

The benefits: the case for a decade of bold ambition

The Millennium Development Goals lay out a challenging and achievable vision for dramatically reducing extreme poverty by 2015, with tremendous benefits for the entire world. This report presents a roadmap for achieving the Goals and for effecting a dramatic—if partial—global reduction in poverty. The danger of inaction is tremendous, not only in lives lost and opportunities forgone, but also in threatening the security of everyone. The world must act now to begin a decade of bold ambition, starting with a dramatic scaling up of assistance to well governed countries in 2005 and ending with achieving the Goals in 2015.

Dramatic—but only partial—poverty reduction around the world

If the Millennium Development Goals are met, poverty in all its dimensions will be dramatically reduced. A simple analysis helps to tell this story. The difference between extrapolating current trends on a “business as usual” path since the MDG baseline year of 1990 and a simple linear path with every country achieving the Goals (table 18.1)¹ shows that, compared with 2005, if the Goals are met by 2015 approximately 500 million people will be lifted out of extreme poverty and more than 300 million will no longer suffer from hunger. Three hundred and fifty million fewer people will lack access to safe drinking water, and 650 million people otherwise left unserved will enjoy the benefits of basic sanitation to lead healthier and more dignified lives. Over the decade, the lives of 30 million young children will be saved, and more than 2 million women’s deaths from pregnancy-related causes will be averted. Not captured in such a table is the environmental degradation reversed, the many millions of children with opportunities for a better future through education, or the hundreds of millions more women and girls who will lead their lives in freedom, with more security and more opportunity—if the Goals are achieved. Behind these achievements lie the lives and hopes of people with new opportunities to end the burden of grinding poverty.

Table 18.1
The benefits
of meeting the
Millennium
Development Goals,
by developing region

* Region on track to meet MDG target.

Note: Numbers in table may not sum to totals because of rounding. See appendix 4 for methodology of calculations.

Source: Poverty headcount data from Chen and Ravallion 2004. GDP per capita and child mortality data from World Bank 2004c. Undernourishment data from FAO 2003a. Maternal mortality data from WHO and UNICEF 1996 and WHO, UNICEF, and UNFPA 2003. Water and sanitation data from WHO and UNICEF 2004. HIV/AIDS data from Stover and others 2002. Slum dweller data from United Nations Population Division 2001, 2003a and UN-HABITAT 2003. All population projections from United Nations Population Division 2003a.

Poverty headcount (millions)

Region	2005 estimate	Current trend extrapolated to 2015	MDG scenario for 2015
Eastern Europe and Central Asia	92	88	49
East Asia and the Pacific*	182	0	0
Latin America and the Caribbean	128	123	90
Middle East and North Africa	8	9	4
South Asia*	407	317	317
Sub-Saharan Africa	345	431	198
Total	1,162	968	658

GDP per capita (2003 US\$)

Region	2005 estimate	Current trend extrapolated to 2015	MDG scenario for 2015
Europe and Central Asia	2,980	3,827	4,084
East Asia and the Pacific*	1,313	2,139	2,139
Latin America and the Caribbean	3,724	4,104	5,102
Middle East and North Africa	2,447	2,727	3,352
South Asia*	602	980	980
Sub-Saharan Africa	520	509	712

Individuals suffering from undernourishment (millions)

Region	2005 estimate	Current trend extrapolated to 2015	MDG scenario for 2015
Europe and Central Asia	52	61	20
East Asia and the Pacific*	162	65	65
Latin America and the Caribbean*	49	38	38
Middle East and North Africa	32	46	14
South Asia	301	285	228
Sub-Saharan Africa	228	255	155
Total	824	749	520

Child mortality (millions of lives lost)

Region	2005 estimate	Current trend extrapolated to 2015	MDG scenario for 2015
Europe and Central Asia	0.2	0.1	0.1
East Asia and the Pacific	1.1	0.7	0.6
Latin America and the Caribbean*	0.3	0.1	0.1
Middle East and North Africa*	0.4	0.2	0.2
South Asia	3.1	2.0	1.6
Sub-Saharan Africa	4.7	4.7	1.9
Total	9.8	7.9	4.4

Maternal mortality (millions of lives lost)

Region	2005 estimate	Current trend extrapolated to 2015	MDG scenario for 2015
Total	0.54	0.54	0.15

(continued on next page)

Table 18.1
The benefits
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by developing region
(continued)

<i>New HIV infections 2002–10 (millions)</i>			
Region		Current trend extrapolated to 2010	Expanded response scenario for 2010
Eastern Europe and Central Asia		2.8	1.3
Latin America and the Caribbean		2.3	0.7
Middle East and North Africa		0.9	0.3
South and Southeast Asia		18.5	5.7
Sub-Saharan Africa		21.0	8.8
Total		45.5	16.8

<i>Individuals without access to improved water supply (millions)</i>			
Region	2005 estimate	Current trend extrapolated to 2015	MDG scenario for 2015
Europe and Central Asia*	23	10	10
East Asia and the Pacific	388	305	299
Latin America and the Caribbean*	49	16	16
Middle East and North Africa	40	46	26
South Asia*	160	0	0
Sub-Saharan Africa	280	270	230
Total	939	647	581

<i>Individuals without access to improved sanitation (millions)</i>			
Region	2005 estimate	Current trend extrapolated to 2015	MDG scenario for 2015
Europe and Central Asia	69	73	32
East Asia and the Pacific*	873	608	608
Latin America and the Caribbean	128	107	103
Middle East and North Africa	80	84	61
South and Southeast Asia	877	770	718
Sub-Saharan Africa	454	531	305
Total	2,481	2,172	1,827

<i>Individuals living in slum conditions (millions)</i>			
Region	2001	Current trend extrapolated to 2020	MDG scenario for 2020
Europe and Central Asia	44	47	41
East Asia and the Pacific	237	385	210
Latin America and the Caribbean	128	173	116
Middle East and North Africa	61	97	54
South Asia	235	398	207
Sub-Saharan Africa	167	325	144
Total	872	1,425	772

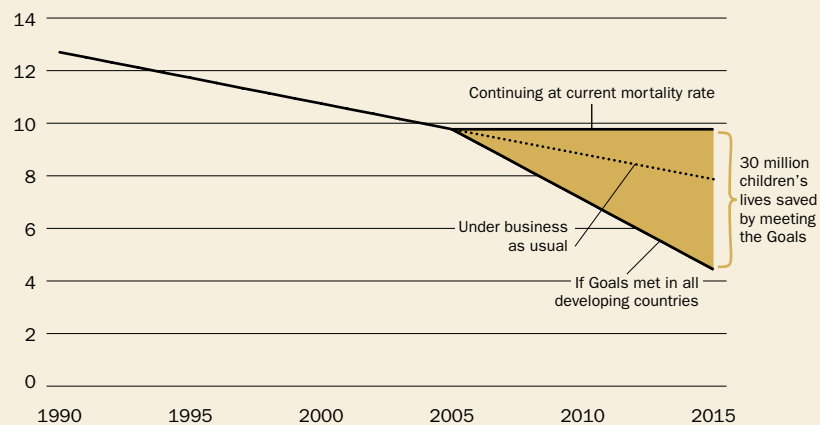
While global aggregates can obscure significant regional variation, table 18.1 highlights the range of benefits the Goals will bring and the acceleration of progress needed. For example, progress toward the child health Goal is well off track, and the benefits of dramatically increasing current progress in child health are extraordinary. Today nearly 10 million children die annually in developing countries. If mortality declines continue at current rates, 8 million children will still die in 2015, most from completely preventable causes. But by reaching the MDG target in 2015, the cumulative number of children's lives saved will be about 30 million, or 20 million compared with the trajectory of progress (figure 18.1).

The benefits of meeting the Millennium Development Goals, compared with business as usual, differ across regions. For example:

- Sub-Saharan Africa will end years of regress across many human development outcomes and make the biggest improvements by achieving the Goals. Its fast-growing population means that although the share of extreme poor will have halved, the numbers will still be large.
- Latin America and the Caribbean will see a substantial reduction in poverty, slums, and the number of new HIV infections.
- East Asia and the Pacific is the only region that has already met the poverty and other targets, but progress is uneven, with many countries falling short. Meeting the Goals will spread progress to laggard countries in the region, generate major improvements for the environment, and reduce the number of slum dwellers.
- South Asia is on track to meet the targets on income poverty and access to improved water supply. By achieving the Goals it will also prevent a large number of new infections of HIV, reduce hunger, cut child mortality, and substantially reduce the number of people living in slums.
- The Middle East and North Africa stands to make great progress in reducing the number of people suffering from undernourishment, living in slums, or without access to safe water and basic sanitation.

Figure 18.1
Under-five mortality
Lives lost each
year (millions)

Source: World Bank 2004c;
authors' calculations.



- Substantial reductions in the number of people infected with HIV and without access to sanitation will be achieved in Eastern Europe and Central Asia, where the Goals also offer a framework for reducing hunger, recently on the rise across the region.

We emphasize that the paucity of available data gives only a partial picture. In particular, progress in gender equality, universal primary education, and environmental sustainability are not reported in table 18.1. Achieving all of these Goals will further transform the lives of hundreds of millions of people and families.

The need for ongoing assistance beyond 2015

Table 18.1 underscores a deep truth about the Goals. They aim to cut poverty by half, rather than to eliminate it. They are a midstation to ending absolute poverty, but they are definitely not the final destination. Even if the Goals are achieved in every country, extreme poverty will remain a major issue requiring ongoing attention. As just one example, even if the sanitation target is met, as many as 1.8 billion people will still need to resort to open defecation or use inadequate facilities. Well over half a billion people will still live on less than a dollar a day.

For these people, those for whom even the Goals are not enough, sustained global partnership will be needed. While a scale-up of high-quality development assistance will allow many countries to graduate from the need for large-scale external budget support by 2015, many countries will still require ongoing support equal to 10–20 percent of their GDP to graduate from external assistance sometime later—likely by 2025 (see map 17.1). Until then, and to eventually make development assistance obsolete, sustained ODA will be crucial. To that end high-income countries will need to maintain support at close to 0.7 percent of their GNI for some period beyond 2015. By 2015 extreme poverty can be cut by half. By 2025 extreme poverty can be substantially eliminated.

Responding to other long-term global challenges will also be crucial for development. For instance, climate change poses a major threat to small island states threatened by rising sea levels and to countries that will experience increases in climatic variability. The frequency of drought is likely to continue increasing in tropical Africa. The depletion of global fisheries and unsustainable patterns of production and consumption must be addressed before they spell irreparable harm for the poor countries that can least protect themselves from the effects of environmental degradation. Foresight will be required to address these issues and others. We do not focus on all of them in this report, given the UN Millennium Project's mandate to produce a plan of action to 2015. But we stress that no plan for 2015 should overlook the serious issues extending beyond then.

The danger of inaction

In laying out tangible targets, the Goals make explicit the most obvious costs of inaction—in terms of lives and opportunities lost. They also form a

centerpiece for the world's security agenda. As the Secretary-General's High-Level Panel on Threats, Challenges, and Change and many others have noted, human development and environmental management are intricately linked to peace and security. Only by reducing poverty and improving environmental management over the coming decades can a rise in conflicts and state failures be averted. If the Goals are not met, millions will die who would otherwise live. Countries that would be stable will descend into conflict. And the environment will continue to be degraded. In short, many crises we face today will only be more pronounced and expensive to resolve in 10 years unless the world starts investing in the MDGs straight away.

At stake is the credibility and functioning of the international development system. Without a breakthrough in 2005, if poor countries that have met their Monterrey commitments are not effectively supported in pursuing an MDG-oriented strategy, the already dwindling faith in international commitments to reduce poverty will likely vanish. In that case, the Goals will not be met and the trust in rich countries' sincerity to support well governed countries in need of external assistance will be deeply, if not fatally, damaged.

If we do not act now, the world will live without development goals—seriously threatening the stability of poor countries, but also endangering the interests of a rich world that cannot insulate itself from the consequences of extreme poverty, instability, disease, and environmental degradation.

A decade of bold ambition

Meeting the Goals in all countries poses a tremendous challenge to the international community, but with the best efforts on all sides, they can be achieved. To ensure success, in 2005 the world must start training to build capacity, improve policies, and deliver the investments needed to meet the Millennium Development Goals. This effort will need to be sustained at the global, national, and local levels over the next 10 years. Only by acting now can sufficient numbers of doctors or engineers be trained, service delivery capacity strengthened, and infrastructure improved to meet the Goals.

Fortunately the costs of achieving the Goals are entirely affordable and well within the promises of 0.7 percent of GDP made at Monterrey and Johannesburg. The required doubling of annual official development assistance to \$135 billion in 2006, rising to \$195 billion by 2015, pales beside the wealth of high-income countries—and the world's military budget of \$900 billion a year. Indeed, the increased development assistance for the Goals will only amount to one half of one percent of rich countries' combined income.

Of course money alone will not be sufficient to meet the Goals, but increased investments need to accompany institutional reform, trade liberalization, good policies, and increased efforts to improve the accountability of governments. Unless more financial assistance is available effectively, low-income countries and their development partners will not be able to have serious and honest

discussions about the reforms and investments required to meet the Goals. For countries where such reforms and good policies are in place, high-income countries should, in the spirit of the Monterrey Consensus, make good on their commitment to increasing ODA for them to work toward achieving the Millennium Development Goals.

The risks and benefits of achieving the Goals will be shared across the entire world, so genuine international leadership and responsibility will need joint action on both development and security policy. In line with the High-Level Panel's recommendation, developed countries aspiring to permanent seats on the UN Security Council, for example, should be prepared to fulfill the commitment to 0.7 percent of GNP in ODA by 2015 as part of their leadership responsibilities.

Urgent action is needed if we are to usher in a decade of bold ambition to achieve the Millennium Development Goals. Developing countries need to make every effort to mobilize around the Goals. Rich countries need to ask themselves if they should be more concerned, as many of them are today, with pointing fingers at the responsibilities of poor countries than with meeting their own commitments. In 2005 the world needs desperately to follow through on its commitments, taking quick practical steps at scale before the Goals become impossible to achieve. If we fail to invest now, it will be a very long way to the next Millennium Summit in the year 3000.