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Making sense of the Millennium Development Goals

Introduction

This chapter critically reviews how well the United Nations (UN) system of the Millennium Development Goals (MDGs) is suited to the needs of natural resource analysis for sustainable development in small and island states. The MDGs have been promoted through the UN system as a tool for policy development and planning but are seriously flawed both for this purpose in general and for use in relation to the special environmental concerns and needs of small and island states. The chapter examines the scope and content of the UN MDG system and its relevance to the policy and planning needs of small and island states. It identifies the principal gaps and deficiencies which need to be taken into account in establishing priorities for sustainable development in such countries that are especially vulnerable economically and environmentally to exogenous shocks, and which in many cases have little capacity for resilience.

In trying to make sense of the MDG system, it is first necessary to recognise that it was not designed to embrace a concept of universal well-being, based on reducing inter-country inequities. Nor was it designed to track the impact of economic and social change on the natural resources of the planet. The MDG system is not built on a coherent social welfare strategy, nor does it seek to incorporate a framework of policy modelling for sustainable progress within the planet's limited natural resources. These design limitations of the MDG system must encourage us to look to adapt it and to seek other complementary tools if we wish to use it to assist us in the tasks of policy and planning for sustainable development.

The MDG system

The MDGs are a system of strategic goals agreed at the UN Millennium Conference in 2000 for the achievement of greater global development. The MDGs have associated indicators and targets for each country to achieve by a prescribed date, for most Goals by 2015, against a 1990 baseline.

The eight Millennium Development Goals relate to poverty reduction, education, gender equality, child health, maternal health, control of major diseases, environmental sustainability and partnerships for development. Their pursuit has been integrated in the process of National Strategies for Sustainable Development and Poverty Reduction Strategy Papers.

Crucial gaps in MDGs on environmental concerns for small and island states

The environmental targets and indicators include forest cover, protected areas, energy use, CO_2 emissions, safe water, sanitation provision, and reduction of slum property and insecure housing tenure. Many environmental issues of concern to small island developing states (SIDS) are not included in the system. For example, the following are absent: coastal and marine management, biodiversity, waste management, and natural disasters. The exposure of SIDS to exogenous change from climate change and sea-level rise is not considered; and the implications of their economic and environmental vulnerability and capacity for resilience are ignored.

Structural flaws

The MDG system is coming under increasing critical review. The editorial of the March 2007 edition of *Nature* asserts that '*The MDGs could be buried in history's graveyard alongside other well-intentioned but failed development efforts …*'. But, more fundamentally, they have been criticised as an example of '*welfare colonialism*', promoting a flow of aid to the former colonies, which has the effect of undermining existing livelihoods, putting the people under systems of unemployment benefits and failing to promote the diversification necessary for real economic growth. Reinert (2007) considers that '*from the point of view of economic theory, the MDGs can be seen as a system where the nations producing under increasing returns (industrialised nations) pay annual compensation to nations producing under constant or diminishing returns (raw material producers) for their losses*'.

The system of MDGs may also be seen as a complement to a largely discredited approach of national planning in which targets are externally set to be pursued by a centralised state over a specified time period unrelated to capacities, cultural values, diversity, and to local priorities, nor to any assessment of the total and marginal costs benefits of achieving them. The promotion of consultation and participation that is being promoted as part of the process cannot make up for the inherent deficiencies at the heart of the MDG system itself.

The MDG system lacks an economics framework at either macro or micro levels. In assessing results, it excludes consideration of the stage of development of countries in terms of their economic, demographic, social and epidemiological transition. For example, in Goal 8 on Partnership the system assumes that progress will be made through greater allocation of development assistance. This implies that such assistance has been effective in promoting development and that the countries themselves have the effective capacity to respond.

The goals and targets in the MDG system are not devised from any analysis of what can and has been achieved; nor of the models through which successful development has been achieved. They provide no analysis of the technology and physical infrastructure required to achieve progress, nor the conditions required for that to be effective and sustained. Moreover, the system, which is focused on national indicators, takes no account of the regional economic, environmental and social setting, nor those other factors that are

critical to development in small states and islands such as size, isolation, fragmentation, economic and environmental vulnerability.

Whilst most National Sustainable Development Strategies and Poverty Reduction Strategies incorporate references to MDGs, it is clear that, by the close of the planning period in 2015, many countries will fall far short of their targets. In few states does the process of MDGs or that of NSDSs appear to be integrated into the real mainstream of policy and national development in the public and private sectors. The goals, targets and indicators are not integrated into the policies of the mainline ministries, sectors or industries, but are often assigned to environmental ministries without sufficient mandate, capacity and clout to ensure that the results are taken into account in national policy formation, budgets, sectoral policy systems and business commitments. The MDG system thus operates in the insubstantial shadows of national decision-making and in itself would not show up well under the sustained rigorous scrutiny of realpolitik.

Ignoring the value of natural resources

The limited range of indicators on environment and environmental governance in the MDG system ignores the value of natural resources and thus may have the effect of diverting the attention of policy-makers from investment in natural resources and their sustainable development. This is a vital omission in the system for small states and islands whose future progress is intimately concerned with the sustainable quality of the environment for the pursuit of both social and commercial interests. Overfishing, water stress, unregulated natural resource extraction, land polluted by industry and unmanaged waste disposal, urban sprawl, desertification, and pressure on land from population growth, are not covered in the MDG system. Further, no information is provided in the MDGs on the deployment of opportunities for sustainable use of natural resources for promoting economic development, jobs and social welfare.

In reviewing the place of MDGs in the business of government, Downes (2007) has emphasised the lack of attention in the analytical process of sequencing, administrative support, project management skills, education and training, and the non-linear process of the dynamics of change. He also distinguishes between those indicators that are concerned with outcomes and those that are related to performance drivers. The overall picture that emerges is that the MDG system is composed of fragmentary sets of data lacking a coherent theoretical framework and thus poorly suited to the policy challenges of small and island states.

Ignoring the exogenous pressure on small and island states

The MDGs scarcely touch on the core issues for development in small and island states. At the centre of any development process in small and island states is human capital formation, social infrastructure, systems of resilience and protection from natural and economic shocks, action for improved trading conditions, incentives for business development, the promotion of employment, productivity and competitiveness, and measures to reduce intra-country inequalities in the gains that emerge from the development process. None

of these essential conditions for progress features in the MDG system. Without these issues being clearly addressed, the plight of small and island states and the task of salvaging their sustainable future is not on the agenda. Whilst such states may seek to address these issues themselves, many of their economic and environmental sustainability challenges are linked to exogenous factors such as energy prices, globalisation of trade, diseconomies of scale, skills migration to large states, climate change and sea-level rise over which they have little control.

Methodological issues

Apart from the structural flaws in the MDG system considered above, the assessment of progress with MDGs is beset with technical problems within the data sets themselves. These issues are now examined, many of which are common to any system of national and international data relevant to decision-making.

Missing data

In Downes's (2005) assessment of progress with MDGs for 73 small states of the Commonwealth, he found overall 29 per cent of the data was missing. UNEP found in its African regional assessment of 53 states that for the seven indicators examined, covering five of the eight MDGs, there was 2 per cent missing data on Goal 4, Child Health, and 74 per cent missing data on Goal 2, Education. In another assessment for the AIMS group of countries, 48 per cent of the indicators had missing data, thus inhibiting a complete assessment of the status on progress towards the targets.

The problem of missing data is likely to persist until the system of MDGs is integrated into the mainstream of data collection and analysis at national level. For this purpose, the task should be placed within the functions of the national statistical services and subjected to regular audits for timeliness, accuracy and conformity to international standards. Missing data are in themselves a measure of the importance that countries attach to the MDG system, as one tool, however flawed, for policy-making.

Baselines

The use of an arbitrary baseline of 1990 for assessment of progress on indicators for all countries tends to obscure how far results are affected by both major differences in baseline values between countries, and by variations in the secular trends of values within the time period of assessment. This is one of the fundamental design elements of the UN system of MDGs that needs to be reviewed if the system is to be used as a mainstream tool for policy-making.

Equity and inequity

The promotion of global and inter-country equity is limited to two of the eight Goals, namely Goal 2, Target 3 Education, and Goal 3, Target 4, Gender Equality. In both these Goals the target values for each indicator are identical for each country[1]. For all the other six Goals the method adopted for target setting varies in relation to the 1990 baseline val-

ues placed on the indicators. Thus, for the other six Goals, 16 targets and 36 indicators, the bulk of the MDG system, the target values promote the preservation of inter-country inequity at current relative levels.

Gaps in data coverage most critical to small states and islands

There are certain vital missing elements in the MDG system that are of special relevance to SIDS. These elements are set out clearly in the 20 thematic chapters of the UN SIDS Mauritius Strategy (UN MS) of 2005 (UN 2005). UN MS is an internationally-approved guideline for SIDS for their future sustainable development. The elements in the MS but absent from the MDG system include: climate change and sea-level rise (UN MS Chapter 1), natural and environmental disasters (UN MS Chapter 2), management of wastes (UN MS Chapter 3), the state of coastal and marine resources (UN MS Chapter 4), tourism (UN MS Chapter 8), biodiversity (UN MS Chapter 9), management (UN MS Chapter 18), and indigenous culture (UN MS Chapter 19). Other elements not included in the MDG system but vital to all small countries include: demographic change, non-communicable disease and injuries, expectation of life, social well-being, governance and security, trading partnerships, productivity, competitiveness, and probity. These are major holes in the MDG system as a tool for policy-makers. In devising an indicator system for effective use in small and island states, these gaps need to be plugged to ensure a focus on the core issues of country strategy, priorities for action and decision-making for sustainable development.

Interpolated data

Care must be taken in using the UN data reports, as they not only include nationally reported data, but values adjusted by UN agencies 'to achieve international comparability' such as: variously modelled values to compensate for absent data; simulated values using UN statistical models; running averages spread over short periods of two to three years, and reported data which may not cover the full reference time periods. The use of interpolated values can be misleading and diverts attention from the task of collecting and reporting the data at local levels.

Concealed denominators, technology and costs

Many of the indicators in the MDG system and their related targets are expressed as ratios or percentages without reference to the denominators on which they depend. This has the effect of concealing the size of the task presented to different countries, even in achieving similar percentage improvements on the indicators. It also conceals the differences in size of countries and the cost and benefit implications of narrowing the gaps from target values. For example, a two-thirds reduction in infant mortality in Guinea Bissau would save nearly 6,000 lives a year; in Singapore a two-thirds reduction of the infant mortality would save 40 lives a year. Moreover the technology required for achieving these reductions in infant deaths and their associated costs diverge greatly between the countries. Achieving targeted reductions in the infant mortality in Guinea Bissau could be achieved at low unit costs by large-scale extension of safe water and sanitation. In Singapore, the key technology could be small scale, but with high unit cost, by providing better intensive

care for premature and sick babies. The identification of the hidden denominators and the relevant technology is a key step in the process of policy appraisal for the pursuit of the MDG targets and the assessment of national and regional impact and relative priorities.

The MDG system is a poor tool for global policy-making in the absence of measures of volume, technology, and marginal and total cost. A technically-based economics framework can greatly assist such decision-making at regional and national levels. Thus, the MDG system needs more development in this dimension, building up from reports of the cost and impact of investments for the pursuit of the targets where priorities may widely differ.

Conclusion

The effective management of development depends upon doing the right things right. The MDG system appears to promote change through the publication of indicators without reference to what are the right things to do and how best they can be accomplished. The system lacks both an evidence base and a theoretical framework within which development can be pursued. It implies that the task of narrowing the gap to targets is technically the same for all countries, without recognising the technical and economic issues peculiar to small states such as the absence of economies of scale and the dearth of specialists in many technical fields. Furthermore, the MDG system neither embraces a concept of well-being as a goal in human endeavour, nor the impact of change on the natural resources of the planet. It is not built on a coherent social welfare strategy nor does it seek to incorporate a framework of policy modelling for sustainable progress within the planet's limited natural resources.

To make sense of the MDGs, however, we must recognise them for what they are, not what they may seem to be. They are but a fragmented set of conveniently available measures of the state of common features of the human and natural environment in which people live in very different social, environmental and economic settings. They provide a perspective on aspects of the world about us at the level of nation members of the UN. They allow us to review the agenda for change but they fall short of a robust perspective on global priorities and a framework for action. As tools for policy and planning, they are flawed both in structure and content. They may be amongst the best that are available, but that should not promote the indulgent belief that a better system cannot and should not be developed.

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Notes

1 Goal 2, Education: target 3, Indicators 6–8 the targets are 'universal', 100%, achievement, for primary education enrolment, for completion of primary education, and for youth literacy, Goal 3, Gender Equality, Target 4 Indicators 9–12, the targets are equality in girls to boys in education, literacy, employment in the non-agricultural sectors and proportion of seats held by women in national parliaments.