

# DOWNLOAD PDF ELIMINATING WORLD POVERTY, MAKING GOVERNANCE WORK FOR THE POOR

## Chapter 1 : Eliminating World Poverty: Making Governance Work for the Poor - GSDRC

*DFID W/P5 2/12/00 am Page 1 Eliminating World Poverty: Making Globalisation Work for the Poor White Paper on International Development.*

Share by Mthuli Ncube With the year 2015 the MDG finishing line approaching, post goals as they impact Africa need to be firmed. The goal of ending extreme poverty remains paramount. This can be achieved with strong, sustained and inclusive growth. Globally, in 2000, the World Bank adopted two goals to guide its work for the next decade and beyond: The specific targets are: These goals are to be pursued in environmentally, socially and fiscally sustainable ways. To carry out some plausible scenarios for poverty paths in SSA, we drew on the following information: With this information, we examined the following scenarios: A large number of simulations for 47 SSA countries and 20 years were carried out. From the perspective of Africa and especially Sub-Saharan Africa, the globally appealing targets mask differences among regions, with Sub-Saharan Africa expected to fare notably less favorably than other regions except perhaps South Asia. Over time, poverty in Sub-Saharan Africa will be increasingly concentrated in several countries. For example, in 2000, the top four contributors to poverty were Ethiopia, Nigeria, DRC and Tanzania. The main message is that while the region is unlikely to eliminate poverty by 2015, it can make a serious dent in its reduction. Effective social protection could go a long way in reducing inequality and poverty in the region. In the area of domestic resource mobilization, such programs could be funded from taxation of the more prosperous segments of the society. The results also point to the need to put fragile and large countries in the centre of poverty-reduction efforts. For reaching these objectives, the importance of building transparent and well-functioning state institutions cannot be emphasized enough. A more realistic goal for the region would be reducing poverty by a range from half to two thirds. At this rate, especially if in part achieved by lowering inequality, the Africa region would meaningfully contribute to the global agenda. Policies need to focus on mutually reinforcing objectives of making growth stronger, resilient to shocks, and inclusive. Policy Implications Policies accelerating growth and reducing inequalities need to be successfully implemented to achieve significant reduction in extreme poverty. Social protection could go a long way in reducing inequalities and poverty, especially if the programs are funded from domestic revenue mobilization from the more prosperous segments of the society. The results also point out to the need to put large and fragile countries in the centre of poverty reduction efforts. For example, the resilience that the region exhibited during the recent global financial crisis and its aftermath has reiterated the role of macroeconomic stability and buffers in progress with growth and poverty reduction. For further reading, please consult:

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### Chapter 2 : Eliminating World Poverty: Making Governance Work for the Poor | The Media Development N

*Efforts to eliminate world poverty are not only morally right, but will also create a safer, more prosperous world. Eliminating poverty means tackling four main challenges: Good governance is essential to combating poverty. Governance is about politics, or the way in which citizens and governments relate to each other. Good governance requires state capability, responsiveness and accountability. It means making politics work for the poor.*

Good governance became the explanation for the failure of the structural adjustment programmes SAPs to deliver economic growth and poverty reduction. The link between good governance and poverty eradication is premised on the presumption that good governance promotes economic growth and development. It was presumed that SAPs were good for growth and the poor. But the disappointing results of SAPs had to be explained away, and blaming poor or bad governance provided a convenient explanation which did not challenge the economic rationale for the SAPs. Bad governance was also convenient to blame to excuse poor aid effectiveness. Measuring good governance The World Bank started ranking countries against well over a hundred good governance indicators. A composite good governance index was introduced based on perceptions of: They range from methodological weaknesses to poor evidence linking good governance to economic development and poverty reduction. Good governance indicators are riddled with systematic biases due to changing definitions, selection problems, perception biases, survey design and aggregation problems. It is true that most developed or high-income countries have stronger institutions or good governance, while most poor or low-income countries do not. But it would be wrong to conclude that this observed correlation between good governance and high income means that higher incomes are due to better governance. Also, a currently high income level does not necessarily imply currently rapid economic growth. Historically, high-income countries improved their governance and strengthened their institutions as they developed. After all, institution building needs money. Poor institutions in poor countries reflect, rather than cause their poverty. Thus, such analytical conclusions are, at best, partial and hence misleading. The indicators measure initial conditions and the ostensible effects of governance reforms, rather than the direct consequences of governance reforms on growth and poverty rates. Additionally, methodological and measurement biases often over-estimate the impact of governance and institutions on growth. Methodologically, most cross-country econometric studies suffer from selection bias, as African countries where institutions are generally weak and growth performance was poor, especially in the s and s are typically over represented. Secondly, most cross-country empirical studies use some measures of institutional or governance quality, together with other variables, such as investment, which are more likely to directly affect growth. Such empirical exercises can overestimate the impact of institutions on growth, if institutional or governance quality also affects the efficiency of investment. After all, it is difficult to disentangle the direct effects on growth of institutional quality variables from their indirect effects through their impacts on investment. Fuzzy analysis There is also a lack of consensus in the literature on definitions of institutions, how they change, and their likely influence on economic outcomes. Thus, a wide range of indicators including institutional quality e. Moreover, many institutional indices used in empirical work are ordinal indices, which rank countries and simply associate a number with a ranking without specifying the degree of difference among countries ranked. For example, a country ranked 2 does not necessarily mean that the quality of its institutions is twice as good as the country ranked 4. To be used correctly, such an index needs to be transformed into a cardinal index, in which the degree of difference matters. There is also no reason to assume that such transformation from an ordinal to a cardinal index will be one-for-one or linear. The empirical evidence conclusively indicates that countries only improve governance with development, while good governance is not a necessary precondition for development. All developing countries do poorly on good governance indicators compared to developed countries. Yet, some developing countries perform much better than others in terms of economic development without any empirical impact on good governance indicators. This implies the need to identify the key

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governance capabilities that help developing countries accelerate economic development, and thus to work to improve governance on a sustainable basis. In recent years, Bangladesh, China, Ethiopia and Viet Nam have all been growing rapidly despite their poor governance indicators. Such experiences suggest that good governance, as conventionally defined, is hardly ever a prerequisite for getting growth and development going. Poor countries face a multitude of constraints, and effective growth acceleration interventions should address the most binding of them. Poor governance may well be the binding constraint in some situations, but certainly not in countries growing rapidly despite poor governance. Thus, as a rule, broad good governance reform is neither necessary nor sufficient for growth. Poor policy guidance Finally, the link between growth and poverty reduction may also be more complex than presumed, depending on the distributional consequences of the growth process. In fact, strengthened property rights have often reduced tax revenues, impeded agrarian reforms and exacerbated inequality. Such good governance reforms may thus deepen poverty, increasing resentment and popular discontent that may negatively impact on growth itself. The good governance agenda is particularly demanding on poor countries. In some cases, it may not be possible to make much progress on one dimension without prior or simultaneous progress on others. And if certain institutional and policy reforms matter more for development, these should probably receive priority. Selectively concentrating resources would then be better than spreading limited resources thinly across a whole range of ostensible good governance reforms as some international development agencies tended to do. Poverty exists in a broad range of circumstances and has many causes. Poverty may be due to inclusion or exclusion.

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### Chapter 3 : Can Africa's extreme poverty be eliminated by ? - African Development Bank

*Eliminating world poverty: making governance work for the poor white paper on international development Ref: ISBN , Cm PDF, MB, 75 pages This file may not be suitable for.*

Login or register to post comments Publication Date July 1, This report sets out what the United Kingdom UK Government aims to do to reduce world poverty over the next 5 years. Partnership will be a key theme in establishing DFID priorities for the distribution of such aid; DFID will work with the rest of UK Government, partner governments, international organisations, non-governmental organisations NGOs and academics to fulfill promises made in Chapter 1, "Delivering the Promises of " discusses the global poverty and aid situation; a chart on page xi traces progress in meeting the 8 Millennium Development Goals. However, the White Paper is also premised on the notion that - in the words of Secretary of State Hilary Benn - "long-term progress in the fight against poverty will only be achieved through effective government, and by people with the voice and confidence to hold their governments to account. What makes the biggest difference to the quality of governance is active involvement by citizens". The idea is that people want to have a say in what happens in their lives, and to use their voices to call for fair treatment by their governments and public officials. Furthermore from Chapter 2 of the White Paper , "States which respect civil liberties and are accountable to their citizens are more stable, which in turn means they are more likely to attract investment and generate long term economic growth. They can also cope better with calamities. Famines, for example, are less likely where there is a free media, because the press creates pressure on governments to provide relief. This process will include communication-centred components such as the following: Building the state capacity of public institutions for responsiveness and accountability the three key components of good governance in developing countries, while doing more at the grassroots to reinforce the demand for good governance. Tackling corruption by taking steps to bring greater transparency into public revenues and procurement. In part, this will involve supporting "watch-dog agencies" in their efforts to provide more public information on local budgets which, in Uganda and India, has reportedly reduced corruption by local government officials "Independent customer surveys in Bangalore between and produced dramatic improvements in services such as water, policing, public transport and hospitals. The assessment will be based on discussions with partner governments, civil society and other international partners - and will be published and disseminated widely. Involving international partners in efforts to facilitate the participation of citizens in their government by asking them what they want, which "leads to better public services For example, the UK is helping countries to analyse the social impacts of policies, and to monitor and evaluate poverty reduction programmes. Newspapers and radio stations have led the demand for action in high profile corruption cases in countries such as India, Kenya and Zambia. Working to ensure that developing countries are able to fully participate in any international negotiations designed to lead to agreements on climate change that stabilise greenhouse gas levels in the atmosphere; enable developing countries to grow, create incentives and generate investment for clean energy; and help economically poor countries adapt to the impact. In a short section within the final chapter of the White Paper, DFID addresses UK citizens directly, encouraging them to get involved in efforts to understand how those in poverty live, and to take action. And people can help organisations that need their skills. A link between Nottingham City Hospital and Jimma University Teaching Hospital in Ethiopia, for example, has helped build capacity for better nursing, midwifery and management training. Links between schools can help children learn and help each other, and change the way they see the world. Links between trade unions can help build capacity. Volunteers - whether they are campaigning in this country or sharing skills in developing countries - can affect the lives of hundreds of people Everyday choices matter too It emerges from a participatory consultation process, which ran from January to April Secretary of State Hilary Benn gave a series of 6 speeches, and encouraged members of the public to write in with their views on what international development should focus on for the next 5 years; over Members of Parliament,

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organisations and people sent in their ideas.

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### Chapter 4 : Is Good Governance Key To Eliminating Poverty? | Inter Press Service

*eliminating world poverty making governance work for the poor Eliminating world poverty is in Britain's interests - and is one of a promise to the world.*

Full text [6 MB] Summary In , rich and poor countries promised more and better aid. Whilst there has been progress, much remains to be done. This White Paper, by the Department for International Development, sets out how the UK government will work with others to deliver these promises. It outlines key commitments in relation to building states that work for the poor, helping people get security, incomes and public services, tackling climate change and reforming the international system. The last two decades have seen dramatic progress in reducing poverty, but this progress has been uneven. In support of promises made in , the UK government will concentrate its aid in countries with the largest number of poor people, including middle-income countries. It will work more in fragile states which are most off track with the MDGs, and give greater priority to gender equality. It will also make sure that its wider policies create an international environment that promotes development. Efforts to eliminate world poverty are not only morally right, but will also create a safer, more prosperous world. Eliminating poverty means tackling four main challenges: Good governance is essential to combating poverty. Governance is about politics, or the way in which citizens and governments relate to each other. Good governance requires state capability, responsiveness and accountability. It means making politics work for the poor. Countries need to do better at delivering security, incomes and health and education for all. Security is a precondition for development and requires effective states. Preventing conflict is better and more cost effective than helping countries rebuild afterwards. Growth is the best way to reduce poverty, and there must be better access to economic opportunities. Everyone must have access to four essential public services; education, health, water and sanitation and social protection. Climate change threatens to derail development. Developing countries will need support to adapt to its devastating effects on the water cycle, and developing countries must be part of a future solution. The international system must be improved and international problems need international solutions. Developing countries must have a stronger say in how the international system works. Multilateral organisations have a critical role to play in aid delivery. To this end, over the next five years, the UK will: Help to build states that work for the poor: Corruption, bribery and money laundering will be tackled internationally. Help people have security, incomes and public services: DFID will commit at least half of all future direct support for developing countries to public services. Work internationally to tackle climate change: Create an international system fit for the 21st century. This means UN reform, more responsive international finance institutions, and supporting the growing roles of regional organisations.

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### Chapter 5 : Is Good Governance Key To Eliminating Poverty? – Global Issues

*Eliminating World Poverty: Making Governance Work for the Poor; Presentation to IMF Center Economic Forum By Mark Lowcock, DFID; July 20, Subject The views expressed in this paper are those of the author(s) only, and the presence of them, or of links to them, on the IMF website does not imply that the IMF, its Executive Board, or its management endorses or shares the views expressed in the paper.*

Delivering on the Promises of Making Governance Work for the Poor. The paper sets out how the United Kingdom intends to play its part in delivering on the promises made last year. Access the full transcript , MP3 audio file and webcast. The policy paper highlighted four areas that the United Kingdom sees as critical in the fight against poverty—good governance, growth and public services, climate change, and reform of the international system. To monitor governance and to inform the choices that the United Kingdom will make regarding the distribution of its aid resources, the country plans to adopt a new quality-of-governance assessment. But how, asked Andy Berg IMF , will the United Kingdom resolve the tension between making aid available to countries on a predictable basis and withholding aid from poorly governed countries? Lowcock agreed this was indeed one of the most difficult challenges facing donors. The United Kingdom would not want to "punish the poor for the failings of their government," nor does it want to support regimes that govern poorly. Ultimately, Lowcock said, decisions will be made case by case, and DFID will look for ways to support basic services in problem cases. Growth and public services. Too often, Adams noted, the importance of growth is lost in the discussions on aid. Many low-income countries, Lowcock noted, will be unable to increase their tax base fast enough by to finance the public services e. These countries will need donor support, and the United Kingdom, Lowcock said, is prepared to do its part. De Tray cautioned, too, that many countries will remain dependent on aid for a long time to come—implying the need for a long-term engagement by DFID and other donors. Why should a paper focusing on poverty reduction take up the issue of combating global warming? Desertification in the Sahel and the spread of malaria caused by long rainy seasons in parts of Africa have had devastating effects on the poor, he noted. Indeed, Lowcock warned, climate change is the most serious long-term threat to development and the achievement of the MDGs. Developing countries will need to be part of the solution and receive support to adapt. International challenges, international solutions. In particular, Lowcock said, developing countries must have a stronger say in the governance of institutions like the IMF and the World Bank. And the heads and top managers of these global institutions should be selected by transparent, competitive processes that are not driven by nationality or tradition. Sustaining public support for aid Development is a lengthy process that will require a resolute commitment to aid in donor countries. In the United Kingdom, Lowcock observed, the constituency for development has grown—one person in six was involved in some way in the " Make Poverty History" campaign. Strong support for public spending on international development can be sustained, he said, but only if people see and believe that this use of their tax payments is making a difference. The challenge is to demonstrate that it is.