World Bank chief admits United Nations development goals cannot be met

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The World Bank and International Monetary Fund issued a report on April 16 that accepts the millennium development goals (MDGs) will not be achieved. The MDGs were established at the United Nations General Assembly summit in 2000. Their stated aim was to cut by half the number of people in the world's poorest countries suffering poverty, hunger and ill-health.

In its executive summary the report states that "Achievement of the MDGs" would mean, "Accelerating reforms to achieve stronger economic growth—Africa will need to double its growth rate."

On one of the goals, reduction of income poverty, the report states that the countries of sub-Saharan Africa are "seriously off track, with just eight countries representing about 15 percent of the regional population likely to achieve the goal." Even countries which the report deems to be on track, such as China, exhibit great disparities. It explains China has "inland provinces that continue to have large concentrations of poverty."

Progress to achieving the goals relating to health is negligible. Regarding the reduction of child and maternal mortality, only 15-20 percent of countries are on track to achieve this goal according to the report. The incidence of HIV/Aids and other major diseases, such as malaria and tuberculosis, is continuing to rise. The report does not expect the goals to reduce the impact of these diseases to be met, stating: "The risks of failure to halt the spread of HIV/AIDS are especially high in sub-Saharan Africa, but are substantial in many countries in other regions as well."

Lack of clean drinking water and sanitation has a major impact on health and development and here too the targets are way off track. The report cites lack of clean drinking water in sub-Saharan Africa and sanitation in South Asia as being the major shortfalls. The goals set in the UN 2000 summit to halve the number of those without drinking water and sanitation means over the next 10 years 1.5 billion more people need to be able to access clean water and two billion to have sanitation. The report says, "With current rates of progress at about half what is needed, most regions will fall well short."

A recent "scorecard" report was jointly issued by the World Wildlife Fund, Water Aid, Care, Tearfund, Green Cross and Oxfam on the state of funding to water and sanitation projects. The press release was headed, "World governments fail to act on aid as water crisis worsens." It reports on progress in 30 developing countries. Of these 15 are in Africa and 10 in Asia, 18 of them are classed as Least Developed Countries. Eighty seven percent of the 1.1 billion people lacking access to safe water are in these countries.

Emphasising the crucial role of clean water, the report says, "By 2050 at least one in four people are predicted to be living in countries affected by chronic or recurring shortages of freshwater."

This is exacerbated by the fact that according to a recent UN estimate, one sixth of the world's population lives in slums. Of the 30 countries in the "scorecard" report 25 have "either more than 50 percent of their urban population living in slums or more than 10 million urban slum dwellers—and six have both." People living in slum conditions are more likely to be faced with forced eviction. Private and state water providers are unwilling to provide services to those who do not have secure tenure. Those living in the slums are doubly disadvantaged.

According to the report, "The share of aid for water supply and sanitation in total ODA (overseas development assistance) remained relatively stable in the 1990s at six percent of bilateral aid, and some 4-5 percent of multilateral aid. As total aid budgets have fallen as a percentage of GDP, so total spending on the water sector has fallen. Total bilateral aid for water and sanitation from the major OECD donors analysed here was 25 percent lower in 2001 and 2002 than in 1998 and 1999. Yet it has been estimated that at least $10-15 billion extra spending per annum will be needed to meet the international targets for water and sanitation."

Oxfam International issued a press release just prior to the IMF spring meeting, which said, "This weekend, (April 25) the World Bank and IMF celebrate their 60th birthdays in Washington DC. Meanwhile, millions in poor countries around the world wait to know whether their countries must continue to pay crippling debt and receive minimal aid, or whether their children can go to school...On one hand, donors claim to be totally focused on poverty reduction and reaching the millennium development goals. A the same time, the new framework on how much debt a country can afford to repay is not linked to the poverty levels of that country and what is needed to reach the Millennium Goals."

Oxfam policy advisor Max Lawson accused the ministers meeting to discuss poverty reduction of hypocrisy, by setting levels of debt repayment that cut across the MDGs. He pointed out that the poor in developing countries are being hit twice over by cuts in aid and failure to receive debt relief.

Whilst the HIV/Aids epidemic is the biggest disease threat to hit mankind since the plagues of the Middle Ages, the response of the West has been criminally inadequate. The United Nations set up the Global Fund for HIV/Aids, Tuberculosis and Malaria. These diseases are having an enormous impact on countries in the developing world, especially in sub-Saharan Africa. The World Bank/IMF report notes, "Implementation has ... been slow under the Global Fund for HIV/AIDS, Tuberculosis and Malaria; as of January 2004, out of $3.4 billion in pledges, $1.5 billion has been committed but only $230 million has been disbursed."

The figures contained in the report show clearly that the policies pursued by the IMF, the World Bank and other international agencies over the last two decades have been a total failure as far as improving the conditions of the world's poor is concerned. Conditions have worsened, not improved.

Rather than reversing policies that have already failed, the report calls for more of the same. It demands that developing countries open up their economies to allow greater penetration by big business. It wants more privatisation and the general implementation of IMF Structural Adjustment Programmes that have dismantled state subsidies to agriculture, health and education in country after country.

The report does not confine itself to developing countries. "In Europe," it says, "the central challenge is to implement needed structural reforms, especially in labour markets and social security systems, in order to return economic growth to a sustainable 2-3 percent range over the medium term."

It goes on to call for the cutting of subsidies to agriculture, on the basis of reducing costs to the advantage of finance capital. It also seeks easier exploitation of cheap labour in developing countries by being able to establish service industries there, such as call centres, and by exploiting migrants as cheap labour within developed countries. The report calls for the liberalisation of trade in services because this is the fastest growing component of developing country exports in the form of call centres. More government contracts should be outsourced from the developed countries to the Third World, it says.

The report stresses the economic value of the *temporary* movement of workers, effectively endorsing the creation of a layer of insecure migrants that have no protection or social benefits and can be freely exploited.

With its vast resources the World Bank is perfectly capable of collecting the evidence of the disaster that is engulfing the world's poor, but because it represents the interests of the very banks and major corporations that that are bleeding the poor dry it cannot offer any solution to the crisis it reveals.