

The Promise of the MDGs

THE Millennium Development Goals (MDGs) are eight international development targets that all 192 United Nations member states and a large number of international organizations have agreed to achieve by the year 2015. They include cutting extreme poverty, reducing child mortality rates, fighting diseases such as AIDS, and developing a global partnership for development around the world.

They provide a framework for the entire international community to work together toward a common end—making sure that human development reaches everyone, everywhere.

With five years to go until the target year, this issue of *Finance & Development* assesses how the world is doing in meeting the goals. Clearly, the global economic crisis has set back progress toward the MDGs. But as our lead article, written jointly by authors at the World Bank and the IMF, points out, extreme poverty is falling sharply around the world; the goal of universal primary education is within reach, if difficult to achieve in Africa and South Asia; and higher enrollment is shrinking the gender gap in education, with more girls than ever completing primary school. But, despite good progress on under-5 mortality rates, still far too many children and mothers die from preventable causes in parts of the world (see our article on mothers by Melinda Gates on page 13 and on children in *Picture This* on pages 20–21).

Much can be done to reinvigorate progress, including reviving and sustaining global growth, adopting better domestic

policies in developing countries to build stronger local economies, encouraging foreign direct investment and private sector-led growth, providing better access to export markets, and improving the predictability and amount of aid flows.

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The second major theme in this issue of *F&D* looks at a key consequence of the global financial crisis—the abrupt deterioration of fiscal positions in advanced economies, the emerging markets of central and eastern Europe, and elsewhere. Mark Horton of the IMF’s Fiscal Affairs Department argues that consolidation in advanced economies should focus on spending cuts, given the already high tax burdens in many countries. But he warns that cuts will not be easy and will involve politically sensitive areas. Our article on France on page 36, for example, looks at the expensive needs of a rapidly aging population.

Emerging and developing economies face a less daunting adjustment task, but there are significant risks, particularly from further financial market turbulence and higher interest rates in advanced economies. Nevertheless, despite the uncertainties, the world’s most populous country, China, is starting to improve both pensions and health care in an initiative that will enhance the livelihoods of well over a billion people.

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