

Economic transformation in one generation

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WASHINGTON — East Asia today is far more urban, high-tech and wealthy than 30 years ago. And it offers a far wider range of social and economic opportunities.

New businesses have developed, supply chains have globalized, and the younger generation chooses from a range of professions that their parents could only dream of. The pace of change is remarkable.

Good economic policies, forward-looking governments, and robust trade and investment contributed to this transformation. So did what we call the Millennium Development Goals. These goals center on getting significantly better results in eradicating extreme poverty and hunger, getting girls in school, reducing child deaths, improving maternal health, combating preventable diseases, and providing access to safe water and sanitation.

The goals represent a very fundamental level of well-being. They provide the basic human security that allows people to participate in growth. They are the first step to individuals realizing their full potential, as they are to nations in building a model of humane, inclusive development.

The investments that many of the now-wealthy countries in East Asia made in MDG-related goals a generation ago greatly enabled their development. With the poorest countries in the region now close to meeting their MDGs, we can be hopeful about their future.

Japan has convened a summit on the MDGs in Tokyo to draw attention to the significance of the goals, and to remind us that there are many countries in the world where more progress is

needed — particularly the poorest countries and those suffering from conflict and insecurity. However, even in countries where aggregate indicators are good, much more attention is needed to help disadvantaged groups of people, such as ethnic and linguistic minorities, people with disabilities, and people from very remote or impoverished backgrounds.

Many countries that are off track for achieving the MDGs by 2015, could get back on track with a return of global economic growth to precrisis levels. Good public policy and strong institutions are also crucial.

The recent crises have shown us the particular importance of social safety net programs that protect people in times of economic hardship or natural disasters. The right policies and institutions will help us move beyond quantitative targets to our goals: inclusive growth, reduced inequality and poverty, and improved health and education.

Achieving the MDGs will require international cooperation on four fronts:

(1) Low-income countries will need a strong and stable global economic environment in which to continue growing. These countries have rebounded well from the economic crisis, but price rises for food, fuel and other commodities are a threat, and the advanced economies need to maintain their growth momentum and keep their markets open to developing-country exports.

(2) Actions are needed to help low-income countries achieve and sustain more rapid economic growth. This requires narrowing the infrastructure gap, continuing to improve the quality of developing country policies, and rebuilding the policy buffers that cushioned them well during the global financial crisis.

(3) The fragile states that lag the furthest on the MDGs require additional support, to help in building institutions and moving toward a virtuous circle of peace, security, justice and jobs. As our latest "World Development Report on Conflict, Security, and Development" notes, some 1.5 billion people live in countries affected by repeated cycles of political and criminal

violence, and no low-income, fragile or conflict-affected country has yet to achieve a single MDG.

(4) We need to cooperate on improving the quality of service provision through better policies and stronger institutions. As this year's "Global Monitoring Report" emphasizes, increased aid and domestic spending have been more effective at increasing access — primary school enrollment, for example — than at improving health and learning outcomes.

To improve outcomes, we need to broaden our focus to ensure that institutions provide services efficiently and responsively. And because it is the most vulnerable who typically receive the lowest-quality services, attention to quality is also a primary tool for improving equity.

This week, the government of Japan is doing a service to poor people everywhere by bringing these issues to the world's attention. Moreover, by focusing attention on MDGs it is helping to construct a more peaceful and prosperous world for us all.

For its part, the World Bank Group has mobilized around an "Access Agenda," to help countries provide their people with the widest possible access to good-quality health and education, clean water, energy, food and jobs — looking not just at the numbers, but also at the quality of services.

Along with the government of Japan, the World Bank Group is profoundly committed to the MDG goals, and with its partnerships, cutting-edge knowledge, and financing, it has its sights fully set on helping countries meet the challenges to be on track for 2015.

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