



SUCCESSFUL DEVELOPMENT EXAMPLES

- Sri Lanka increased life expectancy by 12 years in less than a decade.
- In nine years, (1953-62), China added 13 years to life expectancy.
- Botswana doubled school enrolment rates in 15 years.
- In Zimbabwe the gross primary enrolment ratio rose from 75% in 1960 to 124% in 1985, just five years after independence.
- In east Asia, the number of people surviving on less than \$1/day was almost halved in the 1990's.
- Some of the poorest countries have also made spectacular improvements: Bangladesh and Bolivia on reducing child mortality; Ghana and Peru on reducing hunger.

GOAL 1: POVERTY and HUNGER

- In the 1990s average per capita income growth was less than 3% in 125 developing and transition countries, and was negative in 54 countries. In a further 71 countries, growth was below the 3% a year needed to double incomes in a generation.
- Of the 54 countries with negative growth rates, 20 are from Sub-Saharan Africa, 17 from Eastern Europe and the Commonwealth of Independent States (CIS), 6 from Latin America and the Caribbean, 6 from East Asia and the Pacific and 5 from the Arab States.
- More than 1.2 billion people—one in every five on Earth—survive on less than \$1 a day. However, in the 1990s the share of people surviving in extreme income poverty fell from 30% to 23%. But with a growing world population, the number fell by just 123 million.
- In Sub Saharan Africa, half the population lives on less than 1\$ a day. At current rates Sub-Saharan Africa will not meet the poverty Goal until 2147.
- In South Asia, despite the promising improvements in the past decade, one in three people still struggle to survive on less than \$1 a day.
- The goal of halving poverty will be met globally due to the fast economic growth in the world's two most populous countries—India and in China. In the last ten years, China's buoyant economy enabled 150 million people to move out of poverty. As a result, East Asia was the only region in which the absolute numbers of poor people declined significantly over the past decade.
- At current trends the world will only meet the poverty and the water goals.
- Every day 799 million people in developing countries —about 18% of the world's population—go hungry. Over half of these are in South Asia or Sub Saharan Africa.
- Between 1990–92 and 1998–2000 the proportion of hungry people in developing countries fell from 21% to 18%.
- In South Asia one person in four goes hungry, and in Sub-Saharan Africa the rate is as high as one in three. At current rates, sub-Saharan Africa and South Asia will meet the hunger Goal after 2100.
- In 19 countries more than one person in four is going hungry, and the situation is failing to improve or getting worse. In 21 countries the proportion of malnourished population has increased.
- If all the food produced worldwide were distributed equally, every person would be able to consume 2,760 calories a day (hunger is defined as consuming fewer than 1,960 calories a day).
- The number of poor people with access to microcredit schemes rose from 7.6 million in 1997 to 26.8 million in 2001—21 million of them women, enabling them to control assets, make economic decisions and assume control of their lives. According to some estimates, 5% of microfinance programme participants could lift their families out of poverty each year.

GOALS 2 and 3: EDUCATION and GENDER EQUALITY

- Currently, some 115 million children are not being educated.
- One fifth of South Asia's children do not attend school. In Sub Saharan Africa, a child has only a one in three chance of completing school. With the exception of Latin America, none of the regions where primary enrolments are currently low will meet the goal of universal primary education because the pace of progress has been too slow.
- Across developing regions, more than 80% of children are enrolled in primary school. However, in 12 countries, primary school enrolments are shrinking. Many of these countries are in Sub Saharan Africa.

- Enrolments are woefully low in Sub-Saharan Africa (57%).
- One in six of the world's adults is illiterate.
- Lobbying by local people in the Indian state of Madhya Pradesh led to the building of 30,000 new schools from 1997 to 2000.
- The 1990s have seen a decline in donor support for education, falling from 30% in real terms, to \$4.7 billion—with just \$1.5 billion for basic education.
- Three-fifths of the 115 million children out of school are girls, and two-thirds of the 876 million illiterate adults are women.
- Some progress is being made: between 1990 and 2001 the ratio of literate female to male 15- to 24-year-olds in countries with low human development increased from 70 to 81 women per 100 men, though in countries with medium human development it increased only from 91 to 93.

GOALS 4,5, and 6: HEALTH

- Every year more than 10 million children die of preventable illnesses—30,000 a day.
- In the 1990s, child mortality was reduced by a third or more in 63 countries— in more than 100, it was cut by a fifth.
- More children have died through diarrheal disease in the past decade than all people lost in conflict since World War 2.
- At current trends, in Sub-Saharan Africa the child mortality Goal will not be met until 2165.
- In 14 countries under-five mortality rates increased in the 1990s, and in 7 countries almost one in four children will not see their fifth birthdays.
- Of 24 developing countries with subnational data on child mortality between the mid-1980s and the mid-1990s, only 3 have narrowed the gap in under-five mortality rates between the richest and poorest groups.
- Some 500,000 women die in pregnancy or childbirth each year, one for every minute of the day. In Sub-Saharan Africa, where the outlook is most grim, a woman is a 100 times more likely to die in pregnancy or childbirth than in a high-income OECD country.
- In Mozambique committed local authorities with financing authority increased vaccination coverage and prenatal consultations by 80%, overcoming capacity constraints by contracting NGOs and private providers at the municipal level.
- In 34 countries life expectancy has fallen in the 1990s.
- Around the world 42 million people are living with HIV/AIDS, 39 million of them in developing countries, up from 26 million in 1996; three quarters of them are in Sub-Saharan Africa, where the rate has almost reached one in ten adults, or more for some countries.
- In the Caribbean more than 2 in 100 adults are living with AIDS.
- Only Uganda and Zambia have begun to contain the disease, since it reached crisis levels.
- Tuberculosis remains (along with AIDS) the leading infectious killer of adults, causing up to 2 million deaths a year.
- Malaria deaths, now 1 million a year, could double in the next 20 years.

GOAL 7: WATER AND SANITATION and the ENVIRONMENT

- Around the world, one out of five people do not have access to safe water.
- More than 1.0 billion people in developing countries—one person in five—lack access to
- Safe water and 2.4 billion lack access to improved sanitation. Both are life and death issues.
- Diarrhea is a major killer of young children: in the 1990s it killed more children than all the people lost to armed conflict since the Second World War.
- In 9 countries more than one person in four does not have access to safe water, and the situation is failing to improve or getting worse.
- In 15 countries more than one person in four does not have access to adequate sanitation, and the situation is failing to improve or getting worse.
- At current trends the world will meet the water goal. This goal has already been met in Eastern Europe and the CIS and will be met in South Asia and Latin America.
- Soil degradation affects nearly 2 billion hectares, damaging the livelihoods of up to 1 billion people living on drylands. Around 70% of commercial fisheries are either fully or overexploited, and 1.7 billion people—a third of the developing world's population—live in countries facing water stress.
- At any one time, patients suffering from water-borne diseases take up half the world's hospital beds.
- In Porto Alegre, Brazil, public monitoring of local budgets has brought huge improvements in services. In 1989 just under half of city residents had access to safe water. Seven years later, nearly all did. Other implications were doubling in primary school enrolments also doubled during that time, and public transportation expanded to outlying areas.

- In 1999, per capita carbon dioxide emissions in high-income OECD countries exceeded 12 metric tonnes—compared with 0.2 tonnes in the least developed countries.
- About 1.7 billion people, a third of the developing world's population, live in countries facing water stress (defined as countries that consume more than 20% of their renewable water supply each year). If current trends persist, this number could increase to 5 billion people by 2025.

GOAL 8: GLOBAL PARTNERSHIP FOR DEVELOPMENT

- Aid fell in the 1990s—by nearly a third on a per capita basis in Sub-Saharan Africa
- UN estimates suggest that meeting the Goals would require, as a minimum, doubling existing aid flows to around \$100 billion a year
- In 2002 donors have pledged big increases in aid, up to \$16 billion by 2006. Aid flows now stand at 0.23% of donor GNIs. This is still way below the 0.33% of 1990, and falls short of the 0.7% that has been repeatedly pledged.
- OECD countries subsidize agricultural production and exports by over \$300 billion a year, nearly six times total ODA.
- In rich countries, cotton bolls receive more cash than aid to Sub-Saharan Africa, and each cow gets more subsidy than aid per capita to that region.
- Only 10% of worldwide R&D focuses on the health problems of 90% of the world's people.

HUMAN DEVELOPMENT INDEX

- For this year's updated HDI rankings for 175 countries, the countries at the top and bottom of the index remain unchanged
- 21 countries saw the HDI decline between 1990 and 2001. That number is sobering when compared to the performance in the 1980s when only 4 countries saw a decline.
- In Sub Saharan Africa, many of the declines in HDI are largely attributable to falls in the life expectancy indicator (large impact of HIV/AIDS pandemic, with incidence rates in some countries as high as one in five).
- South Africa, for instance, has fallen a shocking 28 ranks relative to 1990, primarily because of life expectancy. Declines in HDI for Zimbabwe, Zambia, Swaziland, Botswana tell a similar story.
- The CIS is the only region to witness an overall decline in its HDI. Nearly all the countries saw a sizeable deterioration in their income indicator, with the notable exception of Poland. The decline, which hit the region in the first half of the 1990s, was particularly acute for Moldova, Tajikistan, Ukraine and the Russian Federation.
- Almost all of the "low human development" countries at the bottom of the index are in Africa (30 out of a total of 34). But some countries were still able to make remarkable progress. Uganda, Mauritius, Ghana, Rwanda, Benin and Senegal are among those that improved their rankings relative to 1990.
- East Asia and the Pacific region continues to forge ahead, with virtually every country making progress compared with 1990. Lao, China, Thailand and Malaysia all moved ahead in the HDI rankings. In South Asia, too, there were HDI improvements across the board. For instance, Bangladesh moved up 13 places and Nepal 10.
- The 1990s have been a decade of low growth for Latin America and the Caribbean. Roughly half of the countries in the region recorded either a decline or stagnation in the income measure. This poor record notwithstanding, some countries made considerable progress. Brazil, for instance, recorded a big jump in rankings mainly due to improved performance on education. Peru and Bolivia also improved their rankings and Chile bucked the trend with a significant increase in its income indicator.
- In the HPI-2 Sweden emerges with the best ranking of the 17 countries in the index, while the United States finishes last. This reflects the fact that Sweden, despite a lower per capita income than the United States, has done much more to keep people out of poverty with more adults who are functionally literate and fewer living in income poverty.
- Data from this year's GEM confirms that high incomes are not a pre-requisite for creating opportunities for women. Many poor countries outperform far richer countries. For instance, the Bahamas, Barbados, Trinidad are ahead of Italy, Greece and Japan.

Regional Facts and Trends: Sub Saharan Africa

- Urgent focus needed: At current rates of progress SSA will not meet any of the Goals by 2015 (the only region for which this is the case).
- Basic stats: one in two live on less than \$1/day, one in three children do not complete school, one in six children currently die before age 5.
- Not only is current picture grim, but in many cases, things are even getting worse. The income poverty rate, for instance, has increased over the 1990s, adding 74 million poor people to the total by end of decade. The HIV/AIDS pandemic has caused dramatic loss of life expectancy (over 20 years for Zimbabwe, Botswana,

Swaziland and Lesotho).

- Overwhelming majority of “priority” countries analyzed in this Report are in Sub-Saharan Africa. (38 out of 59)
- Analysis in the Report helps explain why SSA, in particular, faces a development crisis of such catastrophic proportion:

- more countries that are land-locked with small populations than any other region (impediment to growth because of high costs to export/limited incentive for FDI)
- higher disease burden than other regions (esp malaria and three quarters of total 42 million HIV/AIDS)
- lower agricultural productivity than other regions (low soil fertility in some countries, high cost of fertilizer, low use of irrigation, etc..)

- These are not the sort of obstacles that Africa can overcome just through prudent macro-economic policies, better governance and mobilization of domestic resources. SSA needs big inflow of aid, debt forgiveness and a fairer trading environment.

- Aid per capita to SSA actually fell by around 1/3 in the 1990s – significant increases are needed.

- Faster and deeper debt relief is essential – the Heavily Indebted Poor Countries (HIPC) initiative is having an impact but more can be done. Particularly egregious are debts given to dictatorial and corrupt regimes for political reasons such as the Congo and Ethiopia.

- Fairer trade is vital. Between 2001 and 2002, farmers from the US, the EU and China (the biggest cotton producers in the world) received cotton subsidies worth an estimated \$4.9 billion. African producers cannot compete in such a distorted market. These subsidies cost Benin, Burkina Faso, Chad, Mali and Togo \$250 million a year in lost export earnings.

- But it's not just about funds. It's also about implementing pro-poor policies and ensuring democratic accountability. Action needed from both SSA countries and rich countries (IFIs): this is the spirit of partnership and mutual responsibility at heart of both the MDGs and Nepal.

- Specifically, policies should include: dropping enrolment fees and charges for schools (experience shows how important this is in boosting enrolment rates in Malawi and Uganda), investing in good agricultural extension, basic infrastructure and healthcare for people, especially women, who live in rural areas.

- Success stories in SSA show what is possible in the context of very limited resources: Chad and Ghana big improvements in meeting the Hunger Goal. Guinea, Malawi and Eritrea on child mortality.

Regional Facts and Trends: East and South Asia

- Both East Asia and South Asia have made huge strides towards meeting the Millennium Development Goals in the past decade.

- East Asia are on target to meet the hunger and the poverty Goals well before the 2015 deadline. On hunger, the region enjoyed a record improvement and now has a lower proportion of hungry people than Latin America. China, Viet Nam and Thailand were among the countries that contributed to this decline in hunger rate. Meanwhile, the fast economic growth of China, which accounts for 70% of the region's population, has lifted 150 million people out of poverty. Thailand and Malaysia also registered strong growth during the 1990s, despite the Asian crisis towards the end of the decade.

- South Asia's progress on water and sanitation means this Goal is within reach by 2015. Bangladesh, India, Nepal and Pakistan have all shown big improvements.

- But the development challenge is still immense. South Asia is home to the largest number of poor people in the world and one in three in this region survive on less than \$1 a day. In India alone there are 50 million children out of school.

- And there are inequalities in how the benefits of development are distributed. In China, for instance, the coastal regions are far more prosperous than the inland regions. The coastal regions have grown an astonishing 13% a year on average during the 1990s, some five times the rate of China's slowest growing North Western regions. And while the metropolises such as Beijing, Shanghai and Tianjin recorded strong progress in human development indicators, many other regions were left behind. There are also vast wealth gaps in India, where inequality has risen.

- Both these regions have the resources to make significant steps in eradicating poverty. Only six of the 59 “priority” countries needing urgent assistance are in South or East Asia. What is needed are:

- Pro-poor policies: prioritizing the health, education and livelihoods of poor people.

- Extend opportunities to give local people more of a say in delivery of basic services (successful examples of decentralization and local decision making in India: Kerala and MP).

- Scaling up of innovative and low-cost technologies: Sulabh toilet in India and Dr Song Lexin's sanitation efforts in China's Henan province.

- Political leadership: India's campaign to provide water and sanitation to 165,000 villages, led by the Prime Minister.

Regional Facts and Trends: Latin America/Caribbean

- 1990s as decade of stagnation for much of Latin America. Roughly half the countries in the region saw the income component of the Human Development Index either fall or stagnate. The region ended with a higher poverty rate than in 1990.
- Slow growth compromises ability of number of countries to overcome economic/political crisis during the 1990s and beginning of 200s (Brazil, Argentina, Venezuela). It also undermines efforts to meet the other Goals, such as hunger, which the region will only meet around 2020 at current rates of progress.
- Another big development challenge is HIV/AIDS for the Caribbean: more than 2 in every 100 people suffer from the disease and this rapidly increasing.
- But very important progress in some of the other Goals. On education, for instance, Latin America is the only region that will meet the Goal at current rates of progress. It now has the highest ratio of net primary enrolment of all the regions (even higher than Central and Eastern Europe and the CIS). Individual countries that have done well with regard to education include: Brazil, Colombia, Barbados, and Panama. The region has already met the Goal on ensuring gender equality in schools.
- This region, as East Asia, does not need massive injections of aid: it contains only four of the 59 "priority countries" identified in this report. Together with Central and Eastern Europe and the CIS, this region has the least number of priority countries.
- But wealth is very unevenly distributed. In Brazil, the richest 10% have 70 times the income of the poorest 10%. The illiteracy rates and the quality of education have widened between the wealthiest states in the South, and the more deprived states in the North and the poorer NorthEast. In the North, the poverty rate has actually increased and the country as a whole will probably not meet the goal to halve poverty by 2015. In Mexico, inequality has worsened with the richest top 10% garnering 35 times more than the poorest 10%. The poorest states are in the South, Chiapas, for instance, which are far removed from the border with the United States and thus from trading and employment opportunities.
- But with good policies, many of the development problems can be challenged, even in the context of very limited resources. For instance, Peru has made dramatic progress in cutting hunger rates, Bolivia on child mortality, Bolivia and Ecuador on sanitation. Governments with the will to prioritize the interests of the poor can make a huge difference.

Regional Facts and Trends: Arab States

- Relative to other world regions, the Arab region has made satisfactory progress towards some Millennium Development Goals. Increases in average incomes have been instrumental in maintaining income poverty at low levels; furthermore, important advancements were made for expanding access to safe drinking water and adequate sanitation.
- While the progress made in these areas is promising, more is needed: the pace of improvement needs to be accelerated for the region as a whole to meet by 2015 the Millennium Development Goals.
- However, the region remains weak in some critical areas. Last year's Arab HDR highlighted the gender and knowledge deficit in the region, a finding that this year's HDR sees reflected in some of the trend data for the region. Areas where more attention is needed are primary education, gender, and child mortality, where progress has been too slow. In the area of hunger the region has experienced a reversal.
- Most notably, the region has experienced an increase in the proportion of malnourished population. This trend was driven by Somalia and Iraq, two countries hit by conflict and social unrest, compounded by very slow progress in Yemen.
- Despite narrowing gender gaps in the past decade, inequality across genders remains an issue: in countries with parliaments, women hold only 5 percent of the seats. Political and civil rights pose the greatest challenge, with multiparty electoral systems in only 4 of the region's 17 countries with data.
- Six countries in the region are considered "priority" countries by the HDR, as they have high levels of human poverty and at the same time require urgent action to reverse or drastically speed up current trends for meeting the goals. These are Djibouti, Iraq, Somalia, Oman, Yemen and Sudan.
- In the region, Djibouti is the country that has made the slowest progress in the Human Development Index in the 1990s, with almost no change from its 1990 level.
- Achieving the goals related to these areas will require improvements in the form of institutional and political reforms, and a dramatic acceleration of the pace and mobilization of resources towards improvements in health, education and basic infrastructure.

Regional Facts and Trends: Central and Eastern Europe and the CIS

- The region has experienced the sharpest increase in poverty in the 1990s, the only other region with worsening trends in poverty is Sub-Saharan Africa. Central and Eastern Europe and the CIS also ended the decade less healthy, with lower average incomes and with worse primary schooling than Latin America.
- These negative trends date back to the 1980s, but data for the 1990s give an idea of the size of the decline: poverty more than tripled to almost 100 million people—20% of the region's population are now living on less than \$2 a day. These have been mainly a result of stagnation or reversals in average incomes throughout the region. Sharpest decreases have occurred in the CIS, particularly in Ukraine, Turkmenistan, Georgia, Moldova, Kyrgyzstan, and Tajikistan.
- The overall levels of primary education, and malnutrition in the region are close to the rich country standards, as is the level of access to safe water for over 90 percent of the population. However, stark contrasts hide behind regional average performance, across sub-regions and countries, as well as within countries.
- The Human Development Report points out to sharp contrast between the performance of the Central and Eastern European countries and those of the Former Soviet Union. The latter tend to have higher human poverty, and have experienced sharper reversals in performance towards the Goals in the 1990s.
- The dramatic increases in income inequality within the Russian Federation are also highlighted in the Report. In the same country the rapid spread of HIV/AIDS, the increase in alcoholism, and the violent repercussions from the economic downturns of the 1990s are affecting more some regions and groups than others, furthering the cleavage between the large urban settlements and the rest of the country.
- Five countries in the region are labeled "priority" countries by the HDR, as they have high levels of human poverty and at the same time require urgent action to reverse or drastically speed up current trends for meeting the Goals. These are Tajikistan, Kazakhstan, Turkmenistan, Uzbekistan, and Moldova. This priority classification can be useful but should be viewed with caution as it is dependent on underlying data for individual goals that can be imprecise. Furthermore, were more data available or of better quality other countries, such as Kyrgyzstan, may also be included in the classification.
- Some countries in Central and Eastern Europe have made remarkable improvements: the Czech Republic, Hungary, Poland, Slovakia and Slovenia are on the verge of joining the European Union. The challenge is to replicate these successes in countries in the CIS struggling to move forward.
- The CIS Seven—Armenia, Azerbaijan, Georgia, Kyrgyzstan, Moldova, Tajikistan and Uzbekistan—ended the 1990s with incomes close to those of the least developed countries.