

# Chapter 1

## Achieving the Millennium Development Goals: Lessons for Post-2015 New Development Strategies

Jeet Bahadur Sapkota and Sakiko Shiratori

### 1. Introduction

The Millennium Development Goals (MDGs) are the most comprehensive and ambitious developmental framework with measurable indicators ever developed, endorsed and implemented globally, even though the MDGs framework has invited a lot of criticism (for details, see Fukuda-Parr 2010, Easterly 2009, and Saith 2006). Following the unanimously endorsed Millennium Declaration at the United Nations (UN) Millennium Summit in September 2000, 191 UN member states committed themselves to the achievement of the MDGs.

With the primary aim of reducing multidimensional poverty in developing countries, the MDGs include: (1) eradicating extreme income poverty and hunger; (2) achieving universal primary education; (3) promoting gender equality; (4) reducing child mortality; (5) improving maternal health; (6) combating HIV/AIDS, malaria and other diseases; (7) ensuring environmental sustainability; and (8) developing a global partnership for development. Twenty-one targets and 60 indicators were set to monitor the achievement of these eight goals.<sup>1</sup> The MDGs, using the baseline of 1990, set the deadline to meet these goals and targets for 2015.

The MDGs have drawn positive attention in general. According to Melamed (2012), their strengths reside in a) brevity, b) increased aid volumes, c) rationalization of aid, d) national level accountability, and e) improved data collection. The paradigm shift from the narrow focus of growth to multidimensional poverty was also a notable advancement. At the same time,

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1. The official detailed list of the eight MDGs, respective targets and indicators is available at: <http://unstats.un.org/unsd/mdg/Host.aspx?Content=Indicators/OfficialList.htm> (accessed August 30, 2012).

the MDGs framework has its own weaknesses and has attracted criticism. Melamed (2012) summarizes the weaknesses as follows: a) Participation in the processes is lacking, b) Priorities are distorted, c) Inequalities are masked, d) Commitment from rich countries is lacking, e) Important issues such as climate change, disability and conflict are overlooked, and f) Global trends and goals are not translated into national policies.

Among the above weaknesses, inequality is the most frequently cited. Though the Millennium Declaration prioritized global solidarity and equality as its core values and principles (UN 2000, 2), it was not properly integrated in the MDGs framework. The achievement of MDGs at the global level has been a great success, but the poor progress in the most needy regions, countries, and groups indicates the urgency of a wholesale change of policy, oriented towards more inclusive development. Neither does the MDGs framework give enough attention to climate change, natural disasters, economic crises, armed conflicts, and disability, which most adversely affects the existing poor and has made many people fall below the poverty line for the first time.

In this paper, we want to emphasize the importance of “inclusiveness” and “resilience” for the post-2015 development framework. This paper will: (i) briefly examine the progress on MDGs at the global, regional, and national levels, (ii) evaluate the patterns of progress across countries, (iii) examine how the MDGs progress is hindered by several types of shock, and (iv) draw lessons for post-2015 development strategies. As the world is just two years away from the MDGs deadline, the dialogue on the post-2015 development framework is already intensifying in various corners. Now is the appropriate time to assess the MDGs progress and consider new policy options for a post-2015 development framework.

## **2. Progress towards the MDGs**

This section presents the progress towards selected MDGs indicators at the global, regional and country levels. It also examines the relationship between initial levels of development and the speed of subsequent progress as well as the uneven development within a country. Considering the limited size of this paper, we highlight the overall patterns rather than discuss the progress of each country.<sup>2</sup>

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2. These data and figures are available from JICA-RI upon request.

## 2.1 Data

Throughout the paper, figures from the World Bank's database of official indicators for monitoring progress toward MDGs are used unless otherwise specified. This database provides the most comprehensive and up-to-date data available on MDGs so far.<sup>3</sup> Both low income and middle income countries are included in this analysis. However, since data are incomplete in their coverage of indicators and countries, we restrict our analysis to 14 out of 60 indicators. All eight MDGs goals are still covered. We select the representative indicator(s) for each goal, taking data availability into account. Table 1 presents the selected indicators. The 14 indicators cover the three targets of MDG-1 and MDG-8, two targets of MDG-6 and MDG-7 and one target for each remaining MDG.

**Table 1. Selected indicators**

	Selected indicators	MDGs target No.	MDG indicator No.	Data availability*
1	Poverty headcount ratio at \$1.25 a day (PPP) (% of population)	1A	1.1	108**
2	Employment to population ratio, 15+, total (%)	1B	1.5	123
3	Prevalence of undernourishment (% of population)***	1C	1.11	128
4	School enrollment, primary (% net)	2A	2.1	116
5	Ratio of girls to boys in primary and secondary education (%)	3A	3.1	128
6	Mortality rate, under-5 (per 1,000)	4A	4.1	142
7	Maternal mortality ratio (modeled estimate, per 100,000 live births)***	5A	5.1	125
8	Prevalence of HIV, total (% of population ages 15-49)	6A	6.1	105
9	Malaria cases reported (number of cases)	6C	6.6	94
10	Forest area (% of land area)	7A	7.1	142
11	Improved water source (% of population with access)	7C	7.8	138
12	Net ODA received (% of GNI)	8A	8.1	128
13	Goods (excluding arms) admitted free of tariffs from developing countries (% total merchandise imports excluding arms)	8A	8.6	133
14	Mobile cellular subscriptions (per 100 people)	8F	8.15	139

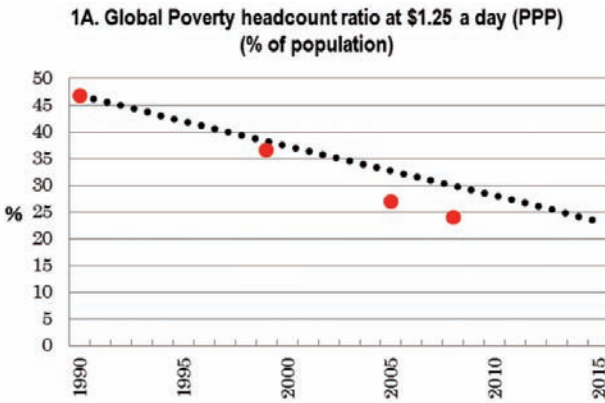
*Note:* \*Number of countries which have data for the selected indicator; \*\*19 countries have data only for a single year; \*\*\*The poor accuracy of these indicators could draw criticism; however, we use these because the data are widely available and there are no other better usable indicators. We suggest that the reader consider this fact when interpreting the results.

3. Although United Nations Statistics Division (UNSD) has compiled a web site on MDG indicators provided by many UN and other donor agencies (including the World Bank), the World Bank participates in the exchange of information and tries to maintain a dataset consistent with UNSD (<http://go.worldbank.org/0R5V0MEQV0>). Also, the World Bank updates the database more frequently than UNSD. The World Bank database has relatively more information and user-friendly features for statistical analysis than that of the UNSD dataset.

## 2.2 Global and regional trends

A simple method is followed to assess progress towards the MDGs targets. The trajectory is that required for each country, region and for the whole world to reach each MDGs goal by the 2015 deadline.<sup>4</sup> Then, deviations from the trajectory are examined. For instance, Figure 1 illustrates the global trend for the goal 1A (poverty reduction).<sup>5</sup> The dotted line indicates the linear progress towards the target, so the actual progress represented by the red dots are better positioned than that of the required tracks in this case. Each country and each region has their own unique trajectory due to their unique starting points. Comparing the actual historical path and the required path of a country or a region to meet the MDGs on time provides a simple method to assess the progress towards MDGs.

Figure 1. Global achievement towards poverty reduction (MDGs Goal 1A)



Source: Authors' calculations based on data from the World Bank's MDGs database are available at <<http://databank.worldbank.org/Data/Views/VariableSelection/SelectVariables.aspx?source=Millennium%20Development%20Goals>> (accessed July 5, 2012).

The data availability varies depending on region and country. Although the reference year for measuring progress is set at 1990, data for some indicators in some countries and regions are not available for 1990. In such cases, the earliest year after 1990 for which the data are available is used as a reference year. If the region or country has data for at least two years so that their actual progress trend can be examined, their data are

4. Aggregates are based on the World Bank. Because of missing data, aggregates should be treated as approximations of unknown totals or average values. (World Bank, <http://data.worldbank.org/about/data-overview/methodologies>, accessed November 26, 2012)

5. For global progress of other selected indicators, see Appendix A.

included in this study. In this way, data and figures for 142 developing countries, six regions, and for the world are constructed.<sup>6</sup>

The global poverty headcount ratio at \$1.25 per day fell from 46.7% in 1990 to 24% in 2008 (Figure 1). The World Bank and the IMF (2012) have estimated that the goal 1A has already been met. The progress, however, varies from region to region. In the case of 1A, East Asia and the Pacific, Europe and Central Asia, Middle East and North Africa met the target well ahead of the deadline, while Sub-Saharan Africa and South Asia are lagging behind, despite their impressive progress. For example, poverty fell from 56.5% to 47.5% in Sub-Saharan Africa and from 53.8% to 36% in South Asia from 1990 to 2008, respectively. The trend shows that South Asia could meet the target if they accelerate the current trend by a small amount, but Sub-Saharan Africa is unlikely to meet the target by 2015.<sup>7</sup>

Among the MDGs targets, the most detrimental situation is observed in MDG 1B (employment to population ratio, ages 15 years and older). It worsened from 62.2% in 1991 to 60.3% in 2010. Although the original target (achieving full employment by 2015) was unrealistically ambitious, increasing global unemployment is not only a great challenge for improving the wellbeing of the bottom population strata but also a serious threat to political stability. Latin America and the Caribbean made some progress from 56.6% in 1991 to 61.6% in 2010; however, the other regions either worsened or remained unchanged during the same period.

Halving hunger from 1990 to 2015 is another target (1C) of MDG 1. Measured by the “prevalence of undernourishment (% of population),” the hunger rate decreased from 16.4% in 1992 to 12.9% in 2010 at the global level. This target is also unlikely to be met by 2015. Increasing food prices at the global level since 2008 is the most cited reason for retarding progress on reducing hunger (World Bank and IMF 2012).

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6. The list of countries included in each region is given in Appendix B. Due to limited space, regional progress for each indicator is not presented in this paper.

7. Readers should be careful on interpreting this analysis because Sub-Saharan Africa, South Asia, and many low-income countries have made impressive development progress, and only using the MDGs yardstick cannot provide a complete picture. See Easterly (2009) for why overall development progress should not be measured only in terms of MDGs and how the MDGs framework misleads the overall development progress of Africa. The MDGs themselves are global goals, not the regional or national ones. Thus, our purpose is to highlight the past and current position in terms of the targets of MDGs assuming we follow the same principles to set MDGs at regional and national levels.

Regionally, only East Asia and the Pacific is on track. Latin America and the Caribbean, and Sub-Saharan Africa have the potential to achieve the goal by 2015 if they can accelerate progress.

MDG 2 embarked on achieving universal primary education. Although the “net enrollment ratio in primary education” rose from 80% in 1991 to nearly 89% in 2010, the progress is not on track to achieving the target of 100% by 2015. Only Latin America and the Caribbean regions are on track. While East Asia and the Pacific, and Europe and Central Asia are close to meeting the target, South Asia and Sub-Saharan Africa will not meet the target with the current trend. MDG 3 advocates gender equality. One of the main targets, achieving gender parity in primary and secondary education (3A) measured by the “ratio of girls to boys in primary and secondary education (%)” is on track at the global level with the ratio changing from 87% in 1990 to 97% in 2010. However, Sub-Saharan Africa, Eastern Europe and Central Asia, the Middle East and North Africa are unlikely to meet the target by 2015.

The MDGs on maternal and child health are not likely to be achieved at the global level despite significant progress. For instance, “under-5 mortality rate (Target 4A),” which is targeted to be reduced by two-thirds, has declined from 90 to 58 per 1,000. Although most regions are on track, Sub-Saharan Africa and South Asia act as a brake. Likewise, the indicator of “maternal mortality ratio (5A),” which is targeted to be reduced by three quarters, has declined from 850 to 500 deaths per 100,000 live births. Latin America and the Caribbean together with Sub-Saharan Africa are seriously off-track to achieve the goal. Regarding other health-related targets, the Target 6A “prevalence of HIV (% of population)” rose sharply from 0.33% in 1990 to 1.4% in 2003, then gradually started to decline and reached 0.8% in 2010. Although there is no measurable goal on this indicator, its vision of “halting and reversing the spread of HIV/AIDS by 2015” seems to be on track. The prevalence of HIV/AIDS in Sub-Saharan Africa and South Asia is already declining. The data for “malaria cases reported (6C)” are not available at global and regional levels.<sup>8</sup>

MDG 7 strives to ensure environmental sustainability. The non-numerical goal in Target 7A is to “integrate the principles of sustainable

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8. According to the World Bank and IMF (2012, 22), there are 300 million to 500 million cases of malaria each year, leading to more than one million deaths. Nearly all the cases occur in Sub-Saharan Africa, and most deaths from malaria are among children younger than five.

development into country policies and programs and reverse the loss of environmental resources.” As a proxy, “the proportion of land area covered by forest” is used to monitor the progress in this study. Forested areas have decreased slightly from 32% in 1990 to 31% in 2010. Regionally, Middle East and North Africa, East Asia and the Pacific, Europe and Central Asia have successfully increased their forested areas. One of the targets, 7C, “halving the proportion of people without safe drinking water,” was already achieved in 2010, which was more than halved from 24% in 1990 to 11.6% in 2010 at the global level. Only Sub-Saharan Africa, the Middle East and North Africa could not make the required progress on this goal.

The eighth goal “develop a global partnership for development” bears distinctive values to develop a mechanism to achieve all the MDGs. The relative importance of the Official Development Assistance (ODA) in the national economy declined over the period of 1990 to 2000 and partly recovered after that. For instance, the ratio of net ODA receipts to the gross national income (GNI) declined from 0.27 in 1990 to 0.15 in 2000 and increased to 0.21 in 2010. East Asia and the Pacific, Latin America and the Caribbean experienced continuous decline. Market access measured by “Goods admitted free of tariffs from developing countries” made encouraging progress from 54% in 1996 to 79% in 2010. All regions gained more market access over the period. Another target, “make the benefits of new technologies available, especially information and communications (8F),” measured by mobile cellular subscribers made tremendous progress from 0.3 to 78 per 100 people with mobile cellular phones. All regions showed a similar dramatic increase at around the start of the millennium.

## **2.3 Patterns of progress across countries**

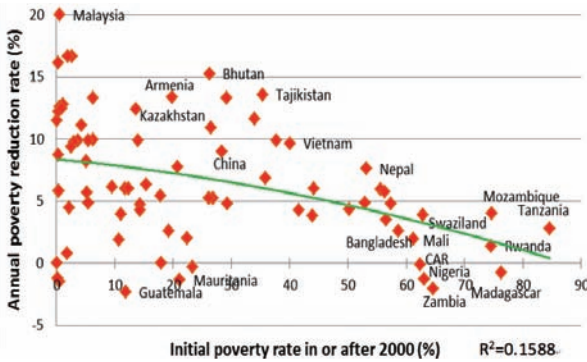
### ***2.3.1 Initial status and progress***

This subsection will examine the relationship between the initial level and subsequent progress rate and is investigated in order to find any characteristic patterns. Figure 2 shows the relationship between the poverty headcount and its annual reduction rate.<sup>9</sup> The year 2000, when the MDGs were endorsed by the UN General Assembly, is set as the initial year. Scatter plots present the poverty rate at the initial level on the

9. For other indicators, see Appendix C.

horizontal axis and the average annual progress rate on the vertical axis. The polynomial trend line indicates the overall downward trend of the relationship. This declining slope implies that average annual poverty reduction rates are lower in the countries with a higher initial level of poverty.<sup>10</sup> Though it is admittedly hard to gain a better progress rate from the initially poorer countries as they have a large denominator for the calculation of the progress rate, global compacts like MDGs will be better legitimized if they can mobilize greater support for poorer countries.

Figure 2. Scatter plot of annual poverty reduction rate and its initial level, 2000-2010



Source: Authors' calculations based on data from the World Bank's MDGs database.

Progress towards the employment target set in MDG 1B is of most concern. Most of the countries stagnated on the MDG 1B, and no country is likely to meet the employment target (Appendix C-2). Progress toward the reduction of the undernourished population (1C) reveals that only a few countries have made significant progress; most have made slow progress and some countries which had had a low initial undernourished population even saw an increase in the undernourished population (Appendix C-3).

The level of net primary school enrollment (2A) shows impressive progress in general. Countries with lower initial levels of primary school enrollment achieved greater rates of progress (Appendix C-4). Many countries have successfully improved the girl to boy ratio in primary and secondary school enrollment (3A), and have already fulfilled the gender parity target (Appendix C-5). This indicates that most of the countries will

10. Note that the relationship is not so strong in this case (R2=0.16).



meet the MDGs concerning education and gender parity.

Progress on the under-5 mortality rate (4A) and maternal mortality ratio (5A) are impressive, but still many countries are far from achieving their respective targets (Appendix C-6, C-7). Haiti recorded a notable increase of its under-5 mortality rate in 2010 due to the earthquake. Though the slightly downward slope of the trend line of the under-5 mortality rate indicates that countries which were initially lagging behind have a slightly lower rate of progress, the relationship is very weak. In the case of maternal mortality ratio, no specific patterns are discernible. When seen regionally, it becomes clear that some countries, especially in Sub-Saharan Africa, have experienced a deterioration. Regarding maternal and child health, the progress seems to depend on the regional or country-specific situation rather than the initial status.<sup>11</sup>

The prevalence of HIV (6A) and Malaria (6C) are not evenly distributed throughout regions. Though the diseases began to decrease at the global level (UN 2012), when it comes to Sub-Saharan Africa, many countries have experienced a drastic increase (Appendix C-8, C-9).

No specific trend is discernible in the forested areas (Appendix C-10). The target of halving the proportion of people without sustainable access to safe drinking water (7C) has already been met by most countries (Appendix C-11). A higher rate of progress on water access is demonstrated by countries with lower initial access. With regard to the target on ODA receipt (8A), the countries which had a lower level of ODA initially experienced a higher growth rate of net ODA receipt (Appendix C-12). Progress on market access (8A) and mobile cellular subscriptions (8F) was rapid during the last decade especially in poorer countries (Appendix C-13, C-14), which reduced the gaps between LICs and MICs on market access, global connection and the penetration of advanced technology.

Overall, there are three different patterns of progress. The first is one in which the initial gap between good and bad performers has been reduced. School enrollment, gender parity in education, water access, and market access show this pattern. The second pattern is one in which the gap has been expanded. Such a pattern has been observed in poverty headcount, and under-5 mortality rate. To correct the deficiency, specific

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11. See Section 3 for further discussion.

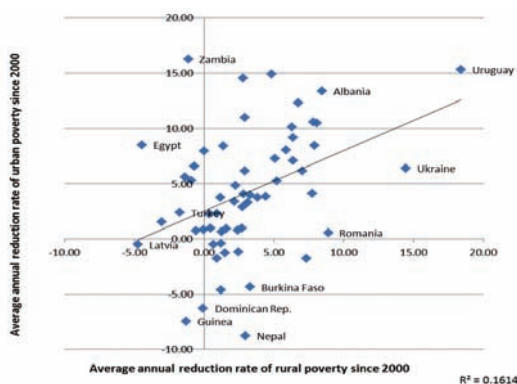
support from the international community is required.<sup>12</sup> The third pattern is observed in maternal mortality ratio and forested areas in which there is no noticeable change.

### 2.3.2 Poverty reduction and within-country inequality

In this section, relationships between overall progress on poverty reduction and within-country inequality are explored by comparison between rural and urban income and the Gini index.

Figure 3 shows the comparison between the average annual reduction rate of rural and urban poverty. The patterns of progress towards rural and urban poverty reduction clearly show a wide disparity between countries. Most of the countries made progress on both rural and urban poverty reduction. However, some countries have shown an unbalanced pattern of urban and rural poverty reduction. For example, while Egypt and Zambia reduced their urban poverty at the rate of 8.5% and 16.3%, respectively, they experienced increase in rural poverty at the rate of 4.5% and 1.1%, respectively. In some countries such as Nepal and Burkina Faso, the urban poverty rate increased during the same period while the rural poverty rate decreased. Overall, the majority of countries experienced a higher rate of poverty reduction in urban areas than in rural areas. This may imply that rural poverty needs to be attended to more seriously.

**Figure 3. Rural versus urban poverty reduction rate, 2000-2010**

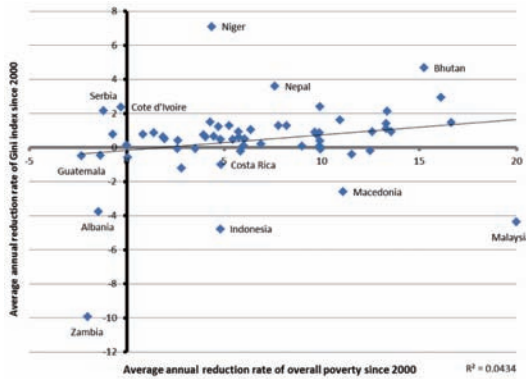


Source: Authors' calculations based on the data from the World Bank's MDGs database.

12. It seems that not only the initial status but also shocks or specific situations seem to have an effect on some indicators; e.g., the earthquake in Haiti has an effect on the under-5 mortality rate. We will see factors other than the initial status in Chapter 3.

Figure 4 plots the average annual reduction rates of poverty and inequality measured by the Gini index from 2000 to 2010. The majority of countries were able to reduce poverty and inequality simultaneously. However, the Gini index increased for some countries, even though their poverty rate decreased. Malaysia, Macedonia, Costa Rica, and Indonesia are among the countries that belong to this category. Similarly, a few countries (such as Albania, Zambia, and Guatemala) experienced a simultaneous decrease in poverty and inequality. These facts indicate that poverty reduction does not always result in an equal society. Therefore, internal and cross-country inequality should be separately addressed in the post-2015 development framework.

**Figure 4. Annual reduction rates of overall poverty and Gini index, 2000-2010**



Source: Authors' calculations based on the data from the World Bank's MDGs database.

### 2.3.3 MDGs performance of low-income countries and fragile states

Many countries in sub-Saharan Africa, low-income countries (LICs), and fragile states are far behind the MDGs targets due to the combination of low starting points and difficult circumstances (Easterly 2009, Clemens et al. 2007, World Bank and IMF 2012). The MDGs progress at the global level is allegedly driven by the large and middle-income countries (UN 2012). For example, the poverty headcount ratio declined remarkably in China, where nearly 20% of the world's population lives, from 60% in 1990 to 14% in 2008. The poverty rate of developing regions excluding China was reduced from 41% to 28%, whereas the decline is from 47% to 24% if China is included (UN 2012). In this way, real MDGs achievement of LICs or fragile states may be hidden behind the achievement of a few large countries. The progress of these countries is an important aspect to

explore.<sup>13</sup>

Table 2 presents the list of LICs that have already achieved or are on-track to achieve the selected MDGs targets.<sup>14</sup> The LICs seem to be lagging far behind in achieving the MDGs. For instance, out of 36 LICs, only three have already achieved the poverty target and another two are on track. Only Mali and Niger have already achieved their targets, and the other eight LICs are on-track for the hunger target. Three LICs have already achieved the universal primary education target and seven LICs are on-track to achieve it.

**Table 2. MDGs performance of Low-Income Countries (out of 36 LICs)**

<b>Selected MDGs targets (indicators)</b>	<b>Already achieved the targets</b>	<b>On-track to achieve the targets</b>
<b>1A (1.1):</b> <i>Poverty headcount ratio at \$1.25 a day (PPP) (% of population)</i>	Cambodia, Kenya, Mauritania	Central African Rep., Ethiopia
<b>1B (1.5):</b> <i>Employment to population ratio, 15+, total (%)</i>	None	None
<b>1C (1.11):</b> <i>Prevalence of undernourishment (% of population)</i>	Mali, Niger	Bangladesh, Benin, Burkina Faso, Cambodia, Chad, Ethiopia, Kyrgyz Rep., Mozambique
<b>2A (2.1):</b> <i>School enrollment, primary (% net)</i>	Myanmar, Tajikistan, Tanzania	Bangladesh, Benin, Cambodia, Ethiopia, Mozambique, Nepal, Rwanda
<b>3A (3.1):</b> <i>Ratio of girls to boys in primary and secondary education (%)</i>	Bangladesh, Gambia, Haiti, Kenya, Kyrgyz Rep., Madagascar, Malawi, Myanmar, Rwanda, Tanzania, Uganda, Zimbabwe	Benin, Burkina Faso, Burundi, Cambodia, Comoros, Ethiopia, Guinea, Mauritania, Nepal, Sierra Leone, Togo
<b>4A (4.1):</b> <i>Under-5 mortality (per 1,000)</i>	Bangladesh	Eritrea, Madagascar, Nepal

13. The list of low-income countries and fragile states analyzed in this paper is summarized in Appendix D.

14. Only clearly defined targets are included in this table.

<b>5A (5.1):</b> <i>Maternal mortality ratio (modeled estimate, per 100,000 live births)</i>	None	Bangladesh, Eritrea, Nepal
<b>7C (7.8):</b> <i>Improved water source (% of population without access)</i>	Afghanistan, Burkina Faso, Comoros, Gambia, Demo. Rep. of Korea, Kyrgyz Rep., Malawi, Nepal	Benin, Cambodia, Guinea, Uganda

*Source:* Authors' calculations based on data from the World Bank's MDGs database.

Progress on gender parity in education is most noticeable. Twelve LICs have already achieved the target while 11 additional LICs are on track. LICs are performing relatively well on achieving the target of access to safe drinking water, as eight LICs have already achieved the target and four others are on track. However, LICs are having trouble to achieve health-related MDGs (4A and 5A); no country except Bangladesh has achieved these targets, while only three LICs are on-track to achieve them. What is noteworthy is the fact that these LICs had particularly high initial levels of under-5 mortality rates and maternal mortality ratios. Overall, most of the LICs are unlikely to achieve most of the MDGs targets.

LICs that have not achieved or are not on track for any of the MDGs targets listed above are the Congo Dem. Rep., Guinea-Bissau, Liberia, and Somalia. The LICs that have achieved or are on track for only one MDG target listed above are Afghanistan, Burundi, the Central African Rep., Chad, Haiti, The Dem. Rep. of Korea, Mali, Niger, Sierra Leone, Tajikistan, Togo and Zimbabwe. Out of these 16 LICs, 15, except Mali, are categorized as “fragile states” by the OECD (OECD 2011).<sup>15</sup> The lack of progress is most acute in these fragile states.

### 3. MDGs progress, risks and resilience

As seen above, progress in MDGs has been diverse across countries. Unfortunately, the above analysis based on the data of MDGs achievements can only elucidate chronic conditions that cause the diversity. In practice, the MDGs progress is critically hindered by shocks and crises such as sociopolitical conflicts (UN 2012), natural disasters (Mitchell 2012), economic crises (national, regional or global), and many

<sup>15</sup> See Appendix D for definition.

other events that bring greater risks to the bottom layers of society (UN 2011). These external shocks are not well integrated in the current MDGs framework.

The MDGs data show that no fragile or low income countries affected by armed conflict have achieved a single MDG (World Bank 2011). In addition, millions of people around the world fell into poverty in the aftermath of natural disasters (such as floods, tsunami and earthquakes) and economic crises such as the 2000-2001 Turkish financial crisis (Cline 2002), the 1997 Asian financial crisis (Fallon and Lucas 2002), the 2008-2009 global economic crisis and the 2008 global food crisis (UN 2011). These conflicts and crises bring not only life-threatening challenges to the population of the affected areas, but also reverse the cycle of poverty reduction as poor people generally live in risk-prone areas. Hence, it is a formidable challenge, needing urgent development of a better national, regional and global framework for creating resilient societies that can readily cope with such risks and will ultimately lead to sustainable poverty and inequality reductions. Post-2015 development strategies should therefore give due priority to the building of resilient societies and address the following three broad areas of risk ranging from community to the global level.

First, armed conflict has always been a main challenge to the security and welfare of the people. While interstate conflict was dominant until the 20th century, intrastate conflict has become more prominent in recent decades. In fact, nearly 1.5 billion people live in countries that are affected by fragility, conflict, or large-scale organized criminal violence (World Bank 2011). Domestic violent conflict is concentrated on poorer countries and regions where the poverty headcount ratio is generally much higher than others (World Bank 2011). In terms of the MDGs progress, conflict-affected countries are more undernourished, have poorer access to education and health facilities and higher rates of child and maternal mortality than other developing countries. Looked at from a different angle, these countries have enormous potential for rapid development and MDGs achievement. For instance, the data show that undernourishment in Rwanda decreased from 56% in 1997 to 40% in 2005, and primary school completion rates in Mozambique increased from 14% in 1999 to 46% in 2007. Paying special attention to the conflict-related risks and those who are affected is worthwhile in designing a development framework for the post-2015 period.

Second, the grave and widespread impact of natural disasters demand strategies for building resilient societies. UNISDR (2012) estimated that disasters associated with natural hazards have affected 4.4 billion people, caused \$2 trillion of damage and killed 1.3 million people since the first Rio summit in 1992. The impacts from any disaster are wide ranging: from loss of life to injury; from destruction and damage of property to loss of services; from social and economic disruption to environmental degradation. Such impacts mostly affect the poor and vulnerable population since they often live on marginal lands and in poorly constructed houses, and often have poor access to water and sanitation (World Bank 2006). The World Bank (2006) estimates that about 97% of disaster-related deaths reported globally occurred in developing countries. The World Bank (2000) also estimates that 80, 60 and 50% of the poor in Latin America, Asia, and Africa, respectively, live on marginal lands. Disasters can worsen poverty, especially among those living near the poverty line, and trap families in chronic poverty who are already poor (World Bank 2000). Disaster resilience should receive due priority.

Third, because of rapid globalization, financial and economic shocks have become prominent in the last two decades. The report on the Global Social Situation 2011 of the United Nations estimates that due to the global financial crisis that started in 2007, global unemployment rose sharply from 178 million in 2007 to 205 million in 2009, and between 47 million and 84 million more people fell into or remained trapped in extreme poverty (UN 2011). The food and fuel price hike which occurred immediately before the global economic crisis has ultimately increased the number of people living in hunger throughout the world to the record of over a billion in 2009 (FAO 2009). Whatever the causes of a crisis are, the poor are affected more adversely through the labor market such as layoffs, reduced work hours and wages and increased competition for jobs; through price shocks, such as increased food and energy prices; and through reduced remittance, return of migrants and reduced demand for jobs abroad (Turk, Mason, and Petesch 2010).

When these risks come together, it is extremely difficult to cope with the situation. Showing the nexus between natural disasters, conflict and fragility, Harris et al. (2013) provided a comprehensive assessment, and urged for further exploration of and attention to the interconnected shocks and stresses. On the other hand, we also notice that MDGs

achievements of countries such as Nepal and Ethiopia are impressive despite their devastating experiences with armed conflict in the past.<sup>16</sup> Further research on various case countries will be recommended to find effective policies and proper methods to integrate resilience into the post-2015 development strategy.

#### **4. Lessons learned**

The MDGs framework has been a center of development discourse and practice and has exerted enormous influence on international development policy. Focusing objectively on the achievement of a wide range of unmet human needs, the MDGs successfully shifted the development paradigm from a mere focus on economic development to multidimensional poverty. However, as progress towards the MDGs is uneven across countries and regions, and even within countries, there is still plenty of room for improvement. Lessons learned from the MDGs experience and from stakeholders' voices and opinions will help improve the development framework beyond the 2015 deadline.

First, we should recognize that there is a noticeable difference in the progress towards the goals. The goal of halving the poverty level and halving the population without improved water access are already met, and the progress toward gender parity in school education is also on track. However, the other targets are unlikely to be achieved by 2015 if the current trend continues. For one thing, the goal such as full employment was unrealistic from the beginning. Moreover, even when the goal was set realistically, a well-designed supporting mechanism for monitoring and following-up was frequently lacking. To achieve any developmental end, means such as a sound monitoring framework with a minimum set of common measurable indicators should be developed.

Second, the issue of inequality, which the MDGs framework fails to address properly, should be considered more seriously in the future. If we compare the achievement trends across regions and nations, the wide disparity undermines the positive image of the global achievement. Focusing merely on global progress can easily hide slower

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16. For instance, despite a decade-long armed conflict from 1996 to 2006, Nepal reduced its absolute poverty from 68.0% in 1996 to 24.8% in 2010, which met the MDGs poverty reduction goal well ahead of the deadline. Similarly, despite the series of long conflicts with Eritrea and Somalia, Ethiopia reduced poverty from 60.5% in 1995 to 39.0% in 2005, and is on track to achieve the poverty reduction goal by 2015.



progress and growing disparities among a specific group of the population. Growing inequality and social exclusion could create sociopolitical tensions and hamper sustainable growth. We suggest two ways to address inequality in the post-2015 development agenda. One is to introduce appropriate inequality indicators and to have them reported regularly. Further studies, particularly country case studies, are required to develop or find appropriate indicators. The other is to monitor the indicators for different groups of the population. The residents should be disaggregated as much as possible by sex, wealth quintiles, and urban/rural residence, race and ethnicity.

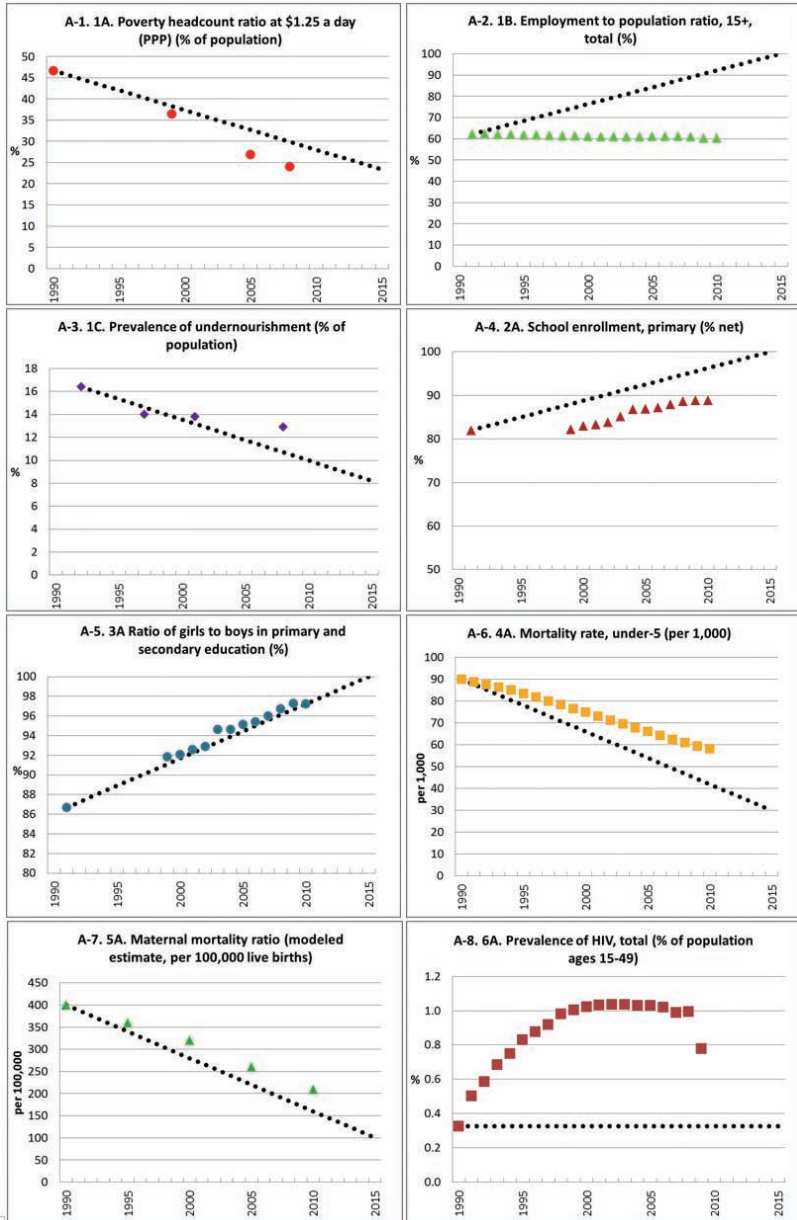
Third, developing countries generally lack enough resources and institutions for social protection to support the existing and newly emerging poor, especially on sudden shocks and crises (McCord 2010). Although the MDGs database provides little information on conflicts and crises, many studies discussed in the previous section demonstrate the significant breadth and severity of the risks associated with armed conflicts, natural disasters, and financial or other kinds of crises for poor and vulnerable people. These risks indicate an urgent need to develop social resilience through the establishment of a local, regional and global framework for social protection.

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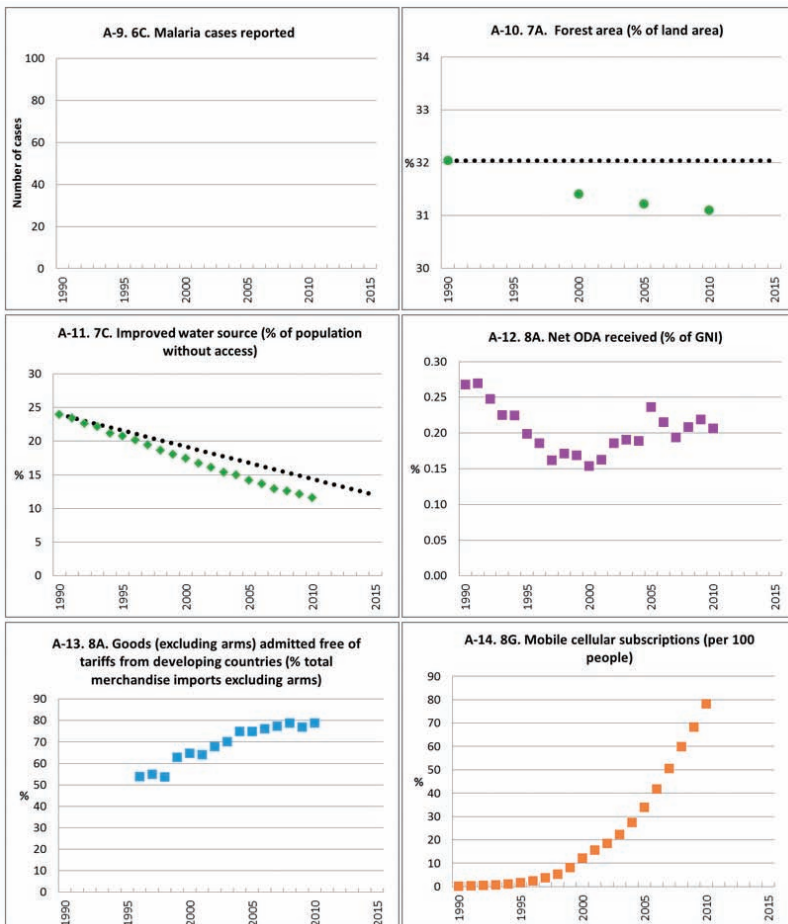
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Appendix A: Global achievement towards selected MDGs indicators, 1990-2010



## Achieving the Millennium Development Goals: Lessons for Post-2015 New Development Strategies



Source: Data for the MDGs No. 1A to No. 7C, 8A (net ODA received) and 8G (mobile cellular subscriptions) are taken from the World Bank's MDGs database; and the data for market access or MDGs No. 8A (goods (excluding arms) admitted free of tariffs from developing countries to developed countries) are taken from the online database, namely MDGs Goal 8: Market Access Indicators jointly created by the ITC, UNCTAD and WTO. The data are available at:

<<http://databank.worldbank.org/Data/Views/VariableSelection/SelectVariables.aspx?source=Millennium%20Development%20Goals>> and <<http://www.mdg-trade.org/Index.aspx>> (accessed June 26, 2012).

Note: Black dotted lines show the MDGs target; if the MDGs targets are not defined by the MDGs, no dotted line is drawn; points indicate the real situation in respective years; if the data for 1990 is not available, the base year for calculating the MDGs targets is the earliest year after 1990 for which data is available. Data on "Malaria cases reported (6C)" were not available for the world.

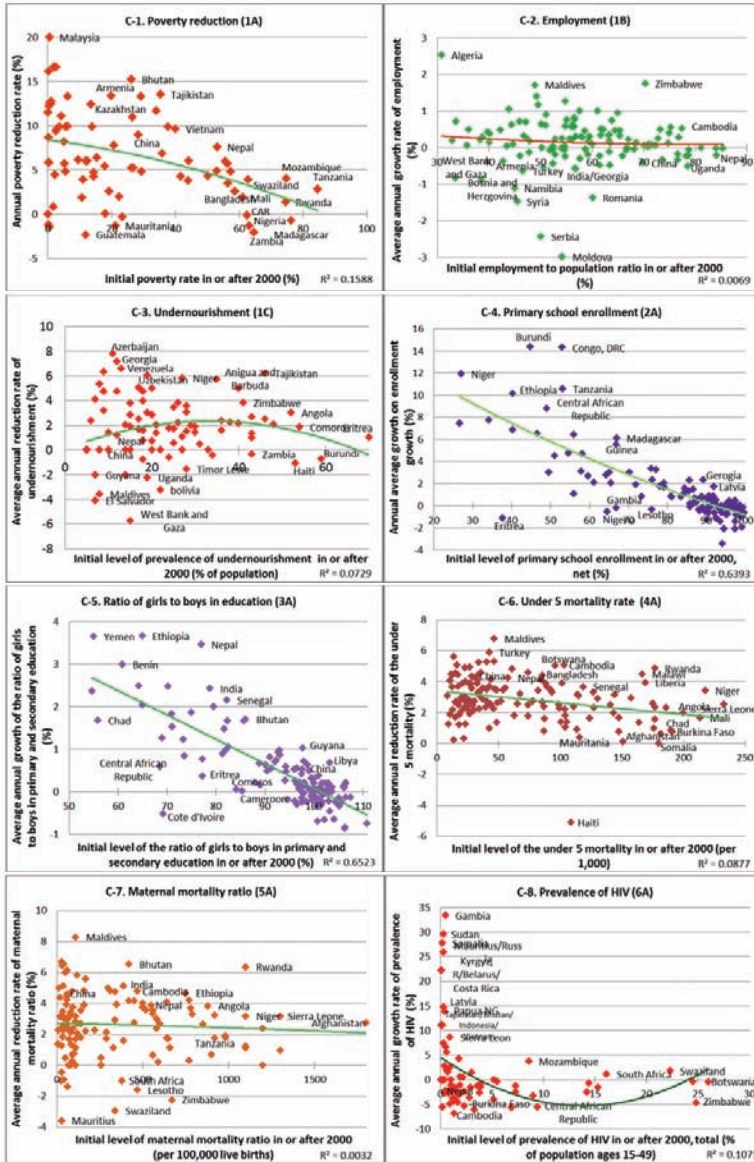
**Appendix B: Countries included in the MDGs progress assessment by region**

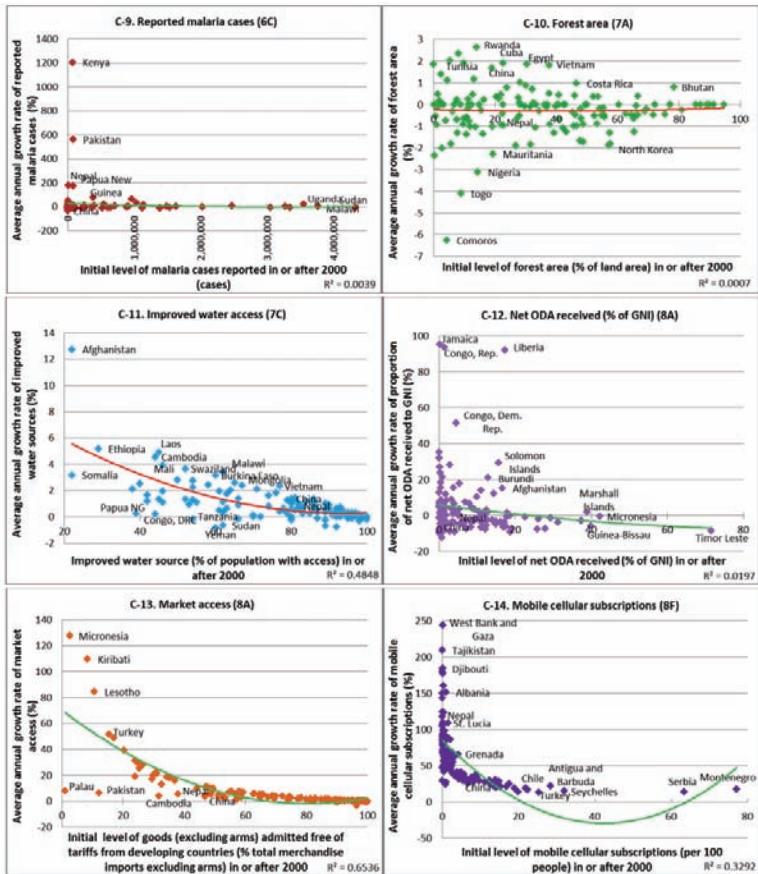
<b>1. East Asia and the Pacific</b>				
	Cambodia	Lao PDR	Palau	Timor-Leste
	China	Malaysia	Papua NG	Tonga
	Fiji	Marshall Islands	Philippines	Tuvalu
	Indonesia	Micronesia	Samoa	Vanuatu
	Kiribati	Mongolia	Solomon Islands	Vietnam
	Korea, Dem. Rep.	Myanmar	Thailand	
<b>2. Europe and Central Asia</b>				
	Albania	Georgia	Moldova	Turkey
	Armenia	Kazakhstan	Montenegro	Turkmenistan
	Azerbaijan	Kyrgyz Republic	Romania	Ukraine
	Belarus	Latvia	Russian Fed.	Uzbekistan
	Bosnia and Herzegovina	Lithuania	Serbia	
	Bulgaria	Macedonia, FYR	Tajikistan	
<b>3. Latin America and Caribbean</b>				
	Antigua and Barbuda	Cuba	Haiti	St. Kitts and Nevis
	Argentina	Dominica	Honduras	St. Lucia
	Belize	Dominican Rep.	Jamaica	St. Vincent and the Grenadines
	Bolivia	Ecuador	Mexico	Suriname
	Brazil	El Salvador	Nicaragua	Uruguay
	Chile	Grenada	Panama	Venezuela, RB
	Colombia	Guatemala	Paraguay	
	Costa Rica	Guyana	Peru	
<b>4. Middle East and North Africa</b>				
	Algeria	Iraq	Morocco	Yemen, Rep.
	Djibouti	Jordan	Syrian Arab Republic	
	Egypt, Arab Rep.	Lebanon	Tunisia	
	Iran, Islamic Rep.	Libya	West Bank and Gaza	
<b>5. South Asia</b>				
	Afghanistan	Bhutan	Maldives	Pakistan
	Bangladesh	India	Nepal	Sri Lanka
<b>6. Sub-Saharan Africa</b>				
	Angola	Côte d'Ivoire	Malawi	Sierra Leone
	Benin	Eritrea	Mali	Somalia
	Botswana	Ethiopia	Mauritania	South Africa
	Burkina Faso	Gabon	Mauritius	Sudan
	Burundi	Gambia	Mayotte	Swaziland
	Cameroon	Ghana	Mozambique	Tanzania
	Cape Verde	Guinea	Namibia	Togo
	Central African Rep.	Guinea-Bissau	Niger	Uganda
	Chad	Kenya	Nigeria	Zambia
	Comoros	Lesotho	Rwanda	Zimbabwe
	Congo, Dem. Rep.	Liberia	São Tomé and Príncipe	
	Congo, Rep.	Madagascar	Seychelles	

Source: The authors

Note: The regional grouping is based on the World Bank

Appendix C: Initial status and progress rate of selected MDGs across countries, 2000-2010





Source: Authors' calculations based on data from the World Bank's MDGs database.

Note: Only some countries are labeled in the graph



## Appendix D: List of fragile states and Low-Income Countries (LICs)

### Fragile and LICs (26 Countries)

Afghanistan	Ethiopia	Nepal
Bangladesh	Guinea	Niger
Burkina Faso	Guinea-Bissau	Sierra Leone
Burundi	Haiti	Somalia
Central African Republic	Kenya	Tajikistan
Chad	Korea, Dem. Rep.	Togo
Comoros	Liberia	Uganda
Congo, Dem. Rep.	Malawi	Zimbabwe
Eritrea	Myanmar	

### Fragile but not LICs (19 Countries)

Angola	Lebanon	Sri Lanka
Cameroon	Nigeria	Sudan
Congo, Rep.	Pakistan	Timor-Leste
Cote d'Ivoire	Palestinian Adm. Areas	Uzbekistan
Georgia	Papua New Guinea	Yemen
Iraq	Sao Tome and Principe	
Kiribati	Solomon Islands	

### LICs but not Fragile (10 Countries)

Benin	Madagascar	Rwanda
Cambodia	Mali	Tanzania
Gambia, The	Mauritania	
Kyrgyz Republic	Mozambique	

*Source:*

LICs) The World Bank has a tradition of grouping countries in different criteria, such as per capita income. The current groupings can be accessed at: <http://data.worldbank.org/about/country-classifications/country-and-lending-groups> (accessed September 26, 2012).

Fragile States) The list of 45 countries in fragile situations is a compilation of two lists: the 2009 Harmonized List of Fragile Situations (World Bank, African Development Bank, Asian Development Bank) and the 2009 Fund for Peace Failed States Index (“alert” and “warning” categories). It is worth noting that not all fragile states are low-income countries: 19 of the countries considered fragile in 2009 were middle-income countries.