



# HUMAN DEVELOPMENT REPORT 2003

Millennium Development  
Goals: A compact among  
nations to end human  
poverty



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# Foreword

This Report is about a simple idea whose time has come: the Millennium Development Goals.

Born of the historic Millennium Declaration adopted by 189 countries at the UN Millennium Summit in September 2000, these eight Goals—ranging from halving extreme poverty to halting the spread of HIV/AIDS to enrolling all boys and girls everywhere in primary school by 2015—are transforming development. Governments, aid agencies and civil society organizations everywhere are re-orienting their work around the Goals.

But despite these welcome commitments in principle to reducing poverty and advancing other areas of human development, in practice—as this Report makes very clear—the world is already falling short. For some of the Goals much of the world is on track. But when progress is broken down by region and country and within countries, it is clear that a huge amount of work remains. More than 50 nations grew poorer over the past decade. Many are seeing life expectancy plummet due to HIV/AIDS. Some of the worst performers—often torn by conflict—are seeing school enrolments shrink and access to basic health care fall. And nearly everywhere the environment is deteriorating.

The central part of this Report is devoted to assessing where the greatest problems are, analysing what needs to be done to reverse these setbacks and offering concrete proposals on how to accelerate progress everywhere towards achieving all the Goals. In doing so, it provides a persuasive argument for why, even in the poorest countries, there is still hope that the Goals can be met. But though the Goals provide a new framework for development that demands results and increases accountability, they are not a programmatic instrument. The political will and good policy ideas underpinning any attempt to meet the Goals can work only if they are translated into nationally owned, nationally driven development strategies guided by sound science, good economics and transparent, accountable governance.

That is why this Report also sets out a Millennium Development Compact. Building on the commitment that world leaders made at the 2002 Monterrey Conference on Financing for Development to forge a “new partnership between developed and developing countries”—a partnership aimed squarely at implementing the Millennium Declaration—the Compact provides a broad framework for how national development strategies and international support from donors, international agencies and others can be both better aligned and commensurate with the scale of the challenge of the Goals. And the Compact puts responsibilities squarely on both sides: requiring bold reforms from poor countries and obliging donor countries to step forward and support those efforts.

The aim is not to propose yet another new vision or one-size-fits-all solution to the problems of the developing world; the past 50 years have been littered with the skeletons of far too many of those. Rather, the Compact seeks to highlight the key areas of intervention—from democratic governance to economic stability to commitments to health and education—that should guide national efforts and international support for the Goals. In middle-income countries these interventions should be integrated with regular budget processes and long-term development strategies. In the poorest countries Poverty Reduction Strategy Papers will likely be the most appropriate instrument. The point is not to provide something new or place additional burdens on overstretched governments, but to offer concrete ideas on how to ensure that the fine words of the Millennium Declaration—elevating poverty to the top of the global agenda—are matched by real, country-owned action plans that make those words a reality.

There are good technocratic reasons for taking this approach. As this Report makes clear, the Goals not only support human development, they are also achievable with the right policies and sufficient resources. But the real power of the Goals is political. They are the first global development vision that

combines a global political endorsement with a clear focus on, and means to engage directly with, the world's poor people.

Poor people care about what happens to their income levels. Poor people care about whether their children get into school. Poor people care about whether their daughters are discriminated against in terms of access to education. Poor people care enormously about pandemics and about infectious diseases such as HIV/AIDS, which are devastating communities in Africa. And poor people care a lot about their environment, and whether they have access to clean water and sanitation. Now, with democracy spreading across the developing world, poor people can finally do more than care.

In a very real sense the Goals are a development manifesto for ordinary citizens around the world: time-bound, measurable, pocketbook issues that they can immediately understand—and more important, with adequate data, the Goals seek to hold their governments and the wider international community accountable for their achievement.

That is important. Because while the main focus of the Millennium Development Compact is the first seven Goals and how they apply to developing countries, it is no exaggeration to say that the overall success or failure of the new global partnership the world is trying to build will hinge on achieving the eighth Goal: the one that sets out the commitments of rich countries to help poor ones who are undertaking good faith economic, political and social reforms.

A key conclusion of this Report is that while reallocating and mobilizing more domestic resources towards targets related to the Goals, strengthening governance and institutions and adopting sound social and economic policies are all necessary to achieve the Goals, they are far from sufficient. The Report is full of examples of countries that are model reformers—but that have not achieved strong growth because geographic isolation, hostile environments or other handicaps mean that sustained external support at well above existing levels is critical to advance their development.

Long-term initiatives to halve hunger and poverty will fail without fundamental restructuring of the global trade system—particularly in agriculture—that

includes rich countries dismantling subsidies, lowering tariffs and levelling the playing field. The fight against HIV/AIDS, malaria and other diseases will be lost without effective supplies of affordable, essential drugs to poor countries. Stable, long-term fiscal planning will be impossible for some of the poorest countries without more systematic, sustained debt relief. And last but by no means least, it is important to remember that estimates of an additional \$50 billion a year in development assistance to meet the Goals are a minimum—and assume large-scale reallocations of and better access to domestic resources and other sources of finance.

If the fundamental vision of the Goals as a means of better managing globalization on behalf of poor people is to be met, the Goals need to be seen as an indivisible package. It is a package that holds unprecedented promise for improving human development around the world—and a promise that every country has pledged to keep. The challenge is to hold countries to their promises and help them reach the Goals.

Every Human Development Report is a collaborative effort that relies on the help and expertise of not only a dedicated core team but also a wide range of friends and advisers. This year that pool has been broader than usual because UNDP has been able to draw on the preliminary work of The Millennium Project—a network of more than 300 policy-makers, practitioners and experts from around the world who are providing their time, knowledge and energy to a three-year effort to map out exciting new strategies to help countries meet the Goals.

As with previous Reports, this is an independent analysis seeking to advance the debate on human development, not a formal statement of UN or UNDP policy. Nevertheless, as an outline of the central development obstacles and opportunities over the next decade, we believe that it helps frame an ambitious agenda for UNDP and our development partners in the months and years to come.



Mark Malloch Brown  
*Administrator, UNDP*

The analysis and policy recommendations of this Report do not necessarily reflect the views of the United Nations Development Programme, its Executive Board or its Member States. The Report is an independent publication commissioned by UNDP. It is the fruit of a collaborative effort by a team of eminent consultants and advisers and the *Human Development Report* team. Sakiko Fukuda-Parr, Director of the Human Development Report Office, led the effort.

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*Human Development Report 2003*

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