

*International Workshop on 'The Millennium Goals and Beyond:  
Reflections on an international development policy agenda after 2015'*

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# Emphasize Capacity Building, Inputs and Processes to Achieve Greater Impact of MDGs

*by*

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# *We will try to discuss*

- Introduction
- Social Institutions & Human Development
  - Historical Perspective
  - Human Development Divergence
- MDGs:
  - What do they Mean ?
  - Role of MDGs in achieving Human Development
  - Progress towards MDGs
  - Limitations of MDGs
- Human Development: Inputs, Processes & Outputs
  - Need for emphasizing Processes
  - Three levels at which Processes take place
  - Efforts So Far
  - Suggestions for a way forward
- Global Development Financing: Beyond 2015
- Conclusions & Recommendations

# INTRODUCTION

**Human Development is about enlarging people's choices to be healthy, to be educated and to enjoy a decent life. (UNDP, 1990)**

- Availability of choices depends upon advancement of society
- These choices are often not available due to constraints of access, income, equity, awareness, or other factors.
- For a vast number, these choices are restricted.
- The eight goals comprising the MDGs reflect a global consensus regarding a minimum level of choices that every human being should be entitled to, and
- a broad joint commitment by all states to work together to achieve this aim.
- Understanding the factors that may have contributed to human development in the past can help in improving our future.

# HUMAN DEV : SIX MAJOR MILESTONES

## 1. Development of family Household

- Increased Choices of Consumption & Production
- Care & Support during extremes of life
- Accumulation of knowledge & beginning of Science & Technology

COMMUNITY,  
AGRICULTURE,  
EDUCATION,  
HEALTHCARE

## 2. Development of Market

- Reduced Transaction Costs, Economic Efficiency
- Incentives for Surplus Production & Technological development

INDUSTRIES

## 3. Development of Modern Science & Technology

- Reduced Transaction Costs, Economic Efficiency
- Incentives for Surplus Production & Technological development

INT. TRADE,  
CAPITALISM,  
*IMPERIALISM ??*

## 4. Development of Accountable Government

- Efficient Production of Public Goods: Security, Law & order, Property Rights Protection, Contract Obligation Enforcement
- Redistribution of Resources : Subsidy / Taxes
- Merit Goods for all citizens

EQUALITY  
*CONVERGENCE OF  
HUMAN DEV  
POLITICAL RIGHTS*

# HUMAN DEV : SIX MAJOR MILESTONES

## 5. Global Governance Initiatives

- United Nations, Human Rights (even in war), WHO,
- GATT/GATS, World Bank, WCO, Bretton Woods System, BIS, OECD, Regional Blocks .....

PEACE,  
INT TRADE,  
GLOBALIZATION,  
ECO GROWTH

## 6. Recognition of Human Development as the Most Important Goal

- Eco Growth only a means for Human Development
- EQUITY
- Setting Standards for Minimum Acceptable level of Human Development
- Global Commitment
- Accountability of States to achieve Hum Dev
- Commitment of Resources by Developed Countries for global Human Development

INTERNATIONAL  
EFFORTS

SUPPORT FOR  
LEAST  
DEVELOPED  
COUNTRIES

# HISOTORICAL PERSPECTIVE

- The Evolution of Family Households & Community Living may have brought significant welfare in terms of longevity, health and education → Civilization
- The Combination of Markets and Scientific Advancements led to
  - Industrialization In Europe
  - Life Improved In Europe, Later In North America, Australia
  - Human Development Divergence
    - ASIA & AFRICA LAGGED BEHIND ( LATIN AMERICA IN BETWEEN )
- 1820-1950 (*Nayyar, 2009*)
  - Growing Divergence of Human Development
  - Between 1870 – 1950 – Increasing Divergence
  - Between 1870 & 1950, p.c. income in Asia as a proportion of that in Europe fell from one half to one tenth
  - Between 1870 & 1950, p.c. income in Africa as a proportion of that in Europe fell from one third to one seventh
- After 1950
  - Increasing Convergence of Human Development across the World

# MDGs : WHAT DO THEY MEAN

- An articulation and quantification of some core human development priorities focused on minimum level of achievement, thus considering them as only a part of the broader framework of human development that includes human rights, democracy and participation (*HDR, 2010*)
- *“.....not as realistic targets but as reminders of the stark contrast between the world we want and the world we have, and a call to redouble our search for interventions to close the gap.” (Clemens, Kenny and Moss, 2004)*
- *“.....political commitments, made by world leaders, that define priorities in a normative framework and that can be used as benchmarks in evaluating progress. In this framework the appropriate question is whether more is being done to live up to that commitment, resulting in faster progress.” Fukuda-Parr and Greenstein (2010)*

## MDGs : HOW THEY CONTRIBUTED

1. Simplifying human development initiative into objective, measurable goals that can be monitored, enabling inclusion in the public discourse, attract public attention, and garner support, pressurizing governments to do something about it.
2. Ensuring greater international aid flows from the developed to the developing world.
3. Provide a greater focus on what is to be achieved, and thereby help all stakeholders to plan and design their efforts accordingly. Its greatest contribution may have been to widen the focus from economic growth to include health and education as equally important priorities.



# MDGs : HOW IS THE PROGRESS

- The process of convergence of less developed countries with the rest of the world is an ongoing one. It is continuing since 1950s and may have been gradually slowing down in recent decades.
- The best achievements are likely to be seen in the first goal, where the global poverty is expected to fall to 15%, well below the target of 23%, primarily due to developments in China.
- The progress in terms of bringing down hunger has seen lesser success, with proportion of undernourished people falling from 20% in 1990 to only 16% in 2005-07, a figure which has remained largely unchanged since 2002
- In case of other MDGs, the progress has been somewhat modest.
- In the case of the last two MDGs related to environment sustainability and international partnership for development, there are significant gaps in the ambitious targets and the actual achievements.

# MDGs : LIMITATIONS

## ➤ **OVERSIMPLIFICATION**

- As a simple, measurable indicator, MDGs serve a great purpose. However, it can be at the cost of rigorous analysis and more informed discussions.
- MDGs do not include indicators of efforts and activities.
- They neither tell us why some countries have achieved them and why some have not, nor tell us anything about the extent to which global efforts have contributed in achieving them.
- **They impose accountability on states to achieve certain targets but fall short of helping them in finding a way to do so, a limitation that can have profound significance in case of developing and least developing countries, which may not have adequate capacity (even when monetary resources are available) to achieve those goals.**

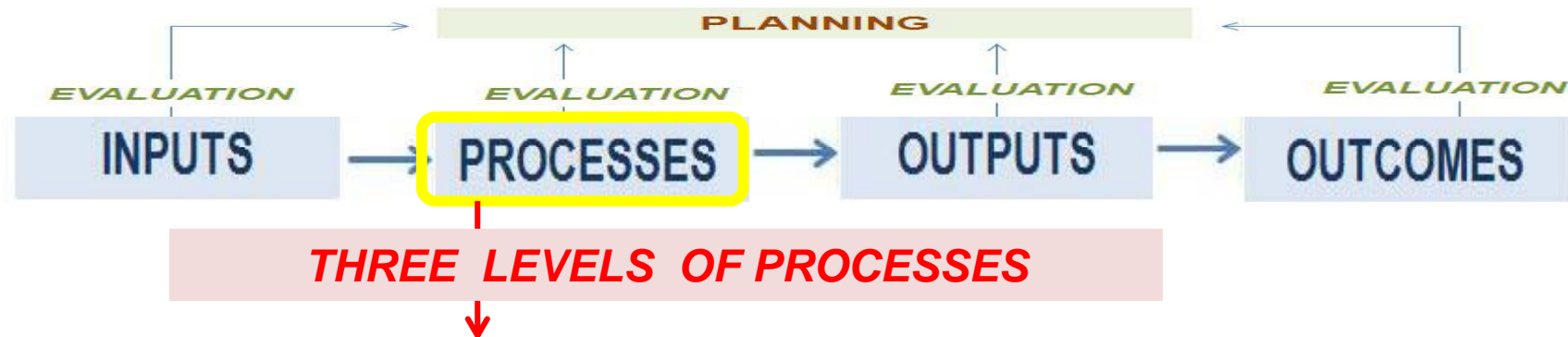
***Have MDGs accelerated Human Development? Does Global Commitment translate into differences at ground level? How and to what extent? Why did they help some states more than others? What more can be done to help them?***

# HUMAN DEV : INPUTS, PROCESSES & OUTPUTS



**A simplified LOGIC MODEL for long term Human Development Planning**

# THREE LEVEL OF PROCESSES



- **Global Level:** Global deliberations to achieve peace, free trade & global financial stability; Climate change; Balancing Intellectual Property Rights with their dissemination for broad human welfare.
- **National Level:** Allocation of resources for health and education sectors; Policies for facilitation of markets, provisioning of public goods and redistribution of resources (to create demand for health & education); Policy making (Economic/Legislation)
- **Local Level:** Local implementation of national policies, Use of local resources, Fine tuning & Innovation to account for local context (culture/capacity/constraints)

# EMPHASIS ON PROCESSES: EFFORTS SO FAR



- Call for radical rethinking on Economics of Growth (HDR,2010) → Evolution of Development Economics, Public Policy
- MDGs based National Poverty Reduction Strategies (Sachs, 2005)
  - to include detailed national investments, budgets and policies, promote transparent and decentralized governance and include operational mechanisms
  - covered most aspects of processes, including governance, adoption of locally applicable appropriate technology and monitoring to measure progress and allow for mid-course correction
  - Quick Win Measures : free distribution of malaria bed nets, chemical fertilizers and expansion of school meal programs
- Call for MDG Localization (Kampala Conference)
  - designing plans as per local needs, using available resources and enabling managerial flexibility
  - political aspect

# PROCESSES: SUGGESTIONS FOR FUTURE



- **Global Level:** Global commitment for enhancing capacity in policy making; promoting development economics and public policy as important independent academic streams, and ensuring their dissemination to countries where they are most required.
- **National Level:** Focus on Redistribution of Resources; Designing appropriate policies for Subsidies & Progressive taxation. Designing policies that use redistribution as an incentive for capacity building in long term.
- **Local Level:** Capacity building in Micro-planning, Training and Monitoring. Accreditation system for local processes; Global consensus to promote & finance independent accreditation of local processes.

# GLOBAL DEVELOPMENT FINANCING

- Global Human Development Financing is the single most important factor that cements the global initiatives on human development
- As of now, it is “*a collection of disjointed entities that lack coherence*” (*Sagasti, Bezanson & Prada, 2004*)
- 33 donor agencies in 2010 (*Vandemoortele, 2010*)
- **Paris Declaration** called for harmonization of international aid and joint analysis and reviews
- **Accra Agenda for Action** in 2008 called for reduction of fragmentation of aid and improving its complementarity within and across countries.

## **Suggestions**

- Need for putting greater emphasis on the Design and Delivery of Aid and bringing it within the well defined goals beyond 2015.
  - the way in which it is designed, the terms and conditions under which it is transferred and the extent to which it not just compliments but stimulates the human development processes in the recipient state.
- Standardize certain well defined norms for donor and recipient agencies, to be followed in all Aid Transfers

# CONCLUSIONS & RECOMMENDATIONS

- Best option of promoting Human Development may be by strengthening the two social institutions of market and government, using the emerging global commitments and institutions
- Need for promoting academic streams like Development Economics & Public Policy, which can improve governance by capacity building of functionaries and improving capacity of citizens to demand it. More important is its dissemination to developing countries where it is most needed.
- Need to place greater emphasis on Processes at all the three levels
  - Global Level : Climate, Trade, Commitments, Peace, Technology Transfer
  - National : Allocation for Health & Education; Designing Policies for Redistribution of Resources like Subsidies & Progressive Taxes
  - Local : Micro-planning, Training & Monitoring Capacity of Local functionaries, Promoting & financing Accreditations as a means to achieve efficient local processes
- Need to Standardize International Development Financing practices, designs and delivery

***Need for more Discussion & Research on How to emphasize Processes that lead to or improve Human Development***





**THANK YOU**