When *hundreds of ministers and aid agencies* meet at the UN next Monday, they ought to be *preparing a final five-year push to achieve the organisation’s 2015 ‘millennium development goals’* and celebrate the improvement of billions of lives across the developing world.

Instead, the gathering will see not only much of the developing world *falling short* on most of the targets but the aid business itself *fighting for increasingly scarce public money* and under pressure to deliver. …

In part, the disappointment may be *... arbitrary and unrealistic [targets.]* But even so, aid experts and practitioners are divided on how money should be delivered. The likes of China are meanwhile rivalling rich-country donors by building infrastructure and running industries in Africa. …

Over the past decade, donor governments often focused on volume rather than quality. … A chorus of voices from *developing countries themselves [say] that aid is doing more harm than good,* ... helps keep African countries dependent on hand-outs, and props up ... dysfunctional governments. …

*Donors* committed themselves to try ... [harmonizing], be transparent, ... and assess what good [the money] was doing. ... But their *ability to keep these promises has been less than stellar.*


[Note: the full-page article contains much more information and analysis.]

“On the eve of Monday’s highly-anticipated *U.N. Millennium Development Goals (MDGs) Summit* in which world leaders will gather here to reaffirm their commitment to the eight goals, *civil society remains deeply sceptical.* … The summit demonstrates an overwhelming gap between rhetoric and reality,’ says one expert. …

A new [NGO report] calls for *'more equitable, gender-sensitive and pro-poor policies’,* ... notes with concern that *inequality has been rising,* despite economic growth in some places, and [that] *aid is increasingly being instrumentalised for military purposes.* …

‘When you look at this document, you can only be truly disappointed,’ said another. ... ‘There are *no new commitments whatsoever.’* ... [Another disparaged] the ‘Inaction Agenda’ for its *lack of* concrete measures or *mechanisms for ensuring accountability.* [And a third noted that] ... ‘there was *so much in-fighting* during the negotiations about the inclusion of human rights language – and it’s the poor who are paying the price.’ ...

NGOs worry that next week will only be the same *‘business-as-usual.’*

“This is what happens at summits;’ [an NGO official] told *IPS. ‘There’s a lot of talk and no action.’”

Aprille Muscara, “Bridging the Chasm Between Rhetoric and Reality”, IPS, September 18, 2010. [Note: the report referred to is the *Social Watch Report 2010: After the fall: time for a new deal”*.]

‘For all the bitter debates pitting nations against one another, there is conspicuously *little disagreement over* the United Nations goal of *eliminating dire poverty,* ... *But there is plenty of criticism* about how the world’s leaders are going about it. ...

Despite broad if sporadic progress, the United Nations acknowledges that *only two of the many targets might actually be met;* cutting in half the number of people who lack safe drinking water and halving the number of people who live on $1.25 or less daily. ...

Because the goals concentrate on global averages, *China skews the statistics* on earnings because its roaring economy has lifted millions out of poverty since 1990, the baseline year on which all the goals are set. ...
‘There is no plan of action to complement what will be agreed upon,’ said Jeffrey Sachs, … [Ban Ki-moon’s special adviser], … who serves as chief global cheerleader for them, …’

The development goals … have failed to capture the imagination of the public globally. We don’t understand what works,’ [an expert said] … ‘We all made the goals and said, ‘Let us get there,’ without asking what we really know about how to get there.”

Neil MacFarquhar, “U.N. poverty goals face accountability questions”, New York Times, September 18, 2010.  [Note: much discussion now of the need for accountability and transparency, from a UN (and donors) that practice little of either. And UN veterans recall that the UN had no less than four disappointing “Development Decades” from the 1960s through the 1990s, much like this one -- see “Development Decades” at Google.]

“A compelling new study by the UN Children’s Fund contends that providing services to the world’s poorest children in the most impoverished communities is not only just, it is also more cost-effective than the current policy of mainly helping the less poor in areas that are easier to reach. … Unicef decided to challenge that assumption by examining statistical data from 26 countries. … Officials say they can now document that $1 million spent helping children 5 years old and younger in the most remote, disadvantaged areas of poor countries would prevent 60 percent more deaths than their current approach — a stunningly higher return on investment.

Unicef is recommending several new policies for itself and other agencies. Train and deploy more community health care workers who, working with simplified modern technologies, can deliver basic health services directly to remote villages. Use mass communications to encourage the poor to seek care, then eliminate user fees and cover transportation costs. Build maternal “waiting homes” near urban hospitals where rural women can stay before delivery.”

They are arguing that the new … [approach provides] a better chance of reaching the [2015] Millennium Challenge goals.”


“Political leaders, charities and business groups have pledged $40bn to save 16m lives over the next five years in an effort to boost progress on internationally agreed targets to help the developing world.

Concluding a summit on the millennium development goals in New York, Ban Ki-moon, UN secretary-general, … unveiled a fresh strategy backed by new funding designed to accelerate programmes to improve the health of the world’s poorest women and children.

Even ahead of the financial crisis in 2008, progress had been slow towards reaching the eight goals. … The $40bn represents less than a third of the $169bn the UN estimates is needed to achieve the women’s and children’s health goals.

There was some scepticism at how much of this week’s $40bn in pledges was new money, … [given donor government and international development agencies' current funding struggles].”

Andrew Jack, “Poverty drive attempts to save 16m lives”, Financial Times (UK), September 23, 2010.

“Many of the world’s biggest clearers of trees have started to hug them, … [including North America, Europe, China, and even tropical countries, especially Brazil.] … For at least 10,000 years, since the ice last retreated and forests took back the earth, people have destroyed … [forests, mostly] to clear space for crops. … [But deforestation] impoverishes the planet as a whole. Rainforests are an important prop to continental water-cycles. … Forests contain 80% of terrestrial biodiversity. … If the Amazon went up in smoke, … it would spew out more than a decade’s worth of fossil-fuel emissions. …
**REDD (Reducing Emissions from Deforestation and Forest Degradation)**, ... pays people in developing countries to leave trees standing. ... It is increasingly common. ... [The only notable Copenhagen climate-change conference success] last year was a commitment [to pursue REDD schemes. Several] rich countries ... have promised **$4.5 billion for starters**. ... The difficulties are immense. ... The most important forests include some of the world’s worst-run places. ... **[But without a serious effort]** to solve this problem, the risk from climate change will be vastly increased and **the planet will lose one of its most valuable, and most beautiful, assets**.

“The world’s lungs: There is hope for forests, but mankind needs to move faster if they are to be saved”, *The Economist, September 25, 2010*. [Note: much more information and analysis on this essential topic is found in an accompanying article, *A special report on forests: Seeing the wood*.]

“Poor people—the destitute, disease ridden and malnourished ‘bottom billion’ — live in poor countries. That has been the central operating assumption of the aid business for a decade. ... [But a new study] reckons that **almost three-quarters of the 1.3 billion-odd people existing below the $1.25 a day poverty line now live in middle-income countries**. Only a quarter live in the poorest states (mostly in Africa). This change reflects the success of developing countries in hauling themselves out of misery. ...

But it raises hard questions about whether foreign aid should be for poor people or poor countries. Britain, for example, has a rule that 90% of aid is supposed to go to the poorest countries. Aid charities strongly support that focus. ... Bob Zoellick of the World Bank [has] called for a profound ‘change [in] how we conduct development research.’ ... [The new report says, *poverty may be changing from*] an international distribution problem into a national one. **Most middle-income countries**, through national conditional-cash-transfer schemes such as Brazil’s Bolsa Família, have proved better at helping their own poor than anything invented and financed by the international aid industry.

Giving is easy. Thinking can be a lot harder.”


“In global foreign aid, **the donor community has long relied on** the amounts spent as a measure of generosity—*a giving nation’s generosity*— ... not on whether a recipient society benefited. As a result, studies show, the massive monies spent by the World Bank and European and American donors have brought about almost zero net growth in the developing world since 1960. Now, **according to President Obama’s recent speech at the UN**, ... rather than finding worthy projects and funding them — the current method — **US aid would now be strategic**. It would take into account the quality of a poor country’s governance — its delivery of services to its citizens, its presumed positive battle against corruption, and its adherence to the rule of law. Additionally, recipient countries would be asked to open their economies to foreign investment and trade, and be friendly to local entrepreneurialism.

**But the most important shift** that Obama mandated was a radical move ... [to] measuring outputs. No one has been paying attention to the good, or lack of good, that came from aid to the poor. ... Without serious reform, foreign assistance will continue to accomplish less than it should.”

Robert I. Rotberg, “Foreign aid business: Obama says that new U.S. guidelines will focus, at last, on accountability”, *International Herald Tribune, October 5, 2010*. Note: long overdue. Equally necessary, however, is that the US and other member states finally insist that the UN Secretariat deliver quality services, anti-corruption efforts, and adherence to the rule of law, rather than the current endless intentions.]
“Donor governments have pledged almost $12bn for the coming three years to the UN-backed **Global Fund** to Fight Aids, Tuberculosis and Malaria, higher than past support but below the lowest target set by the agency in its efforts to combat disease in the developing world.

The **pledges, far short of the fund’s $20bn objective, … will slow the expansion in programmes to tackle the world’s leading killer diseases.**

More than $8bn of existing disease programme grants agreed in principle by the fund has not yet been financed. … That will trigger debate on whether to delay any fresh ‘rounds’ of requests for support from countries suffering from high levels of disease to the fund, as well as ways to further boost efficiency measures such as pooling procurement and identifying ways to cut medical costs. …

It may also force the fund to revise its criteria, refocusing on the poorest countries with greatest need and pulling back from richer emerging economies that have yet to substantially increase their own funding for domestic health programmes, including India and China.”

Andrew Jack, “Global disease fund fails to hit target”, *Financial Times* (UK), **October 5, 2010**. [Note: for a more encouraging note (and strategy shift?), see the second item of October 15 below.]

“The **demographic transformation now sweeping the world** promises to affect everything from business psychology and workforce productivity to the direction of global capital flows. … It could throw into question the ability of societies to provide a decent standard of living for the old without imposing a crushing burden on the young. …

[Our] **Global Aging Preparedness (GAP) Index** … provides a quantitative assessment of the progress that countries worldwide are making in **preparing for global aging, and particularly the old-age dependency dimension of the challenge**.

The GAP Index consists of two separate subsidies — fiscal sustainability index and income adequacy. It covers 20 countries, developed and emerging. … The bad [news] is that very few countries score well on both sustainability and adequacy.

Most of the world’s developed economies will have to make large reductions in state retirement provision to stave off a fiscal Armageddon. So too will a few major developing economies, notably Brazil and South Korea. But **unless reform also ensures income adequacy for the old, the reductions are unlikely to be politically sustainable**.

The economic crisis has … drastically reduced the fiscal resources … [available and] has also left many elderly people more vulnerable.”

Richard Jackson, Neil Howe, and Keisuke Nakashima, “Here come the elderly: How prepared are societies for the looming challenge of global aging?”, *International Herald Tribune*, **October 14, 2010**. [Note: the authors are at the Center for Strategic and International Studies.]

[The *Financial Times* has published a six-page **special report on World Food**. It presents multiple articles on actions needed to increase yields and address the impact of climate change, which will require investment on a very large scale. The articles include:\n
- **Farm investment** Buying land overseas to boost national supplies remains controversial;
- **Mobile technology** Phones are useful tools for small farmers;
- **Private sector initiatives** Business actions to help development and fight poverty;
- **Millennium Goals** Progress is patchy on feeding populations;
- **Water use** Only a few per cent of global supplies are suitable for use and they are under increasing pressure.

The report cites three key sources: *Climate change and agriculture: Impacts and costs of adaptations, International Food Policy Research Institute, 2009; Sustainability and security of the global food supply chain, Rabobank Group, 2010; and World hunger series: Hunger and markets, World Food Programme, 2009.*]

Six pharmaceutical companies and several governments have pledged more than \$150m in medicines and funding over five years to tackle some of the most neglected diseases.

The debilitating illnesses – including leprosy, lymphatic filariasis and sleeping sickness – affect 1 billion of the world’s poorest people, place a burden on health services, stunt children’s education and hinder economic development.

[A World Health Organisation report argues that] several of the 17 diseases identified could be eliminated by 2020 by increased distribution of simple medicines. The initiatives include a redoubled effort to use preventive chemotherapy with a cocktail of cheap drugs designed to limit cases of several diseases.

[WHO head] Margaret Chan, said: “These are debilitating, sometimes horrific, diseases that are often accepted as part of the misery of being poor. The strategies set out in this report are a breakthrough. If implemented widely, they can substantially reduce the disease burden, breaking a cycle of infection, disability and lost opportunities that keep people in poverty.”

The companies involved are Novartis, GlaxoSmithKline, Sanofi-Aventis, Johnson & Johnson, Bayer and Eisai of Japan.”


Why was a summit meeting on Millennium Development Goals called on 20 September when it was clear that nothing could come of it? … Not even the most obvious goal of cutting poverty in half by 2015 has been half-accomplished. …

Actually, it was a tactical error by the current Secretary General’s advisors to insist on having him put his personal stamp on an obviously unproductive gathering.

The right approach should have been to sharpen the focus on the gaps, the possibilities, and the political obstacles. It is member states -- key member states -- not Secretary General Ban, who should have been held accountable. …

Triumphant claims accompanied photos of heads of state, while difficulties in reaching the target were accompanied by Ban Ki-moon’s photo. He may feel that’s part of his job. It isn’t. Regaining a role for the U.N. lies in precisely and effectively presenting that role in comparison with the responsibilities of member states.

As it happened, we got a lot of hot air in September in almost deserted halls, with no visible result, except perhaps a one-page photo of our friend Bono, fashionable ‘Development’ guru, advertising for a special kind of luggage.”

“MDG summit: Hot air in September!” UN Forum, 15 October 2010.

Women around the world enjoy opportunities that simply didn’t exist a few decades ago. Yet those … exerting the greatest pressure for change often aren’t the presidents and tycoons but those toiling further down, … driven by a passion to create a better world for women.

I became interested in such figures while writing a book with my wife, Sheryl WuDunn, … about educating and empowering women … [to solve world problems.] … It struck us that women in particular were finding creative ways to help the world’s most vulnerable people, many of them also women.

… One factor buttressing Do It Yourself [D.I.Y.] foreign aid is that altruism is contagious. … It’s striking that the most innovative activists aren’t necessarily the ones with the most resources, or the best tools. …

Of course, not everyone is ready to move off to Nepal and exchange bar-hopping for lice-minimization. …

The challenge is to cultivate an ideology of altruism, … and then to figure out what people can do at a practical level. … “The aim is to inspire the everyday person,” … says one such person, summing up the rise of do-it-yourself foreign aid.”

“At last month’s U.N. summit, international leaders gathered to discuss the progress of Millennium Development Goals. Many of the initiative’s aims have been slowed by the global recession.

In an interview with National Public Radio, Helen Clark, Administrator of the United Nations Development Program (UNDP), proposes that the recession has negatively impacted developing countries in two ways:

‘One, the donor countries clearly are not as well-heeled as they were. … Secondly, the recession had an impact on poor countries...which had a big reliance on remittances from workers in North America or in Europe. … It’s been tough - tough on families, tough on communities.’”


“Food prices have soared to levels last seen in the 2007-08 crisis after a big October rise, he UN’s Food and Agriculture Organisation said on Tuesday.

The rise will renew fears about a repetition of the wave of food riots that rocked poor countries from Bangladesh to Haiti two years ago. Higher agricultural commodities costs will also hit consumers in richer countries, with food companies such as McDonald’s and Kraft already announcing price rises for 2011.

Until recently, the FAO had predicted that food prices would fall soon, but now officials are concerned that high costs could continue well into next year or even rise further. …

The rally in global food cost in October was led by sugar prices, which hit a 30-year high on Tuesday, and costlier corn, soyabeans and milk.”


“Microcredit loans … [established by nonprofit groups] once seemed a promising path out of poverty for millions. … Over the past half-decade, … [private companies] have raked in enormous profits by extending them readily to poor villagers, sometimes at exorbitant interest rates, … [and disregarding] their ability to repay, …

Microfinance could become India’s own version of the subprime mortgage debacle in the United States. Repayments on nearly 90 billion rupees in loans to the southern state of Andhra Pradesh have virtually ceased. …

India’s crisis could have global ramifications. Foundations, venture capitalists and the World Bank have used India as a petri dish for enterprises that seek to make a profit while filling a social need. Similar ideas have been exported to other poor countries, in Asia, Africa and Latin America, … [An Indian expert] said microfinance firms … [forgot that the poor needed not just loans] but business and financial advice as well, …

The collapse of the industry could have severe consequences for borrowers. … Most people would once again have to turn to moneylenders, who typically charge annualized interest rates of 60 to 100 percent, or three to four times what microfinance firms charge.”

Lydia Polgreen and Vikas Bajaj, “India’s poor find microloans a path to misery, not freedom”, International Herald Tribune, November 18, 2010.
Developing economies now account for about half of global growth, [and] their import demand is growing twice as fast as that of advanced markets. …

So is the game over for the Old World? … [A senior economist argues] that China and other developing countries lack the organizations and institutions that accept – indeed welcome – the risk-taking that holds the key to technological innovation. …

But he is swimming against a strong tide. … [A recent World Bank book which] examined the post-crisis policy outlook [says] developing countries could take over global GDP leadership as soon as 2015. … [It foresees] four global trends unfolding that will enable emerging economies to raise productivity and harness better technologies.

- Joining international supply chains, specializing initially in simple tasks;
- Booming south-south trade … [which will diffuse] technologies … tested and adapted to developing country settings;
- Information and communications technology is getting less expensive and more widely used;
- Locally-adapted technology breakthroughs are emerging: the Nano car sold by Tata Motors of India for about … $2,200 is a case in point.‖


China has surged ahead of the rest of the world in renewable energy, creating a ‘new world order’ in the low-carbon sector, according to research published today. …

China spent a record amount on the wind power industry in the last quarter, according to a report from Ernst & Young, … amounting to about $10 billion [in the second quarter of 2010], or about half of the global total of $20.5 billion. …

By contrast, the U.S. is falling behind, … owing to … the financial crisis, low gas prices, and the uncertain … policy environment. … There is also burgeoning investment in clean technology in countries such as South Korea and Mexico, … [as well as] Romania and Egypt. …

For most of the past decade, the [European Union] enjoyed a strong leadership position in the clean technology market. … [But] China’s investment across the whole clean technology sector reached $13.5 billion in the third quarter of this year, compared with $8.4 billion for Europe.”

Fiona Harvey, “China leads clean energy surge”, Financial Times (UK), November 30, 2010. [Note: another important (and surprising) area in which China is now leading the world.]

[Foreign Policy has an excellent cover story on the enormous global challenges of aging populations, providing an eye-opening analysis of existing attitudes toward this topic and challenging conclusions on how much work remains to be done.]


[Is there a … way?] … [Yes], the trick will be restoring what, in the days of family-owned farms and small businesses, was once true: that babies are an asset rather than a burden. Imagine a society in which parents get to keep more of the human capital they form by investing in their children. Imagine a society in which the family is no longer just a consumer unit, but a productive enterprise. The society
that figures out how to restore the economic foundation of the family will own the future. The alternative is poor and gray indeed."

Phillip Longman, “Think again: Global aging. A gray tsunami is sweeping the planet – and just not in the places you expect. How did the world get so old, so fast?” Foreign Policy, at www.foreignpolicy.com, November 2010.

“[Here in Haiti] I’ve been experimenting, … [with] a cellphone account to buy goods in shops. [It can also] transfer money to individuals. … [A thief would need] not only your phone but also your PIN to … [access your money.] …

[Rather than handing out] bags of rice, or vouchers, [an NGO, Mercy Corps, will put $40 monthly automatically] into each person’s cellphone savings account — [redeemable locally] for rice, corn flour, beans or cooking oil. …

One of the biggest challenges for the poor is how to save money. … Banks typically won’t accept tiny deposits, … [so it is] kept under a mattress, and stolen or squandered. … Mobile phones offer a low-cost way to make microsavings feasible and extend financial services to the poor. About three-fourths of Haitians have access to a mobile phone, and similar numbers are found in many poor parts of the world. …

[Two groups are helping Mercy Corps] expand services so that anyone … [can] make purchases, put money [or remittances from relatives] into a mobile phone account, or take cash out. That’ll be a milestone in the inclusion of the poor in the world of financial services.”


“The WHO -- for 62 years the world’s go-to agency on all public health matters -- is today outmoded, underfunded, and overly politicized. In a world of rapid technological change, travel, and trade, the WHO moves with a bureaucracy’s speed. Its advice to health officials is too often muddied by the need for consensus. … The WHO has simply not adapted. …

The Bill and Melinda Gates Foundation has revolutionized global health, investing $13 billion in health grants in many areas, [along with others.] … These pioneering efforts … are nimble, well-funded, and less encumbered by red tape. It’s hard to see how the WHO can compete, …

The WHO is no longer setting the agenda of global health; it’s struggling to keep up. … The problems extend to personnel … [and] expertise is starting to fade away. … The WHO’s governance system is also archaic; … [it is] more a federation of six regional offices. …

WHO Director General Margaret Chan and her senior team … [are making progress but] the agency cannot remain underfunded and understaffed. … For the WHO to be revived as the world’s foremost health authority, it now needs intensive therapy itself.”

Jack C. Chow, “Is the WHO Becoming Irrelevant? Why the world’s premier public health organization must change or die”, Foreign Policy, December 8, 2010. [Note: Mr Chow was a senior WHO official from 2003 to 2005. He offers many prescriptions for improvement: see www.foreignpolicy.com, by the author and title under “Flash Points.”]

[A detailed Time magazine article contains many surprises about successful small-scale development amidst drastic climate change in Africa. Suddenly there is the possibility of a whole new green trajectory. Africa’s small farmers comprise 7 out of 10 Africans: it is they who offer some of the best reasons for greening a continent.

Long before fighting climate change, long-term weather changes were wreaking havoc. Drought created military conflict. There were mass migrations to greener countries to the south, and an injection of foreign aid.
Then green economics introduced rescued hectares that brought in annually an extra $70 for each person working regreened land, a big boost where per capita income is $185. Green economies have evolved in parts of Niger, Mali, Burkina Faso, Tanzania, and Ethiopia.

**Change will not be easy.** A cultural transformation is required. The desert still eats up many acres of land per year. *But, where tried, farmers now have surplus food and cash crops* like wood and farm animals. And young men who left to work in Togo or Benin returned home. As one longtime African advocate says: *“We stopped the desert, and everything changed.”*

Alex Perry, “Land of hope: Fed by drought, Africa’s deserts are spreading, bringing with them hunger, disease and tribal conflict. But innovative policies can push the deserts back”, *Time* December 12, 2010. For the full article, with videos and pictures, see [www.time.com/time/magazine/article/0,9171,2034377,00.html](http://www.time.com/time/magazine/article/0,9171,2034377,00.html). See also the next item.

“The number of impoverished [Asians] is increasing, and if there is one [challenge above all for policymakers to address] within the next decade, it is that inclusive development must be offered to all Asians.

The Multidimensional Poverty Index … of the U.N. Development Programme recently found that *eight Indian states account for more poor people than in the 26 poorest African countries combined.* …

Uneven wealth distribution makes it more difficult to cope with ethnic or religious conflicts, demographic pressures, and even natural calamities. …

Mohandas Gandhi said that India lives in its villages. … [Six decades later] some 72% of [Indians] live in rural areas. *[Other countries have similar rural majorities]:* Nepal, 85%, Sri Lanka, 79%, Bangladesh 76%, and Pakistan 68%.] …

*It is only right that we should take growth to the countryside, instead of luring rural migrants to the cities.* Sound rural-development policies enable families and communities to stay together. …

Those in the upper strata of the region’s income earners … in the world of bright shopping malls … [may] forget about the legions of the rural poor, … But it is essential that the needs of those populations be met, and met urgently.”

“Sarabjit Singh, “Thank you for sharing. Huge inequalities in wealth distribution must be addressed if Asia is to continue to develop “, *Time* December 13, 2010.

**2011**

“Brazil’s level of economic inequality is dropping at a faster rate than that of almost any other country. … [A major factor is *conditional cash transfers* that are now transforming how countries all over the world help their poor. …

The idea is to give regular payments to poor families … [who must] meet certain requirements: keeping their children in school, going for regular medical checkups, and mom must attend workshops on subjects like nutrition or disease prevention. …

[The basic] idea is to combat poverty today while breaking the cycle of poverty for tomorrow. … It is now in use in some 40 countries around the globe, … already successful on a staggering enormouse scale, … [including] about 50 million Brazilians. …

The World Bank and the Inter-American Bank for Development are working with individual governments to spread these programs. … Hundreds of studies by independent academics indicate that [the programs in Mexico, Brazil, and elsewhere] *do keep people healthier, and keep kids in school.* …

For skeptics who believe that [such] programs never work, conditional cash transfers help the people who most need help, and do so with very little waste, corruption or political interference.”

Tina Rosenburg, “To beat back poverty, try giving money to the poor”, *International Herald Tribune*, January 6, 2011. [Note: IO Watch mentioned this program about a year ago: it is encouraging to see its vast expansion and how well it is working.]
Two Chinese state controlled banks have lent more to developing countries than the World Bank, according to a [Financial Times] report. The China Development Bank and the China Export Import Bank offered loans of at least $110 bn (£69.2 bn) to governments and firms in developing countries in 2009 and 2010. … Between mid-2008 and mid-2010, the World Bank’s lending arm issued loans of just over $100bn (£63bn).

One of China Development Bank’s specific tasks is to try to alleviate and, where possible, eliminate bottlenecks in supplies of raw materials or land for China’s economy. It also tries to open up foreign markets for Chinese companies.

The Chinese government, which is sitting on $2 trillion (£1.26 trillion) of foreign exchange reserves, has ample amounts of cash to fund loans which help promote its strategic objectives.”


The United Nations Development Program… [boasts of creating 5,280 ‘green’ jobs in 2010 on 135 environmental projects world-wide. UNDP spends about $570 million a year on implementing environmental programs and projects, mostly … [for] outside donors. Half of that funding comes from the Global Environmental Facility (GEF), which calls itself the world’s ‘largest funder of projects to improve the global environment.’ … [A 112-page internal evaluation report for its Executive Board meeting starting on January 31 states that] UNDP’s ability to marry its environmental projects and anti-poverty efforts has been ‘haphazard’ and uneven; ‘monitoring and evaluation for the poverty-environmental nexus is almost entirely missing in UNDP’; and the agency’s environmental agenda is driven mainly by opportunities to secure funding from outside sources for its activities. … Bottom line: UNDP has learned how to talk a good game on using environmentalism to alleviate poverty, but ‘policy is not yet systematically translated into practice.’ …

The UNDP documentation … [for many] projects appeared to be in vast disarray. … It seemed clear that … substantial amounts of money had gone into government and regulatory offices in countries where corruption is often not unknown. Click here for the full report.”


The planet’s real fault line is between elites and the middle class in some countries, and the bottom of the pyramid, everywhere. … Preserving that kind of social hierarchy … [helps decide] which solutions to the world’s problems arrive on the table and which do not. … We politely overlook the reality that for every resource-cursed country, there is a resource-blessed kleptocracy. … [Mostly], those who pillage their countries’ wealth are accepted into the top ends of global society. … India, justifiably, …argues that it has hundreds of thousands of villages … [without] electricity. … In fact, the poor pay 20 percent of the world’s lighting bill -- and get only 0.1 percent of the world’s lighting services in exchange. … [We] rarely … [realize] that a knowledge-based society makes it far easier for much of the workforce to be left behind, … [And] enriching them would mean lowering the status and wealth of bankers, distributors, and advertisers -- and they’ve got all the leverage. …

[Our global economy] knows how to concentrate money and power in an ever smaller set of hands. … Someday, to our peril, the poor will find their own way to remind us.”

Carl Pope, “Unconventional wisdom: The rich don’t really care about the poor”, Foreign Policy, January/February 2011. [Note: Mr. Pope is chairman of the Sierra Club. He notes further that the world’s four richest citizens – Carlos Slim, Bill Gates, Warren
Buffett, and Mukesh Ambani -- control more wealth than the world's poorest 57 countries.]

“Africa suffers from the resource curse, which blights countries nature made rich. Corrupt states become more powerful because revenues from natural resources flow straight to them. Health and education suffer. …

Insiders and profiteers are increasingly using oil revenues to take over service industries. They crowd out entrepreneurs and create their own monopolies. …

Even good intentions often fail the poor. Africans joke that the animal they see most often these days is the white elephant—high-profile investment projects that serve no purpose. Angola has built 24 new hospitals, but cannot staff them because, although it has 18m people, it has only 1,500 doctors. … it is the only [country] in the world with cases of urban polio. …

Africa’s rulers have spent billions on their armies. Global defence spending has fallen by 35% since the end of the cold war: in sub-Saharan Africa it increased by almost a third. …

Africa’s press needs financial support and training. Micro-loans and trade links can help entrepreneurs compete with state-backed monopolists. No place without the institutions to hold powerful men to account can completely escape the temptations of huge resource wealth. But Africa’s poor deserve so much better.”

“Spread the wealth. The impressive growth figures of resource-rich African countries are not all good news’’, The Economist, February 10th, 2011.

“Since demonstrations began in Tunisia [several months ago], the Arab Middle East has been messiness personified. … What can we learn from the region’s revolutions — and those that went before them? …

Regimes throughout the region have not done enough to provide sufficient jobs, education, housing, dignity. ‘This’, [an expert says], ‘is the most glaring source of tension.’

As the revolutions play out, memories, resentments and social fractures specific to each country will shape their outcome. … Religion may shape what happens next. …

Though romantics want revolutions to have charismatic leaders, successful ones channel the revolutionary instinct into habits of effective government through institutions … [with] a degree of popular legitimacy. …

Egypt and Tunisia have parliaments, political parties, judges and lawyers, labor unions and a press. … which augurs well for the chance of building … [effective and accountable] systems of governance. [But Libya is] almost devoid of the appurtenances of state power., and Yemen is … poverty-ridden and threatened by regional uprisings.

Let them do it themselves. Each nation’s young people have learned tactics, technological fixes and slogans from one another. … [This year], Arabs have been inspired by the example of fellow Arabs.”


“There was … disbelief among ministers and ambassadors from diverse nations when the chairperson of the 11th Info-Poverty World Conference held at the United Nations introduced the jeans-clad Chhavi Rajawat as head of a village in India, … 60 kilometres from Jaipur, … the changing face of growing dynamic rural India. …

30-year-old Rajawat, … [an MBA], quit her senior management position … to serve her beloved villagers as sarpanch. …

It is necessary to re-think … [and include] new technologies like e-services, … she [said. Without change, ‘we’ll be failing people who dream about having water, electricity, toilets, schools and jobs’.”
‘In the past year alone, I and the villagers in Soda have brought about a radical change in the village purely through our own efforts.’ …

‘I thank United Nations Office for Partnerships (UNOP) which … [supported opening] the first bank in the village. That made all the difference. … In three years I will transform my village.’

‘I want the conference to … [hasten change so this generation can enjoy the kind] of life that I - and you in this audience - take for granted,’ she said to thunderous cheers from the delegates.”

“In a stinging rebuff to the United Nations and its anti-poverty efforts, Eritrea, one of the poorest countries in Africa, … [wants to end] its long-term development agreement because the U.N. makes the problem worse, not better.

[A January 26 Eritrean Finance Ministry letter] states that ‘aid only postpones the basic solutions to crucial development problems by tentatively ameliorating their manifestations without tackling their root causes. The structural, political, economic, etc. damage that it inflicts upon recipient countries is also enormous.’ In other words, the government argues, U.N. aid does more harm than good; …

In the current UNDP framework from 2006 until June 2011, … the U.N. was supposed to spend about $90.3 million … on everything from vaccination programs to HIV transmission education to education and food production to civil service reform. …

According to the finance ministry letter, … the government will stay engaged with ‘a few, select U.N. agencies,’ mostly aimed at seeking and improving water supplies in the drought-stricken nation, and improving sanitation. …

A UNDP spokesman said the organization hoped to make lemonade out of that limitation by gaining ‘an opportunity for the U.N. system to scale up its support in these sectors.’”


“The UK government withheld £500,000 of aid to Malawi after an audit found large amounts of taxpayers’ money had been squandered in the poverty-stricken country. …

There is mounting international concern over human rights abuses and corruption in Malawi. … International donors grouped under the Common Approach to Budgetary Support, including Britain, Germany and Norway, have only disbursed £60m of the £95m slated for Malawi this year. …

In January, the US government withheld a £200m grant to rehabilitate Malawi’s energy sector, demanding that it respects the rights of minorities and that a media law allowing ministers to ban publications deemed ‘contrary to the public interest’ is repealed. …

Opposition politicians in Malawi have also reacted angrily after it emerged that the wife of … the Malawian president, enjoys a substantial salary [of £4,500 a month] as the country’s ambassador for safe motherhood, … [a role previously unpaid, but now about double the amount] paid to cabinet ministers.”


“The World Bank should put money into civil society in Arab countries after a wave of political unrest showed the limits of their economic development, said Robert Zoellick, the bank’s president.

‘Now it may be time to invest in the private, not-for-profit sector – civil society – to help strengthen the capacity of organisations working on transparency, accountability and service delivery,’ Mr Zoellick said in a speech. …

‘[The World Bank should examine whether it] needs new capabilities or facilities … to strengthen the capacity of civil society organisations working on accountability and transparency in service delivery,’ he said. …
Countries such as Tunisia and Egypt improved their economic policies in recent years. … [But] ‘institutions remained sclerotic, and modernisation has been too partial, and too dependent on a small number of reformers to take firm root,’ Zoellick said.

Many analysts say an important factor in the unrest that has swept Arab nations is high unemployment among the young and frustration at a lack of economic opportunities. …

“Our message to our clients, whatever their political system, is that you cannot have successful development without good governance and without the participation of your citizens,” Mr Zoellick added.”

Robin Harding, “Zoellick seeks support for Mideast civil society”, Financial Times (UK), April 6 2011.

“A recent study by the UN's education arm UNESCO revealed corruption is so rife that many classrooms, teachers and schoolkids for which cash is being claimed [in Pakistan] have never existed.

And, even if money pledged by David Cameron does end up in bona fide schools, they are at risk from the Taliban - who have already destroyed hundreds. … Experts estimate some 5,000 children - some as young as seven - are trained as suicide bombers.

Government corruption investigators reported there was no point throwing any more international money at it because it would simply be stolen.

And in Punjab - where Britain is funding an £80million programme - top education ... [officials] were suspended amid allegations ... of siphoning off millions. Teachers have even called for the Education Minister to be sacked.

[Another report said]: Corruption in education is institutionalised in such a way that it has become the norm. Hundreds of schools in rural areas remain disused and teachers posted there do not appear for work.”

Gethin Chamberlain and Tim Spanton, “£650m aid to Pakistan is corruption risk”. sun.co.uk, 07 April 2011.

“Countries trapped in repeated cycles of war and violent crime are badly served by the global framework for peacekeeping and humanitarian relief, according to the World Bank [its] annual world development report, published on Monday, … says that building government institutions which can mediate political and communal violence is more important than the goal of simply stopping conflict. …

Breaking the cycle of violence 'requires determined national leadership and an international system 'refitted' to address 21st century risks', the report concludes. …

The bank says that examples such as the independence of East Timor or Chile’s emergence from dictatorship argue for building political frameworks that contain sufficient parties at an early stage to achieve peace without leaping straight to full democracy.

But at present, the report says, there is a lack of external support for restoring peace and creating jobs in the short term to reduce the attractiveness of turning to crime. …

The report reflects a debate within the aid world about how to deliver aid in ‘fragile states’ – those affected by conflict, violence and a general weakness of governance and the rule of law.”