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Hope and generosity can triumph over hate

>By Jeffrey Sachs

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The Gleneagles G8 summit last week raised the trajectory of global ambition to end extreme poverty. By combining the world's technological prowess with the long-standing promise of the rich countries to devote 0.7 per cent of national income to official development assistance, extreme poverty can be ended by 2025, with the Millennium Development Goals of halving poverty a midway success in 2015. Despite foot-dragging by the Americans, Tony Blair, prime minister, who hosted the summit, nudged the world closer to this prospect.

With the backdrop of the bombs in London, the Gleneagles communiqué marked a triumph of hope and generosity over hate, offering an important, if incomplete, boost to the development prospects of the poorest countries. The rich countries agreed to increase annual aid flows by at least \$50bn (£29bn) as of 2010. At least half the increase is to be directed to Africa, raising annual aid to Africa from \$25bn to \$50bn within five years. Europe provided the impetus for this breakthrough, demonstrating that Europe is the champion of globalisation based on international co-operation, development aid and environmental stewardship.

Roughly four-fifths of the \$50bn increase will come from the European Union, though Europe represents but two-fifths of the GNP of the donor countries. Notably, the pre-enlargement EU-15 have set a bold timetable to reach 0.56 per cent of GNP in aid by 2010 and the internationally agreed target of 0.7 per cent of GNP by 2015. Canada and Japan gave a nod to 0.7, but refused to commit to a timetable. The US did worse, denying repeatedly in recent weeks it had ever pledged 0.7, although Mr Bush signed on to the March 2002 Monterrey Consensus to "make concrete efforts towards the target of 0.7 per cent". Instead, the US cobbled together some small programmes backed by big spin. The new US effort against malaria is welcome, but \$1.2bn over five years is paltry when \$3bn each year is needed to fight the disease in Africa. The US five-year effort is less than one day of Pentagon spending, and two cents of every \$1,000 of US national income.

Mr Blair struggled for months to bring the US into the fold not only on aid but also climate change. He could obscure the failure to win more from the US on aid because Europe proved ready to shoulder a disproportionate share of the burden. Mr Blair could not, however, paper over the failure on climate change. Here the Gleneagles communiqué is a clunker. Bland confirmations of the UN Framework Convention on Climate Change and the Intergovernmental Panel on Climate Change are notable only because they are made necessary by so much US intransigence.

For ending poverty, the challenge is to translate the Gleneagles promises into life-saving action.

The day after the summit finished, I was in Ghana, one of the best governed and most hopeful of Africa's young yet poverty-ridden democracies. More than 100 of every thousand Ghanaian children die before their fifth birthday, at least 10 times the rate of the rich countries. These deaths are preventable, but the health budget is only one quarter of what is needed to tackle the crisis. The austerity budget supervised by the International Monetary Fund and World Bank constitutes a death warrant that results from Ghana's poverty and the lack of sufficient donor aid.

The IMF and World Bank have a responsibility to help mobilise the required aid. Rather than tell Ghana to keep its health budget low to preserve macroeconomic stability, the IMF should tell donors to honour their commitment to Ghana, so that it can save its children and break free of the disease-hunger-poverty trap. The executive boards of the IMF and World Bank should address this critical question when approving programmes for low-income countries: Is the programme sufficiently supported by donor aid and domestic budgetary commitments to enable the country to achieve the Millennium Development Goals?

The \$50bn a year in official aid for Africa translates into around \$75 to \$100 per African, depending on each country's needs and commitments to use the aid effectively. Donor support for African health should be reaching \$20 or more per capita per year, not the typical \$5 or so on offer now. Donor support for agriculture and rural infrastructure should reach roughly the same amount. With suitable investments in farming systems, African food production can be tripled in a 21st century African green revolution. Increased aid for schooling, urban water and sanitation and other core infrastructure is also vital. The aid should be mainly spent on investments and service delivery, not rich-country consultants or food shipments.

When world leaders gather at the United Nations summit in September, they can build quickly on the Gleneagles achievements. They


should insist that donor countries that still lack a timetable to 0.7 per cent announce one in order to complete the financing package for Africa and other poor regions; that the IMF, World Bank, and other international organisations set their work plans according to the Millennium Development Goals; and that the new donor commitments to double aid start now. The leaders should be guided by the spirit of London that was on display last week, which showed that hope and generosity are the greatest bulwarks against terror and hate.

The author is director of the Earth Institute at Columbia University and author of 'The End of Poverty'.

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