Innovative Approaches to Meeting the Hunger MDG in Africa July 5 2004

Presentation by Jeffrey D. Sachs, Special Advisor to the UN Secretary-General on the MDGs and Director, UN Millennium Project

Your Excellencies: our wonderful host Prime Minister Meles; UN Secretary-General, the world's greatest political leader; AU Chairperson, Excellency Alpha Konare; Dr. Jacques Diouf, great leader of FAO; distinguished delegates, among whom are many of the world's leading scientists, including those on the UN Millennium Project Task Force on Hunger and the InterAcademy Council Panel whose recent report will be presented later this afternoon; and many friends.

This seminar is a moment of historic opportunity but it is also a moment of great need. You, the African leaders, inspire us. We know that the future of Africa is bright. But we also know that the work ahead is hard.

You are here because Africa, alone among all the major regions of the world, has yet to have its Green Revolution. Food yields per hectare are the lowest in the world, and have increased little if at all in recent years. Food production per capita has been declining.

Today, as the Secretary-General Kofi Annan stated, you are here to launch the 21st Century African Green Revolution.

Why a "21st Century" Green Revolution? Not only because we are at the start of our new century, but because we have new powerful tools of 21st-century science and technology that can enable Africa to increase food production markedly and in an environmentally sustainable manner.

African leaders are at the forefront of this battle. When I meet with Prime Minister Meles and President Museveni I feel like I am attending a development seminar. They are ingenious, deeply knowledgeable, and bold.

But Africa still faces critical challenges, indeed challenges that are unique to the continent, including:

• A climate vulnerable to drought and instability, coupled with rain-fed agriculture. The vulnerability to climate instability is increasing due to

long-term global climate change. A recent scientific study found that every 1 degree Celsius increase in ambient temperatures led to a 10 percent decrease in the fertility of rice crops.

- A rural population very far from ports and navigable rivers, leading to extremely high over-land transportation costs
- A rural population vulnerable to resurgent malaria -- resurgent due to growing drug resistance -- and now the HIV/AIDS pandemic
- Widespread deforestation and biodiversity losses that are intensified by rapidly growing rural populations
- Farm soils that are gravely depleted of nutrients, leading to falling food productivity and increased hunger
- Lack of financing for science and technology solutions

Africa can at least double, and perhaps triple, food yields by 2015. We know of a number of specific interventions that have been scientifically proven and practically demonstrated to be effective. These include:

- Investments in soil health technologies, as Dr. Pedro Sanchez will tell you about later today, through agro-forestry techniques as well as chemical fertilizers.
- Water harvesting and irrigation investments, coupled with improvement in access to safe drinking water
- Roads connecting rural communities to markets
- Community-based health workers to deliver basic health services
- Community-based agricultural extension workers to improve farm management and to spread technological innovations
- Effective anti-malarial control
- Rural small-scale electrification through off-grid systems and improved cooking fuels to eliminate indoor air pollution
- Improved seed varieties to increase food output. Monsanto is on the verge of announcing a drought resistant seed variety, which it has committed to sharing with Africa to increase production in droughtvulnerable areas.
- Spread of microfinance in providing access to credit.

THE WORLD HAS PROMISED TO HELP. The world promised in the UN Framework Convention on Climate Change to help stop the long-term climate change which is already ravaging the continent; the world promised to increase official development assistance in September 2000 at the Millennium Summit in New York, and then again in 2002 at the

International Financing for Development Conference in Monterrey, Mexico. In the Monterrey Consensus which emerged from that conference, the signatories, including the rich countries stated: "We urge all developed countries that have not done so to make concrete efforts towards the target of 0.7% of GNP as official development assistance (ODA) to developing countries."

But despite the promises of help, we are getting band-aids, not solutions. No climate change treaty is yet in force, and the United States, the largest emitter of greenhouse gases, has opted out of the Kyoto Protocol. Regarding official development assistance, "concrete efforts" towards 0.7% are still not evident in the largest donor countries, and, again, notably not in the U.S., where the share of ODA in GNP is a mere 0.14 percent.

The MDGs will not be met in Africa under the current circumstances. Failure to make progress on hunger and the other goals comes at a cost. Of course, there is the wholly unnecessary suffering of the poor, but there are also the emergency outlays of the rich.

This is illustrated in the case of the United States of America, which last year provided \$500 million in emergency food aid to Ethiopia but only around \$5 million for agricultural development. It is time to reverse that ratio. It is a much better investment to spend on long-term solutions that would enable Africa to feed itself rather than short-term emergency food relief.

Similarly, the developed world is spending much more on arms and war than on long-term solutions. It is time the world realized that there can be no peace with chronic hunger. The fight against hunger is a fight not only for health and prosperity, but for peace itself.

Your Excellencies, what to do?

First, every low-income country should develop an MDG-based Poverty Reduction Strategy including National Action Plans to address specific challenges of hunger, education etc. The UN Millennium Project, NEPAD, WFP, FAO, and other agencies stand ready to help, if requested by the governments. Governments need to develop a rigorous and detailed "needs assessment," identifying the appropriate strategies for scaling up the

investments in infrastructure, health, and education, and calculating the financing needs to do so.

Second, significantly increased ODA is needed. The work of the UN Millennium Project has shown that ODA would need at least to double, from a current level of around \$60 billion per year to a minimum of \$120 billion per year. This is a conclusion also reached earlier by the World Bank and the Zedillo Commission in the lead-up to the Monterrey Consensus.

Let me speak for a moment to the donors, to the rich world where I come from: Let us be honest with ourselves about our policies. We in the U.S. have pursued tax cuts on the order of \$250 billion a year, and defense spending of \$450 billion a year, and yet we are managing ODA of only around \$15 billion per year. Something is wrong when military spending of \$450 billion per year outpaces development aid by a ratio of some 30 to 1. Ironically, all of that military spending is not buying peace and stability, which can only be achieved with shared prosperity.

Other large donors, including Germany and Japan, are very far from the 0.7 target, and have yet to demonstrate "concrete efforts" to reach that target.

To the African leadership here: You have led the effort to launch a new war against malaria and led the effort to launch a war against HIV/AIDS. You have helped to spur the establishment of the Global Fund to fight AIDS, TB and Malaria.

Today you can lead the 21st Century African Green Revolution. I would recommend that in your declaration of this Summit, you call on the donors:

- 1. To redouble their efforts to meet the MDGs, and specifically to at least double the level of ODA, and to direct it towards the poorest of the poor, especially towards Africa.
- 2. To demonstrate their readiness to be true partners by:
 - At least doubling, preferably tripling, the level of assistance from IDA at the World Bank (thus, from around \$8 billion to \$25 billion) and to convert the program from loans to grants for the poorest countries.

- At least doubling, preferably tripling, the level of the next replenishment of the African Development Fund, and similarly to make it a grant rather than loan facility for the poorest countries
- Canceling 100% of the debts of the highly indebted poor countries.
 You need to make it clear that you will re-channel the funds in a clear and transparent way to investments needed to meet the MDGs.
- Adopting a specific 10-year <u>Global Plan of Action to Achieve the MDGs</u> at the time of the High-Level 5-Year Review of the Millennium Declaration that will occur at the United Nations in September 2005
- Opening their markets. It is truly shameful that the US spends \$3.1 billion in cotton subsidies on around 26,000 cotton farmers, while depressing market prices for impoverished cotton in Uganda and Burkina Faso and other countries of Africa.

Please permit me one more thought about the debt. Africa's debts continue to cripple the continent. The HIPC initiative was a step in the right direction, but is not enough. "Debt sustainability" should not be defined according to arbitrary ratios of debt to exports or to government revenues. Debt sustainability should be defined in the context of the MDGs.

Is debt servicing compatible with achieving the MDGs? In dozens of the world's poorest countries, the debts ought to be cancelled in their entirety, to help the debtor countries meet the MDGs. The creditors ought to do this, on the basis of their long-standing commitments, including Goal 8 of the MDGs. But if the creditors do not do this, Africa is pushed to a choice: should it save its dying children or should it pay its debts? I say it should save its children. Unilateral debt repudiation is preferable to death by debt.

Of course, I stress once again that the creditors should do this first. No creditors should ever force a country to choose between debt servicing and the survival of its children. And when the debt servicing is ended, whether by actions of the creditors (preferably) or the debtors, the debtors still have the utmost obligation to ensure that the debt service saving is channeled to the urgent needs of health, education, nutrition, and basic infrastructure – in short, to meeting the MDGs.

The world has the opportunity to demonstrate its commitment to this package of measures in major events at least three times next year: in the

report of the Blair Commission on Africa, at the G-8 Summit, and most importantly, at the meeting of world leaders at the UN in September 2005.

We are here today because these great challenges can be met. We are here because you, the leaders of Africa, are true revolutionaries. You have been revolutionaries for freedom and now for the escape from hunger and poverty. Today, you launch the 21st Century African Green Revolution that will help lead to a continent and a world of peace and dignity.

Thank you.