Goals set for the Poor, Goalposts set by the Rich

Saith, A.

Millennium Development Goals (MDGs) and the dumbing-down of development

Goals set for the Poor, Goalposts set by the Rich:

Ashwani Saith

An apocryphal anecdote comes to mind: the first Indian prime minister, Jawaharlal Nehru, on one of his tours into the countryside, stopped and asked a peasant: "Tell me, how have things improved since the British left India?" The poor peasant looked nonplussed: "Oh, have they left?" he asked! As the clock ticks past the halfway mark to the 2015 end-point for the fulfilment of the MDG targets, one wonders how many peasants of the world would even know what the MDGs really are, let alone what (little) impact they might have had on their lives since they were adopted in 2000. Tellingly, in 2005, an EU-commissioned survey on perceptions of aid policy[1] revealed that 88 percent of the sampled population in the EU-15 countries had not heard of the MDGs at all.

The MDG intervention has shifted the goal posts of development discourse and policy, and implicitly privileged and legitimised an uncritical acceptance of the neo-liberal globalisation playing field for the development game. The message is that the 'goodness' of development is to be judged in terms of the fulfilment of the MDGs. This statement could also be stood on its head to assert that so long as MDGs are met, all else is acceptable in the global development game. That is indeed the interpretation generated by the new discourse around MDGs and development. The bottom-line subliminal message flashed incessantly by this new discourse reads: neo-liberalism is fine so long as absolute poverty is reduced.

For the well-meaning, guilt-scarred, good citizen of the northwest, supporting the MDGs might be a sincere expression of existential solidarity with the deprived of the world, with the intervention welcomed as a sign that the managers of development had finally begun to pay serious attention, rather than the usual lip service, to the needs of the poor. However, it is imperative to resist an unquestioning slide into accepting this reductionism. The MDG exercise has been adopted much too uncritically by academics and activists alike. This makes it all the more necessary to scrutinise and to interrogate it with the traditional scepticism and tools of the social scientist's trade.

A win-win game plan?

Apart from the basketful of banana skins that comprise the methodology - or perhaps more aptly, the messology - of the MDG exercise, there is a wide array of inherent foundational and substantive weaknesses. Some of these are highlighted briefly below.[2]

Exclusions: out of sight, out of mind

One might ask why, in such a lengthy list, no place was found for some fundamental development deficits. For instance, the problems of the aged go unacknowledged; this is curious considering the inexorably rising share that the elderly form of the total population for a very large and growing number of countries. The same applies to persons with disability which are roughly estimated at one in ten globally. The invisibility of these and several other vulnerable and socially excluded groups in the MDG template replicates reality faithfully. It is nonsense to presume that the wellbeing of socially excluded groups can be read from national averages. The implications of making such issues invisible can only weaken their prioritisation at the policy and resource allocation levels.

Poverty reduction through definitions

A prime example of a dubious concept, one that forms the cornerstone of the MDG edifice, is income poverty reckoned in terms of the World Bank's dollar-a-day poverty line. This measure is widely acknowledged as being terminally flawed, but holds its monopolistic position on account of the institutional power of the lobby that has created it. It consciously adopts and defends methodologies that make a lot of nutritional, health and educational needs invisible, thereby significantly understating the extent of poverty. While the percentage incidence of poverty according to this measure has steadily declined and stands in the low 20s at present, independent national family health and nutrition surveys reveal a very different reality where one half of children are born with low birth weight and where the majority of rural women are anaemic. Similar contradictory trends are also to be found with regard to various nutritional variables. For China too, the official estimate of the incidence of poverty is laughably low and bears little connection with well-documented ground realities where a significant section of the rural households find it impossible to meet their basic needs for health and education.

Is poverty a ghetto located in the South?

Do the rich countries not have their own home-grown evergreen version of poverty? *Absolute* poverty, defined with respect to the historical living standards of the rich countries, is far from negligible. It hovers around the 10 per cent level in many OECD countries, and is dramatically higher for the unemployed, the aged, single-parent families. There are extensive new forms of vulnerability and insecurity engendered by globalisation that cannot be ignored even in rich countries. Since the MDG exercise calls for domestic policies to be designed explicitly with reference to their poverty reduction impact, this ghettoisation of poverty absolves the governments of the northwest from equivalent obligations with respect to their own poor citizens. This is hardly a global vision deriving from shared, universal values. The poor in the north, many of whom are themselves from historically excluded populations, are rendered invisible and silent. Why?

Destinations without pathways

The MDG list is just that – a template of goals, targets, and indicators. There is no mention of process, of policy, of pathways or of politics involved in achieving these outcomes. This generates an uncomfortable impression of a lack of intellectual gravity about the exercise. Take the example of the target to improve the lives of 100 million slum dwellers. Leaving aside the slippery definitional loopholes with regard to defining slum dwellers and what might constitute an improvement, there is no real effort at linking the question of slums to in-migration and to the atrophy of the rural sector that creates the pressure in the first place. Nor is there any linkage to the desire of governments to model their major cities to reflect their rising national aspirations and self-esteem, as for instance in India and China, a process in which slum dwellers do have a (relocated) place, but one that is usually far beyond the distant horizons of the city's boundaries.

And how is the long list of health related targets to be met in the absence of the ability of the poor to pay for privatized health services, and the simultaneous market-led withdrawal of health services from large parts of the rural sector. Nurses and doctors favour the major cities and richer countries? Will the market reverse these market-induced trends? How exactly?

Another example concerns assumptions made about how technology can help the poor. But will it? What are the lessons of history in this regard? ICTs might have a powerful impact in the enhancement of wellbeing, but their direct impact on poverty reduction is yet to be demonstrated on any credible, let alone global, scale. Such linkage of ICTs to the MDG agenda has been roundly criticised by specialists, who argue that this has the danger of distorting the policy agenda which have a powerful potential development impact.

And how, one might wonder, is that famous income of a dollar-a-day to be generated in the absence of any explicit analytical linkage to the employment outcomes of investment and growth processes and policies, including the relative role of foreign as against domestic investments, or of the different sectors of the economy, especially the decaying agricultural sector where the majority of the poor struggle to survive. Even if we agree on the objective of reducing income poverty appropriately defined, do we automatically also agree on how to achieve this desirable state? All the perennial and present disagreements over pathologies and policies are swept out of sight under the carpet; but they cannot be made to disappear.

Development is being converted into a sustainable profit-making business – the ultimate win-win scenario that eluded all till now. Global multinationals penetrate the markets of the poor through 'base-of-pyramid' operations; global banks confirm the bankability of the poor through extending their lending chains all the way to the poor village woman paying real rates of interest of up to 20 per cent for micro credit, with the act of repayment unquestioningly, and dubiously, taken as proof of profitability.

Perhaps the implicit assumption which might account for the 'policy' silence of the MDG frame is that we have reached the end of alternatives, that there are no serious macro choices left, and that public-private-partnerships - the disingenuous euphemism for corporate control over development - constitute the only open pathway; hence the exclusion and suppression of any debates over policy 'alternatives'. None exist. Any such reading, however, might be a hasty one, since it must demonstrate the sustainability of such success in eliminating poverty through the private sector within the prescribed time frame. There exists no credible demonstration yet that this can work on a mass scale beyond the tiny enclaves of profit making for such corporate pioneers out to conquer the last frontier – the poor as a market.

Do as we say, not as we do

The new compact which underlies the design, and oversees the implementation, of the MDG template prominently links assistance from the northwest to the policy performance of aid-receiving countries in the southwest. The latter have been made primarily responsible for delivering on the MDGs. Strings of implicit and explicit policy conditionalities apply for the developing economies of the southeast. But what about the developed economies of the northwest? Do they have any culpability in this regard? Leaving aside the emotive, historically rooted, issues of the impact and legacies of colonialism and imperialism, there are more contemporary focal points of double standards that are conveniently ignored.

The first concerns agricultural subsidies in the northwest.[3] These amount roughly to US $200 billion annually, or twice the estimated resource cost of meeting the MDGs in the entire southeast. This unethical and hypocritical position is brazenly maintained year after year while at the same time insisting on market based rules in the poor countries, involving the withdrawal of agricultural subsidies there. A major US aid agency, CARE, recently criticised the WFP's use of US food surpluses as 'aid' to Africa, and rejected $45 million of US Government food aid on grounds that this harmed local

agricultural development and the livelihoods of African peasants.[4]

The second pertains to the linkage between good governance and military expenditure. The arms trade adds up to over a trillion US dollars per year, or about ten times the total annual MDG estimated resource cost. While new developing economies have entered this game as suppliers, the vast percentage of the trade is controlled and supplied, with financial credits, by the rich countries with the full acquiescence if not connivance in questionable governance practices of their own governments.

A third major example is the environment. The northwest, with some honourable exceptions, has consistently shirked its responsibilities and looked the other way as the planet suffered. The United States, the single largest contributor to global environment deterioration, chooses to remain outside any committed time frame to a programme of responsible environmental control. The arrival of the newly emerging countries has only complicated the search for global solutions, with the rich countries taking refuge behind the reluctance of the emerging economies to control their growth without compensation.

On inequality, a deafening silence

The MDG template of targets cares not a bit about inequality and says not a jot about social exclusion. To the contrary, the poor are repeatedly read litanies from high and distant levels that inequality does not matter so long as absolute poverty is reduced. The majority of the world's population is asked to ignore, acquiesce to, or even to welcome, dramatically high and rising levels of inequality in most parts of the world. The legitimising discourses are simultaneously ingenious and disingenuous.

The previous Dutch minister[5] for development cooperation declared that the poor woman in the Jakarta slum should not be concerned about overnight millionaires generated by the stock exchange, so long as she had the money to send her child to school. Jeffrey Sachs, arguably the centre-forward of the UN MDG team, has likewise stated that the leaders of the developing world, in adopting the MDGs, had agreed that they would focus on absolute poverty and give up on the issue of inequality *per se*. Arjun Sengupta, a senior Indian economist, and a defender of the rights-driven approach to development, has recently argued that it would be fine to leave the top 20 percent undisturbed to enjoy their wealth, and for government policy to focus separately on the bottom 80 percent. This creates the false impression that the two sub-economies and populations live in independent, unconnected countries, if not worlds. But do they? Does the consumption of the rich have no fallout for the resource squeeze, or environmental stress and degradation for the rest of the population? Does it not crowd out the space for the rest in the health and educational systems? Indeed, does it not subvert the process of governance and government itself?

Others, relying on the tired ghost of Pareto, attempt to ethically legitimise such extreme inequality in the current growth process asserting that even extreme inequality should be acceptable so long as the poor do not lose out in absolute terms; anyone rejecting this position is then pejoratively labelled a 'spiteful egalitarian'. But if Pareto's ghost could borrow a voice, it might point out that Pareto might be equally contented with the diametrically opposite scenario, where all the benefits of new growth went entirely to the poor, so long as the rich did not suffer a drop in incomes!

And several have argued an instrumental defence of inequality on the grounds that it leavens the wheels of commerce and creates the wealth that then might trickle down to the poor. This has been read as *carte blanche*, almost literally, on how far inequality should or could be allowed to go and be accepted. Last year, the annual bonus of one young manager of a top hedge fund was more than the total national income of a short list of poor countries. The rule book of the neo-liberal game tells us that controlling inequality would preempt growth; slay the goose called inequality, and there will be no more proverbial golden eggs.

Separately fiscal redistibutors have argued that while the primary economic process should be allowed to work in an unrestricted fashion in free markets, even if it generated high inequalities; there could subsequently be a correction at the secondary, post-tax, stage through fiscal redistributions in favour of the poor. This is a popular position of convenience but it does demand one interesting paradox or contradiction to be overlooked: that the rich classes which were unwilling to accept egalitarian interventions at the primary stage would be ready to accept similarly motivated interventions and final outcomes at the secondary level!

The fact remains that inequalities have multiplied dramatically across the world, accompanied by new forms and rising levels of vulnerability, insecurity and exclusion. This is recognised explicitly even by an organisation such as the Asian Development Bank (ADB) in its last research report, where it warns of the dangers of the trends towards sharply rising inequality[6]. There is a substantial body of research which credibly argues that lower levels of inequality might actually be beneficial for growth; interestingly, the ADB report makes an acknowledgement of the soundness of this policy position favouring more egalitarian growth. But the MDGs will have none of it. There is scarcely a mention of inequality in the entire exercise. The one indicator that is used, the income share of the bottom quintile, is a very partial one and is fraught with problems of interpretation. Much breath, though not expenditure, is expended in lip service paid to the possibilities of pro-poor growth, but the structural pre-conditions for more egalitarian and probably rather slower growth retain an untouchable status, rather like the dalits who might be the potential beneficiaries of such a policy paradigm.

Endgame for Poverty?

The MDG book is rather like a sumptuous pre-summer holiday brochure full of beckoning destinations. But if you examine it long or carefully enough, unease sets in: why have so many destinations gone missing? Why can we not visit, for instance, the issue of inequality? Or, the abode of absolute poverty within rich countries? Or, the country of rights? What about mapping a route to get to flatlands of global democracy? How shall we take along the elderly, and the handicapped on the journey - or shall we surreptitiously and conveniently leave them behind? Then we are told that many desirable destinations, like universal secondary education, or better universal health care, or decent universal pension schemes, or full employment at a reasonable minimum wage, are too expensive, or that the road atlas supplied by the agency does not carry route maps for them - shall we accept such censorship without question? Is there just one travel agency in town?

The MDGs constitute a fundamental intervention in development discourse and practice. Disguised as these might be, the MDG phenomenon is hardly devoid of a latent rationale and potent agenda. Who, in their right minds, would not welcome the achievement of the goals listed? And yet, it is an intervention that dumbs down development discourse through colonising the space for critical vision and and challenge; it disempowers by straitjacketing the development rights and options of the poor and the disenfranchised. It lobotomises the intellectual and political imagination and replaces alternative pathways to egalitarian democratic development by pushing, through mass advertising campaigns, a universal-cure-all formula: neo-liberal globalisation + MDGs = development. The MDG phenomenon is intensifying, if not creating, powerful tendencies towards the technocratisation, bureaucratisation, de-policisation, and the sanitisation and securitisation of the development process within an emerging and rapidly integrating hierarchy of decision-making, controls and responsibilities. As such, it represents the end of development understood loosely as a process of conflictual contestation between elites and excluded classes over the nature of the process of societal change both vying for control over resources, institutions and power. However, in this project, it is unlikely to succeed whether at the level of discourse or direct intervention. This new propaganda of neo-liberal development might be effective in hiding the larger issues for a while for a few; but it cannot make the foundational structural and political fissures disappear in their entirety, or for long, or for the majority. Reality has an incurable habit of striking back at illusion. ■

Ashwani Saith
is Professor of Rural Economics, Institute of Social Studies, The Netherlands, and Professor of Development Studies, London School of Economics & Political Science, UK. Comments and feedback are welcomed at: saith@iss.nl or a.saith@lse.ac.uk

Eurobarometer, *Attitudes towards Development Aid*, Special Eurobarometer 222, EU; February 2005.

2 For a detailed interrogation, see Ashwani Saith, "From Universal Values to MDGs: Lost in Translation", *Development and Change*, Vol. 37, No.6, November 2006; p.1167-1200. http://www.blackwell-synergy.com/doi/pdf/10.1111/j.1467-7660.2006.00518.x

3 Of course, geographically deep southeast locations, Australia and New Zealand, remain prime northwest club members in politico-economic terms.

4 Story from BBC NEWS: http://news.bbc.co.uk/go/pr/fr/-/2/hi/africa/6950886.stm Published: 2007/08/17 10:00:39 GMT

5 Van Ardenne-van der Hoeven, "Its About Poverty", speech at the launch of the UNDP Human Development Report 2005; Ministry of Foreign Affairs of the Netherlands, 5 September 2005; available online at: http://www.minbuza.nl

6 Asian Development Bank, Key Indicators 2007: Inequality in Asia, Special Chapter on Inequality; Manila, 2007.