host the next summit of the G8 group of nations in June, has established a commission for Africa, which is also expected to call for billions of dollars of extra aid. Gordon Brown, the British finance minister, has already declared that Africa needs a Marshall Plan, akin to the generous package of aid and soft loans America offered to Europe after the second world war.

But Mr Sachs will not win the argument without a fight. Some economists are sceptical of any scheme that offers “money for nothing”. They argue that rich countries are very different from poor ones—and not just because, as Ernest Hemingway might have said, they have more money. In a rich country, land, labour and capital are fully mobilised and (by and large) directed to their best use. Effort, thrift and ingenuity are rewarded. Investments can be made in the future, because investors know their property rights will endure.

In poor countries, by contrast, feudal landlords keep tenant farmers poor, savings are misdirected by state banks, a fraction of the country's workers hold fort in well-protected but unproductive enterprises and the rest scrape by in a brutal informal economy. You can give such countries money. But the underlying institutions of a prosperous economy evolve only gradually. You cannot buy them off-the-shelf.

By this line of thinking, sub-Saharan Africa is poor because it is badly governed. But this "standard diagnosis" is "simplistic", argues Mr Sachs. His report makes a distinction between poor governance and impoverished governments. In some cases, "larcenous or brutal leaders" do seize power, running the state for "personal plunder". But more often, he says, well-intentioned governments simply lack the resources to perform their functions properly.

Mr Sachs applauds a new generation of more pragmatic, responsible African governments, ready to put extra resources to good use. He wants rich countries to pick at least a dozen winners to receive a massive infusion of extra aid this year—including perhaps Ghana, Senegal, Ethiopia, Uganda, Tanzania and Mozambique.

Sub-Saharan Africa, his report argues, is caught in a "poverty trap". Markets are too small, transport costs too high and farm yields too low. Disease spreads quickly, technology only slowly. Africa cannot lift itself out of this trap. To escape, it needs a "big push": large, co-ordinated investments in infrastructure, health, agricultural productivity and education.

Mr Sachs can also think small, however. The report advocates a series of relatively simple, inexpensive interventions that place a low burden on state machinery but yield high returns. Among these "quick wins", he suggests eliminating school fees, including fees for school uniforms, and providing free school meals. Poor African farmers should be given affordable ways to replenish soil nitrogen, he says. Mosquito nets, treated with insecticides, should be given free to children wherever malaria is endemic.

The thorny issues of development attract idealists and quickly turn them into cynics. In a sense, Mr Sachs is trying to make us naive again. He wants us to ask the simple, obvious questions that are too crude to be posed in sophisticated circles: Why should people go hungry amid plenty? Why should children die of diseases that a simple bednet would prevent? They should not, Mr Sachs argues. And the rich world should make sure they do not.