

## -Trade, Aid and the Millennium Development Goals- Reaching the goals in an insecure world

**By Oli Brown**

In 2000, nearly every country in the world committed themselves to the eight Millennium Development Goals (MDGs) – agreeing, among other things, to halving extreme poverty, achieving universal primary education, halting the spread of HIV/AIDS, reducing child and maternal mortality and ensuring environmental sustainability.

The language of the eight goals is deceptively simple. However the challenge was, and still is, daunting. For the first time in history, the majority of the world signed on to a set of time-bound and measurable objectives that could bring radical improvements to the lives of the poorest people in the world. The 2015 deadline for achieving the goals is now less than a decade away.

But progress towards the goals is depressingly patchy. There have been some successes, notably a reduction in the total number of people living in extreme poverty, fuelled principally by economic growth in Asia. However, other countries are falling behind the pace. And if current trends persist, many of the poorest countries will miss many of the goals.

The statistics speak for themselves: 30,000 children a day still die from preventable and treatable diseases; in sub-Saharan Africa and South Asia, half the children under the age of five are malnourished; AIDS has become the fourth largest killer worldwide; and half the people in the developing world lack even basic sanitation.

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The December 2005 ministerial meeting of the World Trade Organization in Hong Kong was the most recent test of that global partnership. And, unfortunately, it proved to be pretty shaky.

Although dubbed the ‘Development Round,’ the trade talks seemed to be more an exercise in sleep deprivation for the delegates than productive negotiation on the points of greatest importance to developing countries – namely access for their agricultural goods to the potentially valuable markets of the developed world.

Instead the EU and the U.S. offered small, relatively inconsequential trinkets to the developing world in the form of an end date to export subsidies, an extension of quota and duty free access for LDC products, and more aid for trade – to fan oxygen

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into the dying embers of the round as much as anything else. While welcome, these moves are unlikely to have revolutionary impacts on developing countries. The global partnership has a long way to go yet before it can meaningfully contribute to the MDGs.

Like this much-debated ‘global partnership,’ peace and security are also essential preconditions for the MDGs. Sustainable development is impossible in the middle of conflict and insecurity: institutions can’t function, people can’t plan for the future and education and sanitation take a back seat to day-to-day survival. It is no coincidence that those countries that are the furthest away from achieving the MDGs are those that continue to suffer political and economic instability.

Of course the word ‘security’ these days is much used and much misused. It means many things to many people. The likelihood of civil war in Europe and North America, for example, has receded. Instead, in the rich world, we tend to think about our security only in the narrow terms of security from terrorism.

However, in many parts of the world there are ongoing and bloody civil wars that are ruining lives and reversing development. To pick just one example, the most devastating conflict in terms of human casualties since the Second World War has occurred in the Democratic Republic of Congo where more than three million people have died from war, hunger and disease since 1998.

Trade and aid are two of the principal ways the developed world interacts with the developing world. The direction and priorities of trade and aid policies, largely decided by the rich countries of the North, have profound impacts on the societies, economies and stability of the poorer countries in the South. In other words, the way that we design our trade and aid policies influences the likelihood and longevity of conflict between and within countries – in a positive and negative way.

In theory at least, if trade and aid policies are carefully designed and implemented, they should encourage peace and security between and within countries. However, it is increasingly clear that international trade does not automatically reinforce stability or security. Nor is aid, as currently constructed, successfully achieving its aim of poverty alleviation.

In essence, the poorly designed and unfair trade policies of the developed world are inhibiting economic growth in the developing world and leaving countries locked into commodity markets notorious for the volatility of their prices. A reliance on the export of natural resources tends to lead to weaker institutions, economic dependence and political instability. Coupled with poorly-governed international markets for natural resources, this has proved to be an explosive combination time and again around the world.

Likewise, ‘aid’ has not always been an entirely positive force. Critics of development assistance have long argued that aid can make a bad situation worse, that it can ignore signs of trouble, and that in supporting bad governments, it can help set the stage for conflict.

That’s not to say that poorly designed trade and aid policies are the sole sources of violent conflict: identity, ideology and history are all important factors. However, it is to say that peace-building is not just about sending battalions of peacekeeping troops in blue helmets. Peace-building must also be about tackling the underlying causes of conflict.

The extent to which the international community is helping to promote stability and reach the MDGs is crucially dependent on the structural conditions established by its trade and aid policies. If we’re serious about reducing armed conflict around the world we must first, and at the very least, ensure that our trade and aid policies do no harm.

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*See <http://www.iisd.org/security/tas/> for more information about the project.*