Analysis of Millennium Development Goal 8:

A global partnership for development

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The Power of Numbers: A Critical Review of MDG Targets for Human Development and Human Rights

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Preface

This paper is one of a series of papers in a research project, *The Power of Numbers: A Critical Review of MDG Targets for Human Development and Human Rights (the "Project")*[2]. Motivated by a concern with the consequences of the Millennium Development Goals (MDGs) beyond the achievement of the 2015 targets, the Project seeks to explore their broader policy and programmatic implications. It focuses particularly on the reductionism inherent in the way in which these global goals were set and came to be used, as well as the potential for distorting priorities and marginalizing, or even displacing, important human development and human rights concerns inherent in such global goal-setting exercises. A total of 11 studies are included, each analyzing the normative and empirical consequences of a particular MDG goal/target, and considering what other targets and indicators might have been more appropriate. The Project aims to identify criteria for selecting indicators for setting targets that would be more consistent with Human Development and Human Rights priorities, amenable to monitoring impacts on inequality, accountability and consistency with human rights standards.

Although this paper is currently accessible as a free standing working paper, it should be read in conjunction with the synthesis and background papers of the Power of Numbers Project. These papers provide necessary information about the scope of the Power of Numbers Project, the historical framing of international agreements leading up to the MDGs, and the human rights and human development frameworks referenced in the paper. These working papers are expected to be compiled as a special issue of the *Journal of Human Development and Capabilities*.

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Introduction

The first section of this paper addresses the history of MDG 8 with the purpose of shedding light on the factors that may have shaped the criteria for choosing its targets and indicators. Next, the paper will assess the empirical and normative consequences that the targets and indicators for MDG 8, evaluated on their own terms (that is, regardless of impacts on human rights) had for the behavior of the main actors in MDG 8, developed countries. A critical review of normative and empirical consequences, in this case paying close attention to the impact on human rights and development of capabilities, will follow. This part tries to answer the question: what were the consequences of the choice of targets and indicators for the realization of human rights? Finally, by drawing on the lessons learned from the MDG 8 experience, the paper offers some ideas for criteria to use when choosing indicators in the post-2015 framework and elaborates on some possible indicators that could be chosen using these criteria.

Origins of MDG 8 targets and indicators[4]

One of the several respects that set Millennium Development Goal 8 (“MDG 8”) in a different category than the rest of the MDGs is its history.

The immediate origins of the general MDG project and most of the MDGs can be found in two publications of the late 1990s, and neither of these publications mentions MDG 8 on Global Partnership for Development (Van Norren, 2012; Nelson, 2007). Immediately preceding the Millennium Declaration, the report, “A Better World For All: Progress Towards the International

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[4] For reasons of space targets and indicators on access to medicines and information technology are not addressed in this paper.

Development Goals,"[5] was published in 2000 by the OECD, United Nations, IMF and World Bank. It discusses seven goals that would go on to become six of the MDGs (OECD et al., 2000).[6] One of the two MDGs that it fails to mention is MDG 8.[7] Prior to that, the OECD-DAC issued its report "Shaping the 21st Century: The Contribution of Development Cooperation" (OECD, 1996). This report contained references to the same six of the current MDGs, and it also omits MDG 8.

It would be unfair to say that those reports were totally oblivious to the need for a Global Partnership for Development. One could argue that although MDG 8 was not included as one of the six goals in the OECD publication of 1996, reigniting interest in international cooperation for development was an overarching motivation for the report (Barnes and Brown, 2011). Indeed, according to some observers, the main focus of "Shaping the 21st century" was to make the case for increased foreign aid and to demonstrate that it would be used effectively, the primary audience being public opinion in the donor countries themselves (Hulme, 2009: 21). The aid agencies in the 1990s had become increasingly worried about diminishing budgets and loss of interest in aid among elites in donor countries. The perceived "strategic advantage" of aid had waned in the eyes of western donors, and was a palatable reason behind such diminishing trends. (Barnes and Brown, 2011: 167-169).

The 2000 report is even broader in its statement of what a global partnership would entail, even if it falls short of considering it a goal:

"Donors realise the need to build strategic partnerships that capitalise on each partner's intrinsic strengths, reflect shared goals and objectives and build on existing achievements. Working in partnership with developing countries, the high income countries need to supply more aid. They also need to provide more and faster debt relief. They need to offer easier access to their markets, including duty-free and quota-free access for poor countries. And they need to finance

[5] As mentioned by Loewe, the Millennium Declaration in chapters 3 and 4 came close to citing the goals of this publication. (Loewe 2008:6)

[6] The seven became six because two goals (on maternal mortality and access to health services) were collapsed into one.

[7] The other one is current MDG 6: Combat HIV/AIDs, Malaria and other diseases.

programmes of benefit to many countries, such as research on vaccines for tropical diseases. These are the essential ingredients for promoting growth and reducing poverty in the poorest and least developed countries" (OECD et al, 2000:23).

Since none of these precedents articulated MDG 8, where did its current formulation come from?

The answer lies in an earlier "We the Peoples" document (UN Secretary General, 2000), produced by then-UN Secretary General, Kofi Annan. This report, written almost singlehandedly by John Ruggie (Fukuda-Parr and Hulme, 2011: 23), was released as a document intended to be a basis for the declaration Millennium Declaration (Hulme 2009:26).

According to Sharma (2004), MDG 8 was added when Kofi Annan, received authorization to set a "Roadmap" for achieving the MDGs. The Roadmap integrated MDG 8 and was approved by the UN General Assembly. But the language employed in that Roadmap was already to be found almost word-by-word in the Millennium Declaration itself and can be traced back to the "We the Peoples" document (see Table 1).

So first through the "We the Peoples" and later through the Roadmap, Kofi Annan's leadership seems to be the reason for the addition of a MDG 8, which was likely a necessary move to attract support from developing countries. Being born from a DAC project, the Goals were viewed with suspicion by developing countries as being a one-sided deal favoring the interests of rich countries.[8] It is also worth remembering this happened in the context of the then-emerging debate between promoters and critics of economic globalization. Civil society critics who had seen the UN hitherto as a voice challenging economic globalization saw the organizations' commitment to a joint set of targets with the World Bank, the IMF and the OECD in the form of the "A Better World" report as a sign of cooptation. A goal to reform the international economic system may have been seen as a way to appease criticisms of the International Development Goals endorsed in earlier publications. Yet, the language and further, the targets, ultimately employed to crystalize those aspirations were far from a concession to globalization critics.

[8] See Fukuda-Parr and Hulme (2011:26), reporting on developing countries' suspicion about the goals.

The choice of indicators for targets in MDG 8 was ostensibly justified by the UN on the basis of the same criteria as those for the other MDGs (UN, 2003). According to this source, five main criteria guided the selection of indicators, namely, that they should:

- Provide relevant and robust measures of progress towards the targets of the Millennium Development Goals
- Be clear and straightforward to interpret and provide a basis for international comparison
- Be broadly consistent with other global lists and avoid imposing an unnecessary burden on country teams, Governments and other partners
- Be based to the greatest extent possible on international standards, recommendations and best practices
- Be constructed from well-established data sources, be quantifiable and be consistent to enable measurement over time

However, targets and the indicators for MDG 8 share a level of vagueness and indetermination that set a striking difference with targets and indicators for the other MDGs. For instance, none of the MDG 8 indicators designates a quantity or a time period. Fukuda-Parr and Hulme attribute this to two main reasons. One, self-censorship on the part of the expert group of data professionals in charge of developing the indicators, who feared putting numbers on these indicators would be politically controversial (2011:28). Second, unlike the other MDGs, the Millennium Declaration did not provide quantitative targets for MDG 8, so the expert group would arguably not have had a mandate to set them (Ib.).

Assessing empirical and normative consequences of MDG 8 targets and indicators on their own terms

This section examines the choice of targets and indicators for MDG 8, then asks the question: on their own terms (that is, regardless of human rights considerations) what has been the impact of MDG 8 targets and indicators on behavioral changes in wealthy countries?

The inclusion of MDG 8 in a framework that was meant to provide a unifying platform for the UN work on development in the next fifteen years (Doyle, 2004) was, in and of itself, an act of quite important normative consequences. It inextricably linked the external environmental factors inherent in the term, “global partnership” as determinants for success at achieving the very concrete development issues referenced in Goals 1 to 7.[9]

However, did the targets and indicators change behavior regarding aid, debt and trade policy? From the outset it should be noted that assertions on the matter will be inexorably clouded by two methodological constraints. The first is the lack of a counterfactual. Secondly, the chronological sequence between adoption of the MDGs and policy outcomes does not necessarily imply that the latter resulted from the adoption of the former. These constraints will be acknowledged and contextualized for aid, debt and trade, in the following paragraphs. The paper finds that MDG 8 did contribute, though in only a small degree, to a building consensus around, prioritizing, and accounting for ODA. It finds less evidence of such contribution as far as debt relief and market access policies are concerned.

Overseas Development Assistance

This is the area where the most noticeable impacts of MDG 8 target setting took place. Aid had been consistently waning in the 1990s (Barnes and Brown, 2011: 169). Since 2000 this trend was reverted and total ODA from DAC countries, in absolute terms, began to rise.[10] That trend came to a halt last year, when for the first time since 1997 aid dropped.[11] Moreover, because this trend is the result of fiscal constraints related to the repercussions of the global financial crisis that continues to unfold, it is likely the start of another falling trend (UN, 2012: 8, 11).

But targets for ODA were set as a percentage of GNI, not in absolute terms. Using this measure, actually, shows a dimmer picture. This is, of course, not in relation to the target of 0.7 of GNI, mentioned nowhere among the MDG targets, but to more modest subsequent pledges. This can be appreciated in Figure 1. In 2011, ODA levels stood at 0.31 percent of GNI (UN, 2012:8). Let us note that the “Shaping the 21st century report,” intended to raise political support for ODA, lamented, back in 1996, that aid levels the previous year had been of “only 0.3 percent of GNP”

[9] At the same time, as explained in following sections, this attempt to simplify and make a link between issues of great complexity also presents risks for the effectiveness of the MDGs as a tool to mobilize consensus and support.

[10] It went from under USD 80 billion to a record of almost USD 129 billion in 2010 (UN, 2011:10). These are figures in 2009 USD (in nominal figures, ODA from DAC countries had amounted to USD 53.7 billion (OECD, 2006:Table 4).

[11] ODA in 2011 fell almost 3 per cent, as measured in constant prices and exchange rates (UN, 2012:8).

(OECD, 1996: 16). Taking this into account, achievements due to the MDGs seem particularly meager. The tone of reporting on ODA, usually shown both in nominal and percentage terms, tends to mask such dismal performance. This is especially the case for donor-led reports.[12]

Trends for indicators of ODA to Least Developed Countries (LDCs) and to Landlocked and Small Island countries mirror those for total ODA: increases in nominal spending but a meager increase as a percentage of GNI (although this meager increase is greater for LDCs than for total ODA, reflecting that aid to LDCs as a share of total aid increased). Total aid to LDCs went from USD 22 billion in 2000 to USD 44 billion in 2011 and as a percentage of GNI of DAC countries went from 0.06 percent to 0.11 percent (UN 2012:12-13). It is interesting to note that the UN MDG Task Force Report, in commenting on the aid to Landlocked and Small Island countries, refers to the share of aid in the GNI of recipients -- figure that yields more impressive increases but is not a target anywhere (UN 2012:13).

In spite of the lack of a counterfactual, one can venture that, given the downward trends in the 1990s, without the adoption of the MDGs ODA would have fared even worse than it has. As recently as 2010, in the Millennium Declaration Review Conference, financial crisis notwithstanding, several donors reaffirmed commitments to increase ODA. Many of them restated their aim to reach the target of 0.7 per cent of gross national income (GNI) and to extend 0.15-0.20 percent of GNI as ODA to the LDCs (UN, 2011: 9). It is hard to imagine the pledges made by governments, and their partial fulfillment, being digestible for their electorates absent the sense of moral legitimacy inspired in the spirit of solidarity embodied by the Millennium Development Goals and the connection the framework implied between ODA and concrete achievements for people on the ground.

An important indicator for ODA refers to the proportion of ODA that is untied. This indicator seems to have had a normative impact, as measured by donor commitments to untie aid. However, these commitments have not always been followed by action. According to UN

[12] In 2011 the World Bank report stated that "Overall, donor countries have remained pretty much on track in meeting their aid commitments, despite the economic downturn." (2011:128). In 2012 it states "The increase in ODA in 2010 continued the general trend of rising flows throughout much of the decade. DAC bilateral ODA registered a cumulative net gain over the decade of nearly $48 billion in constant prices." (2012a: 140). This latter report, when commenting on aid as a percentage of GNI, brings up an "unweighted" share of GNI (that is, not weighting ODA disbursements by each country's total contribution to aid) which would have yielded an increase to 0.47 per cent rather than the weighted average of 0.32 that year.

calculations the proportion of untied aid for DAC countries went up after 2000, and only after 2005 it began to come down (from a peak of 91.4 percent to 83.6 percent (UN, 2012:16).[13] The aggregate picture still hides large differences among the countries, not just in the percentages of tied versus untied aid but also in the direction of the trend, as some countries have been increasing tied aid. One vulnerability of the indicator is that it does not distinguish *de iure* from *de facto* tying. Researchers have found that *de iure* proportions of untied aid are much higher than the *de facto* proportion:

"Many formally untied projects were found to be de facto tied or to have only some untied components. In most investment projects the primary or head contracts and most of the TC components are still procured from the donor country, even if procurement is channeled through recipient systems. This calls in question to a certain extent the genuineness of untying efforts and reflects the reality that, even where procurement is being handed over to partners, most donors try to influence project implementation, through long-term technical assistance or management consultants from their home country" (Clay et al, 2009:xi).

Debt

The progress along the indicators set for debt relief would seem to show a great impact in driving behavior by rich creditor countries. The most recent report on implementation of the Heavily Indebted Poor Countries (HIPC) and Multilateral Debt Relief Initiative (MDRI) initiatives showed that out of 40 countries deemed eligible to benefit from them, 34 have reached the Completion Point, and two more were past Decision point. The total amount of debt relief that the initiative was supposed to provide, once completed for all eligible countries, was estimated at USD 76 billion, while participating multilateral creditors were supposed to deliver under the MDRI initiative a total of over USD 37 billion (World Bank, 2012). Debt service-to-exports in the countries benefitting from the initiative fell from an average of 18 percent in 1999 to an average of 4 percent.

But closer examination reveals that the impact of debt targets and indicators on debt policy is difficult to determine for two main reasons.

[13] This is strikingly contradictory with the trends reported by OECD, which show that untied aid went from 87 per cent in 2005 up to 89 per cent in 2010 (OECD, 2011:Table B.8).

Firstly, there is a good amount of debt relief that is simply double counting aid and, therefore, should either be considered progress under the ODA targets or progress under debt relief, but it would certainly be unfair to count it as progress on both. If anything, the double counting attests to the influence of neglecting an indicator. In this case, it would be important to count how much debt relief being provided was being reported simultaneously as ODA. Although the Monterrey Consensus included an agreement to ensure the additionality of debt relief to ODA (Monterrey Consensus, 2002: para. 49), donors are allowed, under current OECD-DAC rules, to report debt relief as part of their ODA[14]. This became even more the case under the mechanism adopted for the MDRI initiative – in which the debt of borrowing countries is reduced by substituting new loans with grants. In many cases, this meant that countries' potential allocations of concessional finance from the International Development Association (IDA) would be reduced proportionally to the amount of debt forgiven by that institution, leading to the so-called "netting-out" problem. This is, IDA recipients would find themselves losing significant proportions of the funding they would have otherwise been eligible to apply for (IDA, 2009).

Secondly, the impact could be judged as more limited if one focuses on the targets than if one focuses on the indicators. This is because debt-related indicators were poorly aligned (in a less ambitious way) with debt-related targets. One of the targets was to "Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term." But two of the three debt-related targets specifically address the HIPC, not the larger universe of developing countries. The most recent assessment of debt sustainability – in spite of measures that have massaged what is considered "sustainable debt" – do not present a pretty landscape. Four countries are in debt distress, 13 are at high risk and 27 at moderate risk (IMF, 2012). Moreover, 6 of the high risk countries and 15 of the moderate risk ones are countries that did reach Completion Point under HIPC, that is, received all the stock and flow cancellation available through it. This raises questions about how effective the Initiative's design was in making debt "sustainable in the long term," even for the limited universe of its beneficiary countries. In a similar vein, one of the targets speaks of addressing the

[14] See, for instance, references to the impacts of debt relief on ODA figures in OECD, 2010 and OECD, 2005.

needs of Least Developed Countries, but the HIPC initiative parameters were narrow enough to leave out several Least Developed Countries.[15]

Where some progress was achieved, can one ascribe that to a normative impact of the MDG 8? Unlike in the case of aid, a speculation about what might have happened absent the MDGs does not yield a likely worse scenario. The fact is that debt relief had been on the agenda at G8 meetings since the 1980s (Daseking and Powell, 1999). Through agreements reached in that group that were then pursued in the Paris Club, progressively growing debt relief terms had been provided in the last two decades before 2000. The Heavily Indebted Poor Countries Initiative was crafted in 1996 and its Enhanced version agreed in 1999, both of them preceding the Millennium Declaration. In this regard it can be argued that the MDGs did not promote consensus and prioritization, but gathered pre-existing ones. And, of course, one should factor in the worldwide mobilizations of the Jubilee campaign and the political support that debt relief received under the UK Labour Government (Hulme, 2009: 21-23). It is doubtful that these would have been different in a scenario that lacked an MDG on debt relief.

Granted, though, if purely chronological succession is to be taken into account, this reasoning does not apply to the Multilateral Debt Relief Initiative. Agreed in 2005, under another UK-presided G8 Summit, the MDRI granted further debt relief. Advertising it as a provision of "100 per cent debt cancellation" proved an overstatement, as the debt being forgiven was only debt disbursed before end of December 2004 (for the IMF, AfDF and the IADB) and before end of December 2003 (for IDA), and the agreement certainly did not contemplate debt owed to other creditors. But it is true that the MDRI represented a significant expansion of commitments on debt relief. It is also plausible that this agreement was made more appealing by linking such expansion to the achievement of the MDGs, as it was heavily done by the UK government in the lead up to the G8 Summit, which was also the same year of the 2005 MDG Review Summit.[16]

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[15] These are Angola, Djibouti, Equatorial Guinea, Lesotho, Bangladesh, Bhutan, Cambodia, Kiribati, Lao People Democratic, Republic, Myanmar, Nepal, Samoa, Solomon Islands, Timor-Lesté and Tuvalu.

[16] In a position paper, for instance, the UK Treasury argued that "[HIPC] achievements must be set against the wider context of a failure to achieve the Millennium Development Goals (MDGs) caused by inadequate resources. Many countries still have to choose between servicing their debt and investing in health, education, infrastructure and other areas necessary to allow them to attain the MDGs. . . .

Trade

While changes on trade-related policies along the direction of the indicators would seem to warrant the claim of some impact from MDG 8, there is very limited evidence of a counterfactual or that policy changes were due to MDG 8 indicators.
Shortly after the Millennium Declaration, the WTO Ministerial Conference in Doha, Qatar, launched a new round of trade negotiations. The round came to be known as the "Development" Round, because of its promise to put development concerns at the heart and focus on redressing issues that were hindering developing countries' prospects to use trade for development. The WTO Ministerial Conference launching the round is often considered another of the post-Millennium Declaration events that shaped MDG 8 (Herfkens 2008).

If one is to judge the consequences of the MDGs on rich countries' behavior by the achievements in this round, the performance was dismal. In spite of countless rhetorical commitments to conclude the round, it has not been finalized yet,[17] and prospects are not bright for doing so in the near future. The only reason why negotiations have not been formally closed seems to be that no country wants to carry the burden of being tagged as responsible for its failure (Beattie, 2011).

Focusing on the WTO Doha Round as the main source of evidence on normative and empirical consequences might be a red herring. However much the Round has come to be associated with Goal 8,[18] none of the trade-related indicators under Goal 8 called for a round of trade negotiations. One of the targets is to "Develop further an open, rule-based, predictable, non-discriminatory trading … system." The commitment to "develop" the system is admittedly

That is why the UK is proposing to the international community that we match bilateral debt relief of up to 100% with multilateral debt relief of up to 100%." (UK Treasury, 2004)

[17] In 2011 Leaders of the G20 Cannes Declaration was the first joint statement including at least the most important players that refrained from a recommitment to conclude the WTO Doha Round with a more sanguine formulation: "However, it is clear that we will not complete the DDA if we continue to conduct negotiations as we have in the past. We recognize the progress achieved so far. To contribute to confidence, we need to pursue in 2012 fresh, credible approaches to furthering negotiations, including the issues of concern for Least Developed Countries and, where they can bear fruit, the remaining elements of the DDA mandate." (Group of 20, 2012)

[18] This association is propagated by the World Trade Organization itself which claims, in its website, that "a clear connection between concluding the DDA negotiations and bringing about MDG 8." (http://www.wto.org/english/thewto_e/coher_e/mdg_e/dda_e.htm)

ambiguous but cannot be necessarily equated to a call for a new multilateral round, or even to a call for further liberalization.

Quite to the contrary, the fact that a new round comes with additional quid-pro-quos from developing countries represents a main departure from what MDG 8 indicators prescribed. This is precisely what took place in the Doha Round as it came to be saddled with a number of demands from developed countries that would add to the existing development gap in the multilateral trade system. Only two years after the launch of the round, the WTO Ministerial in Cancun ended in distress as it became clear that the Singapore issues – investment, competition, transparency in government procurement, and trade facilitation—had been foisted upon developing countries who felt those agenda items were not in their best interests. Other issues remain on the agenda, such as non-agricultural market access, which would cause significant harm to developing countries' possibilities to industrialize (Chang, 2005).

So an objective analysis should look at the correlation between the specific trade-related indicators and the trade policies by rich countries since the adoption of the MDGs. This assessment yields a more mixed picture.

Duty-Free and Quota-Free access for goods from developing countries and LDCs: The proportion of exports (value) from developing countries entering developed countries free of duty stands, as per a recent report, at 80 percent (WTO, 2012: 27). About the same is the proportion that has been entering duty-free from Least Developed Countries (Ib.). This is an improvement over the respective figures of 65 percent and 70 percent registered in 2000.

It can be observed, however, that the so-called "true" preferential access – the preferential access received by LDCs over and above that received by any country under Most Favored Nation (MFN) treatment -- has been increasing more slowly for Least Developed Countries than for developing countries as a whole (UN, 2011:30). In fact, it stood at 35 percent in 2000 and grew to near 53 percent in 2006, but since then it stood at that level with almost no variation (WTO 2012: Table 12). This is consistent with the phenomenon of the erosion of preferences for Least Developed Countries.

It is also important to bear in mind that the percentages are slightly misleading inasmuch as they assume 100 percent utilization of trade preferences. But due to a number of factors (e.g. lack of knowledge on the part of exporters, complexity of rules of origin) countries can make limited use of trade preferences (UNCTAD, 2003). In the case of LDCs, the utilization rate was in 2001 estimated at 42 percent for access to Quad countries (Ib.). It has increased notably since then and is reportedly at above 80 percent as of most recent figures (with variations per market), but this still means one fifth of the exports from LDCs that are eligible for duty-free access do not benefit from them in practice.

Tariffs on agricultural, textiles and clothing from developing countries: Tariffs imposed by developed countries on agricultural products from developing countries have changed little since about 2004 (UN 2012:35). Tariffs on textile imports remained unchanged, while tariffs paid on clothing products from LDCs increased for the first time in more than a decade (UN 2012: 36). The use of the indicator based on "average tariff" is that it gives a lot of flexibility to destination countries to engage in the practice termed "tariff escalation," whereby tariffs increase significantly on products at higher stages of processing.[19] Nine percent of tariff lines have been affected by some form of tariff escalation in high-income OECD countries, a situation that has remained almost unchanged since 2000 (UN 2012: 36).

OECD countries' agricultural support as a percentage of GDP: The proportion of agricultural support in OECD countries went from 1.15 percent in 2000 to a low of 0.89 percent in 2007, before beginning to increase again to a current level of 0.95 percent (UN, 2012:37).

ODA provided to help build trade capacity: ODA to help build trade capacity received a boost when, as part of the WTO Hong Kong Ministerial Conference, the "Aid for Trade" initiative was adopted (WTO, 2006). Aid for Trade has shown increases. According to the UN commitment levels in 2010 represented an increase of 80 percent over the average of 2002-2005 (UN, 2012: 40).

Important questions that were raised shortly after the launch of the initiative (Caliari, 2008) have not yet been answered. Firstly, the additionality is not clear. Indeed, if Aid for Trade has been increasing and, as mentioned above, total aid has been decreasing, it is inevitable to draw the

[19] For this reason, for instance, critics have dismissed as having limited value offers by the United States to provide DFQF access to LDCs on up to 97 % of tariff lines. "Since U.S. tariff lines are on average low, just over three percent of U.S. tariffs are at or above peak levels." (Action Aid and Public Citizen, 2006:18)

conclusion that Aid for Trade is simply coming from a reallocation of aid envelopes hitherto assigned to something else. Second, there is no guarantee that, under current rules on grant element for transfers to qualify as aid, some of the amounts being provided as Aid for Trade are not simply adding debt to recipient countries justified on some elusive expectation that export capacity will increase to make up for the newly-acquired debt.

Summing up the survey of trade-related indicators, two of them saw some progress (indicators about duty-free, quota-free access and aid for trade). Progress on the other two is nil (indicator on tariffs on developing countries' goods) and negligible (indicator on agricultural support).

Critical review of MDG 8 priorities for human rights and capabilities

General remarks

The previous section has carried an examination of normative and empirical consequences of MDG 8 targets and indicators for rich countries' behavior. The purpose of this paper, however, cannot be satisfied with such linear assessment of to what extent targets and indicators actually led rich countries' behavior in the direction that the targets and indicators ostensibly promoted. It needs to ask the broader question: what were the consequences for human rights and capabilities of choosing those indicators and targets?

Such analysis requires contending with the fact that MDG 8 targets and indicators were framed in a way that was largely neutral to human rights principles and, arguably, even to the achievement of the other MDGs that MDG 8 was supposed to complement. In other words, should we be able to claim success in the meeting of MDG 8 chosen targets and indicators, we would not have any idea of whether that has been better or worse for human rights, or for the other MDGs. And there are no built-in mechanisms in the MDG agenda to carry out such an evaluation.

But the general finding of this section is that priorities set under MDG 8 were not only neutral to human rights. They created dynamics, incentives and frameworks for policy-making that ended up being detrimental to the achievement of human rights.

An overarching issue has to do with the framing of MDG 8 as a "partnership." The duty of States to cooperate in the achievement of an international economic order conducive to human rights achievement or in “removing the obstacles to development”, is well established in a number of human rights instruments.[20] A “partnership” is an ambiguous notion (Barnes and Brown, 2011) but it unambiguously implies an elective and voluntary undertaking, not one done in the fulfillment of a duty. From the outset, therefore, the whole conceptual framework is set inevitably apart from the requirements of human rights instruments.

The purpose of this section is not to attempt a full query of targets for aid, debt and trade from a human rights perspective, an exercise already undertaken by Caliari & Darrow (2013). Rather, the following section reflects on some consequences that the choices of targets and indicators for such specific elements of MDG 8, and the interpretations to which they gave rise, had for human rights and capabilities.

Some general shortcomings of MDG 8 from this perspective are:

- *Incongruences between indicators and Millennium Declaration/ Roadmap*

The previous section underscored the incongruence between some targets and their respective indicators. An important incongruence between the language of the Millennium Declaration and Roadmap on the one hand, and the targets and indicators chosen for MDG 8 on the other, is relevant to this section. The International Conference on Financing for Development (FfD), which would be held in 2002 and adopt the “Monterrey Consensus,” is mentioned both in the Millennium Declaration and in the Roadmap, but no target or indicator refers to the Monterrey Consensus implementation per se (even if one could argue some of the indicators on debt or ODA could be considered to refer to parts of the Consensus). A bizarre omission in the light of the fact that the Monterrey Consensus was seen as the conference that would elaborate on MDG 8 (Herfkens 2008; Fukuda-Parr 2006:978-9).

The Monterrey Consensus undertook the effort of addressing all sources of financing for development in a holistic and comprehensive way and, in that sense, offers a superior framework to the consideration of aid, debt and trade contained in MDG 8. Targets and indicators, as a result, cut out items that had also been the matter of a consensus by the international community, such as international cooperation for tax matters or the reform of the international financial,

[20] See a survey of such instruments in OHCHR 2008, Box 39.

monetary and trading systems. To the extent that this happened, one could argue that instead of fostering promotion of a normative consensus, the targets and indicators contributed to downsizing an already existing one. It is fair enough to say MDGs were meant to prioritize certain issues instead of others, but it is unclear why, for instance, aid or trade would receive more priority than investment or the reform of global finance.[21]

The consensus expressed in Monterrey was very clear about the equal rank of all sources and their necessary interrelation. Looking at a holistic picture of sources of finance would have been more consistent with a vision that tries to match enabling environment to the realization of human rights, because it would expose where the concerted sum of actions on different sources is helpful or detrimental (for instance, when different sources cancel each other out) to the realization of human rights. If a need exists to set a priority of sources, that can be done, but arguably human rights law would also have something to say on how to set such priorities, on a case by case basis.

- *Giving too much latitude in reporting*

Earlier, this paper referred to the lax nature of the targets and indicators for MDG 8, as compared to the other targets. This characteristic encouraged latitude in the reports by rich countries. For instance no target or indicator refers to the WTO Doha Development Round, but developed countries in their reports would refer to their efforts to achieve a successful conclusion to the round as part of their progress in meeting the trade-related targets (Fukuda-Parr 2010: 32). By the same token, any increase in ODA or contributions to debt relief could pass as progress in meeting the targets of MDG 8.

The reporting on MDG 8 became an exercise in packaging anything the reporting country may have been doing on aid, debt or trade, rather than assessing those actions against a pre-set yardstick of progress or of what they were achieving it terms of human rights and promoting the other MDGs.

[21] Some criticize what they see as an overemphasis on aid in the design of MDG 8: "Even if the targets for development assistance set out in the MDGs are met, and that is most unlikely, it is not obvious how this would ensure development outcomes." (Nayyar 2012)

- *Neglecting the emerging issues*

The global financial crisis has brought home the importance of the agenda on regulation of international finance to ensure the success of development efforts. The growth of financial flows as compared to trade and the real economy are part of a trend that precedes the Millennium Declaration, but has been accentuated since the Declaration was agreed. The lack of targets or indicators on prevention of global financial shocks is a painfully obvious gap whose consequence was a sense of complacency in the face of growing financial risks.

Lacking a reference to human rights, the global partnership was fixated on fulfilling some agreed-upon policies, regardless of their significance in the face of shocks, such as that caused by the financial crisis.

- *Treating means as ends*

MDG 8 is about the “means” to achieve development. Its normative and empirical consequences are bound to raise important implications that other MDGs that are “ends” do not raise.[22]

Some analysts have offered well-thought views expressing that including the means in an MDG framework is a mistake. “Targets should focus on ultimate outcomes, not on the means by which to realize them” (Vandemoortele 2011, p. 18).

Those making this objection offer two main arguments. One, that it would be difficult to achieve consensus on the policies that the means would entail (Ib.). The view that it is better to remain in the comfortable realm of ends because venturing beyond them will risk losing the support for the whole agenda has some merit. Indeed, this could well be the best explanation for the more lax nature of the targets and indicators in MDG 8.

The second argument has to do with the unrealistic nature of finding one set of macroeconomic, sectoral and institutional reforms that can foster development in each and every country

[22] Of course, depending on the depth of reflection, one could argue that every MDG is at the same time a means and an end. Lifting people from poverty, as required in MDG 1, can be considered an end, but it can also be seen as a means to achieve the full realization of the potential of those who benefit. In this section, however, we use “means” to refer to government actions via policy implementation. In this regard, a clear division can be established. A government can raise or reduce trade tariff levels, while it cannot directly, without the undertaking of some policy or actions to that purpose, for instance, lift people out of poverty.

(Vandemoortele 2012, pp. 5-6). Thus, the caution against trying to get agreement on the means is oriented by a desire to avoid prescriptions that will ultimately limit the policy space that will be necessary for different countries to pursue different politically- and socially-tailored models of development. "While overall guidance and general principles can be enunciated, specific recommendations about the strategy will always clash with national ownership and the need for adequate policy space" (Vandemoortele 2012, p. 23). This author further invokes the failed experience with the one-size-fits-all model of structural adjustment as a cautionary tale in this regard (Ib., pp. 5-6).

One does not need to sort out this controversy to agree that the inclusion in MDG 8 of what are essentially "means" for development had some distortive effects. Reducing tariff barriers, for instance, is not an end in and of itself, but a means to certain ends. Yet, by virtue of being inserted in MDG 8, indicators on debt, trade or aid acquired the rank of ends in and of themselves, regardless of the actual consequences they would have on the desirable ends – whether one defines them in terms of the other MDGs or of human rights.

Remarks on Overseas Development Assistance targets and indicators

Several of the ODA-related indicators measure volumes of ODA but they do not provide information about the quality of ODA that would allow conclusions on whether disbursed ODA is being used in programs that are in accordance with human rights standards, or at least not working at cross-purposes with them.

Let us comment, however, on two indicators that are not framed as ODA increases. One of them is the proportion of ODA allocated to basic social services. The ODA allocated to social services has increased since 2000 (even though it seems to be decreasing again). But it would be simplistic to presume that ODA for social services is supporting human rights. It has been said that the increase in the portion of ODA allocated to social services may promote continued aid dependence, by reducing the ODA allocated to development of productive capacities that will be necessary to generate the income for providing those services in the long term (UNCTAD, 2010: 166).

Another indicator is the proportion of ODA that is untied. Untied aid has been found to be more efficient and effective (Clay et al, 2009). Tied aid, on the contrary, has been reported to reduce choices available to partner countries (and with that reduce the cost effectiveness of aid transfers) and weaken ownership and alignment (OECD, 2011:53). Untying aid, by enabling flows of aid to support local employment and production in developing countries, may carry additional development benefits. In the case of food aid, the dangers of tied aid – misuse of resources for reducing hunger and harm to local food producers, which can lead to increased food dependency in the future—have been well studied (Lentz et al, 2012; Oxfam America & AJWS, 2012). Though all these elements offer support to the proposition that untied aid is more consistent with human rights, it would be a leap to just draw on this indicator to evaluate if aid is being procured in conformity with human rights standards.

The aid effectiveness agenda was not contemplated in any of the targets or indicators for ODA but it was part of the Monterrey Consensus in 2002 and led to the Paris Declaration on Aid Effectiveness by OECD-DAC donors in 2005. It could have offered a platform for redressing the blindness of the MDG 8 aid-related indicators to human rights issues. But it soon became a lost opportunity for doing so as the generally desirable principles adopted in the Declaration (Ownership, Harmonization, Alignment, Results and Mutual Accountability) came to be codified in a body of targets and indicators developed by the OECD and endorsed by the OECD High Level Forum on Aid Effectiveness. Several of these were not only neutral but raised important concerns from a human rights perspective.[23] As the OHCHR observed:

> "[T]he Paris Declaration's monitoring indicators focus on a narrow set of efficiency objectives, begging more fundamental questions about aid effectiveness and the role played by human rights… multilateral and bilateral donors have recognized the potentially mutually beneficial relationship between human rights and aid effectiveness principles… but equally that the latent tensions need to be addressed explicitly" (2008: 46).

[23] See Caliari & Darrow 2013 for an extended survey of actual and potential conflicts between the aid effectiveness agenda criteria and targets and human rights commitments.

Anyway, the Paris Declaration process, as a product of a donor-driven process,[24] was doubtfully a suitable vehicle to try to tackle in an authoritative way the issue of developing such indicators.

Remarks on debt targets and indicators

The focus of the debt-related indicators had also the effect of shifting the focus away from the connection between debt and human rights, or even the other MDGs. For instance, the focus on committed amounts of debt relief, alone, does not tell how much that is as a proportion of the needs for realizing human rights in target countries or in countries where debt is an obstacle to the realization of human rights, or the other MDGs.

For some time it looked like the link between debt and MDGs would give rise to a reevaluation of the ongoing debt relief programs, especially when the Monterrey Consensus, after hard push by civil society, adopted language explicit acknowledging a link between debt sustainability and the MDGs.[25] But, while debt relief programs expanded, this link became less clear. To the contrary, HIPC criteria have been criticized as "arbitrary, lacking in objectivity, and based on debt relief costs to creditors instead of the debt relief needs of HIPCs for their sustainable development" (UNCTAD, 2004: 29).

The IMF and World Bank adopted in 2005 a Debt Sustainability Framework (DSF) that they claimed was their way to fulfill both the MDGs and Monterrey Consensus mandates.[26] The DSF is characterized by a 'forward-looking' approach that leads not to reduction of past debts, but to the regulation of concessional and non-concessional financing in future borrowing. By applying this framework, the intention was that debt burdens would go down because indebted countries would take more grants and fewer loans in their mix of instruments to fulfill financing needs. This means, however, that if grant financing were not available for countries in amounts they

[24] Unlike the principles of aid effectiveness adopted as part of the global consensus adopted in Monterrey, the Paris Declaration and the criteria and indicators by the OECD High Level Forum were embedded in a process whose nature was eminently donor-driven.

[25] See Monterrey Consensus, chapter 1, resolution 1, annex, para. 49: "Future reviews of debt sustainability should also bear in mind the impact of debt relief on progress towards the achievement of the development goals contained in the Millennium Declaration."

[26] According to their statement: "Given the central role of official creditors and donors in providing new development resources to these countries, the framework simultaneously provides guidance for their lending and grant-allocation decisions to ensure that resources to low- income countries are provided on terms that are consistent with their long-term debt sustainability and progress towards achieving the MDGs" (IMF & IDA, 2004: 4).

need, they would face a financing gap. Since it has been the case that funding on a grant basis has not been anywhere near where it needs to be, the DSF paradoxically curbed the potential for debt policy to operate as a tool for debtor countries to fulfill their human rights commitments associated with the MDGs. After a few years, this became clear in the statements by World Bank staff. They recognized that while the human development approach embodied in the MDGs is a very useful tool to determine the total financing needs of the country, the DSF is a purely technical framework aimed at establishing limits to how much of that financing should come via loans.[27] Thus, they would argue, the DSF should not be expected do more than determine the future mix of loans and grants, and specifically the threshold limit to loans, borrowing countries could engage in.

The DSF is a good example of how well-intended indicators could lead to approaches that harm human rights. If debt reduction happens at the expense of financing needs, it is perfectly conceivable to have debt indicators show positive progress, but in a situation where human rights go unfulfilled. This theoretically possible situation has not materialized, however. The reality is that even debt indicators are not faring well under implementation of the DSF.

The indicators' focus on implementation of a pre-existing initiative, such as the HIPC, which from a human rights standpoint presented shortcomings, was problematic. It automatically ruled out the possibility of correcting such initiative on the basis of a human rights assessment. The HIPC Initiative conditioned debt reduction upon the adoption of a one-size-fits-all economic model that resembled the structural adjustment programs promoted by the IFIs in the 1980s. Structural adjustment policies have been widely criticized for undermining the ability of States to comply with their human rights obligations.[28] The MDRI, being subject to fulfillment of the same conditions by beneficiary countries, is certainly susceptible of the same assessment.

[27] "The MDGs are of course central to the World Bank's mission. The DSF, meanwhile, is the framework within which the World Bank assesses the risk of poor countries not being able to repay debt. The DSF looks at a country's current debt, their current policies, and evaluates the risk of debt distress. If the World Bank perceives too high a risk of debt distress, it moves towards grants. But, he said, *this should be perfectly clear: the DSF is not a needs assessment. It does make sense to place the DSF analysis next to a needs assessment, and to use the DSF to consider how those needs could be financed sustainably."* (World Bank, 2007)

[28] Beginning with Committee of Economic, Social and Cultural Rights, *General Comment No. 2, International technical assistance measures* (Fourth session, 1990), U.N. Doc E/1990/23 at 9 (1990); *General Comment No. 4, The right to adequate housing* (Sixth session, 1991), U.N. Doc E/1992/23 at 19 (1991); *General Comment No. 11, Plans of action for primary education* (Twentieth session, 1999), U.N. Doc E/C.12/199/4 at 41 (1999); and *General*

Beyond the gaps and tensions with policy conditions identified above, the debt-related indicators had a bias to deal with already contracted debt, thus drawing attention away from the acknowledging and setting up an adequate framework for recognizing responsibility for illegitimate debt.

The human rights framework calls attention to standards of accountability and transparency in the process for contracting loans. Much bilateral and multilateral debt has been used to finance oppressive or corrupt regimes as well as irrelevant, damaging and overpriced projects. As put by the Commission for Africa (2005, 114):

> "Much of the debt [in Africa] was incurred by dictators who were enriching themselves through their countries' oil, diamonds and other resources and who were supported during the Cold War by the very countries now receiving debt repayment. Many of these rulers siphoned billions of dollars out of their country using the financial systems of developed countries. The issue of debt is therefore a matter of intense political sensitivity in Africa."

The lack of a framework for dealing on a systematic basis with not just existing sovereign debt issues, but with those that the future may bring, remains a glaring omission whose relevance to all countries (developed and developing) is increasingly apparent (UN, 2012: 45). As stated recently by the Special Rapporteur on Debt and Human Rights: "[Multilateral Debt Relief Initiatives] do not appear to have provided a durable solution to the debt problem as shown by international financial institution assessments indicating that some of the countries that have completed the debt relief processes are at risk of debt distress" (Human Rights Council, 2012:10).

Remarks on trade (market access) targets and indicators

Some of the emerging issues regarding the trade targets and indicators are to be expected from the formulation of the target, which calls for further development of an "open, rule-based, predictable and non-discriminatory multilateral trading and financial system." Many economists

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Comment No. 14, The right to the highest attainable standard of health (Twenty second session, 2000), U.N. Doc E/C.12/2000/4 at 64 (2000).

concur on the complex relation between trade openness and growth (Rodrik, 2004: 23-4; UNDP et al 2003: 30-31; Chang, 2002: 65), a relation that can be further applied to the relationship between trade and development and human rights. Likewise, non-discrimination in the trade system is a very different notion than the principles of equality and non-discrimination in human rights law - and not necessarily compatible with them. The notion of equality in human rights law may call for differential treatment when that is appropriate to "bring disadvantaged or marginalized persons or groups of persons to the same substantive level as others" (CESCR, 2005: para. 15). This difference has clearly been established by the High Commissioner for Human Rights:

> "Applying the human rights principle of non-discrimination to trade law encourages affirmative action for the poor. While non-discrimination is also a principle of international trade law there is a distinction in the application of the principle. . . . Treating unequals as equals is problematic for the promotion and protection of human rights and could result in the institutionalization of discrimination against the poor and marginalized. Under human rights law, the principle of non-discrimination does not envisage according equal treatment to everyone in all cases. Affirmative action is necessary in some cases to protect vulnerable people and groups" (OHCHR, 2002: para. 43).

So human rights principles would call for modulation and softening of the application of openness and non-discrimination in the trading system. Indeed, the Millennium Declaration contained also the word "equitable" to concurrently qualify the trading system being pursued, but this word was eliminated in the formulation of the target (OHCHR, 2008: 45).

The choice of indicators on trade tended to focus attention on a number of benefits for developing countries and LDCs, It ignored the detrimental counterparty concessions that such countries might have to make in order to be eligible for such benefits.. If the concessions developed countries exacted from developing countries in exchange for meeting the targets outweighed the benefits being provided to them, that would have been lost by the design of the indicators. Indeed, this is partly responsible for the easiness with which the WTO Doha Round could be reported by several rich countries as a way to meet their commitments.

The indicators also helped turn the spotlight from issues important from a human rights perspective such as the degree of participation and transparency in negotiations that developing countries were undertaking to reach such expected benefits, whether in the Doha Round or in bilateral or regional agreements.

The indicators are also blind to the human rights impacts that the beneficiary sectors could yield for the realization of human rights. Factors such as the utilization of preferences or the number of jobs depending on certain sectors in the favored countries could be a lot more important, from a human rights impact perspective, than the number of tariff lines that are non-dutiable for such country. We have alluded earlier to the perverse effect that the indicators framed around average tariffs carry for the continuation of practices such as tariff escalation.

Proposing alternative criteria for choosing indicators

On the basis of the preceding analysis, this section makes some suggestions on criteria for choosing targets/ indicators for whichever form a goal on global partnership acquires in a new generation of goals, with particular attention to how to align it with the human rights framework. One important question this paper still needs to answer is whether the criteria used in 2003 (UN) were acceptable for determining indicators regarding the global partnership. In spite of the deficiencies found in the indicators for MDG 8, the 2003 criteria are not necessarily at fault. This is not to deny the need for some revisions to those criteria, and some sensible ones have been proposed.[29] However, alternative indicators exist that not only meet these 2003 criteria, but also deal with at least some of the issues that remain unaccounted for in the current list of indicators.. These are some ideas for choosing or developing targets and indicators for the "global partnership":

Maintain enabling environment (the "means") within the framework

The previous section referred to the debate over whether a development framework should include means and ends, or just ends. One may have different practical reactions to this debate but, from the perspective of human rights, international cooperation is a central component of the international human rights framework (OHCHR 2008: Box 39), and therefore, targets and

[29] See for instance some good amendments proposed recently by Langford (2012:24-26).

indicators should address the external environment needed for developing countries to meet their obligations.

At the same time, it would be prudent that the indicators on means stay confined to the global (external) environment. Vandemoortele does have a point when it warns about the dangers of prescriptive guidelines for national policy clashing with nationally owned paths to development (2012, p. 23). Some may find the arrangement asymmetrical, especially since a "partnership" implies at least two sides. But this is far from the case. In the current framework, the domestic side of the partnership was always assured through the "end" goals, Goals 1 to 7, which were understood as primarily the responsibility of national governments. One can expect that Goals of the same kind of 1 to 7 ("end" goals) will be present in some form in the new framework, thus ensuring yardsticks will exist to monitor the domestic side to the "partnership."

But do not treat means as if they were ends

However, the inclusion of means in the framework calls for a qualitative difference in the type of targets and indicators: these cannot be independent from the ends being pursued with such means.

The intellectual drivers of the MDG agenda wanted it to be simple enough that it could easily mobilize the will of political masters (Ruggie, 2001: 19). They wanted to make MDGs a package that could be "sold" beyond governments (Doyle, 2004: 25). Placing the components of MDG 8 in a package to foster priorities such as poverty reduction or reduction of maternal mortality, enabled politicians to garner support for them.

However, paradoxically, not drawing a robust enough link between the means and the ends (e.g. poverty reduction) ultimately runs the risk of a diminishing mobilization impact and even an electoral backlash. It is not enough that trade or debt policy actions are placed alongside indicators of progress on the ground. There must be some mechanism to trace back the latter to the former. Ultimately, the best way to foster political support to means that are part of the enabling environment is by establishing a robust link with the other MDGs or, even better, with the realization of human rights. Attempts to find shortcuts could seriously backfire.

One way to establish this link could be to have, for each "end" MDG not just targets but also "enabling environment" indicators that point to the supportive actions that are expected from rich countries/ trade and investment partners for each of them. Another could be to set a process like the Universal Periodic Review (UPR) but that, instead of looking at human rights, would examine the match between "means" and "ends." If there is agreement that those ends are the realization of human rights, or aligned with them, it should not be hard to even adapt the UPR itself to serve as such a forum.

Place indicators in human rights perspective

The indicators should not just connect with ends, but also be placed in perspective. By doing this they would also better comply with the first requirement laid out by the UN (2003) "Provide relevant and robust measures of progress towards the targets of the Millennium Development Goals."

For example, a numerical target that expresses debt relief as proportion of needs, or as a proportion of resource constraints to realize human rights, would be far more enlightening than a numerical target that expresses a nominal USD commitment to debt relief. Likewise, indicators of market access should be framed as a ratio between increased market access and concessions demanded or exacted in exchange in ongoing trade negotiations from the beneficiary country(ies).

Recognize we know little about the causality of development

Engaging with the means of development also requires the humbling act of acknowledging that we know very little about the causes of development. In the words of Reddy and Heuty, "National and international plans to achieve the MDGs must incorporate flexibility, so that they reflect the different conditions prevailing in different countries. However, allowing for flexibility is not in itself enough. A truly practical approach to achieving the MDGs must actively foster learning about the best strategies, rather than presuming that these strategies are known in advance." (2005: 401).

Taking this position to the extreme on "enabling environment" aspects would be unwise, as it might give license for abolishing any sort of accountability on the side of what appears to be, at this time, the least accountable portion of the whole MDG construction. But a new generation of development goals should do a better job of balancing hard numerical and time-bound targets with process targets and indicators. These latter would allow for measurement of the level of interaction and feedback, particularly by those affected by such indicators, in a constant dialogue to refine the substantive indicators.

Participation and accountability indicators, thus, should acquire a greater dimension, asking questions such as: Have human rights assessments been performed? What the mechanisms for following up on their findings have been? How institutionally strong and independent are they?

Have holistic coverage of resource constraints

A principle consecrated in the human rights framework is the obligation of governments to take steps collectively and to the maximum of their available resources to progressively achieve human rights (ICESCR Art. 2). The Committee on Economic, Social and Cultural Rights clarifies that the phrase “to the maximum of its available resources" refers to both the resources existing within a State as well as those available from the international community through international cooperation and assistance (CESCR 2007: para. 5). In the event that a State invokes “resource constraints” as an explanation for retrogressive steps taken, one of the criteria to apply in evaluating responsibility is “the existence of other serious claims on the State party’s limited resources” (CESCR 2007: para.10). Taken together, these standards support the proposition that considering resource constraints on the basis of a partial selection of sources of finance would not be consistent with human rights principles. If this is true for the “recipient” State, a global partnership that wants to live up to human rights principles should reciprocally extend such duty of cooperation to the “partner” States.

In contrast to this, the “enabling environment” referenced in the current MDG 8 left out important dimensions that the Monterrey Conference did cover and reach consensus about. The holistic approach of the Monterrey Consensus should have a place in targets and indicators for the global partnership. In hindsight, the omission of international cooperation for tax matters and financial regulation aspects proved to be significant and a new framework should not repeat them.[30]

But tighten criteria for counting resources that serve development

Drawing the connection between the means and ends starts with accurately accounting for the contribution of each source of finance to development on the ground.

For instance, market access is important because trade is a source of revenue for development. But that will only hold true to the extent that trade income actually stays in the country and supports development efforts. There has been important progress in elaborating indicators of trade in value added, which should be encouraged. Accounting for fiscal revenue accrued from exports will give useful insights on whether there is progress in combatting the harmful transfer mispricing practices that deprive countries of revenue that their trade would otherwise earn for them. When it comes to foreign investment, guarantees and other benefits offered by host States that create actual or contingent liabilities should be netted out with the coming investment. Outflows in the form of profit remittances or royalties should also be considered (UNCTAD 2012:114). Market access in areas where beneficiary countries lack supply capacity is of limited value, so matching market access concessions to actual production capacity in beneficiary countries will shed more light on the value of the concessions for those countries.

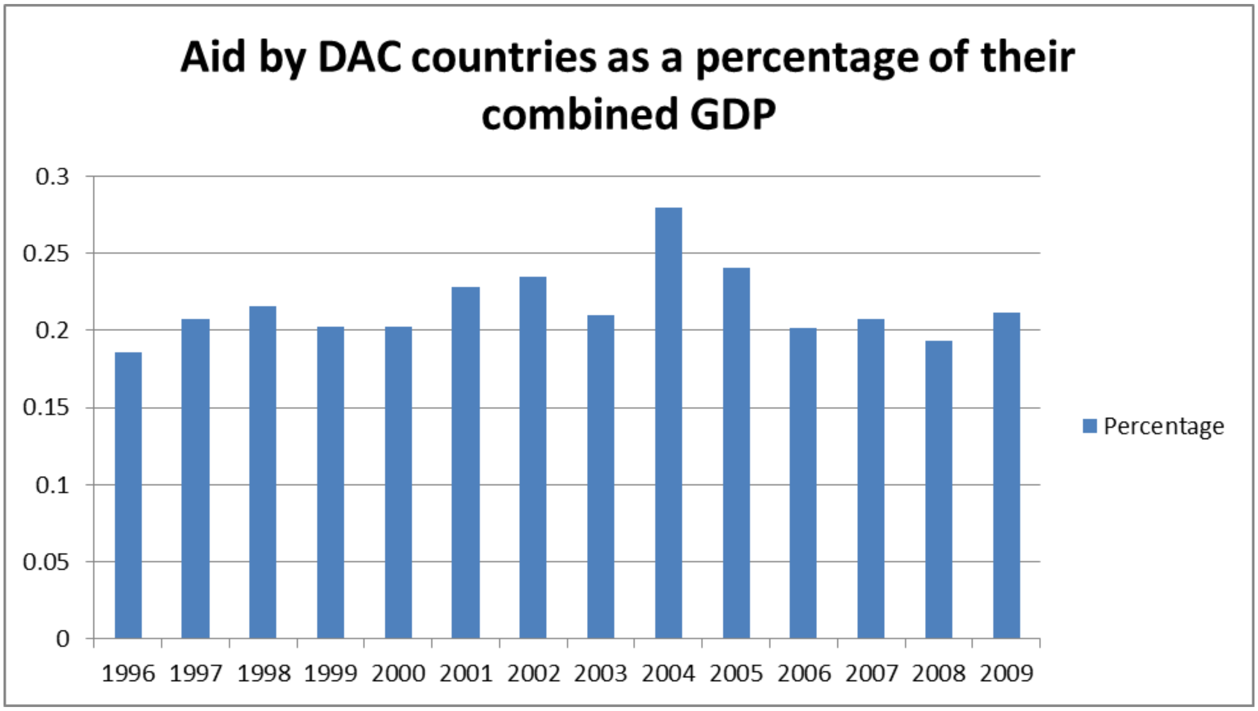
Incorporate the global institutional dimension

The duty of international cooperation and accountability to the fulfillment of the whole development framework cannot be upheld in a sustainable way without institutions grounded in democratic and representative principles. The existence of MDG 8 demonstrates a desire to show developing countries that the MDGs were not oblivious to historical concerns about international cooperation and assistance to the poorest and most vulnerable members of the international community. But both the design and the implementation of MDG 8 did not live up to more than a gesture.

[30] For some ideas linking financial regulation to inequality measurements based on what we currently know about the link, in a post-2015 framework, see Caliari 2012 and ODI, ECDPM and GDI 2013.

A true global partnership would have to go beyond gestures and seek to empower these members so, over time, they can voice and protect their interests by themselves. The new generation of goals should include indicators to measure progress enabling developing countries, especially the poorest and most vulnerable, to participate effectively in global economic institutions.

Figure 1



Source: ODA amounts: OECD- DAC; GDP: IMF database (addition for all OECD countries, excluding Chile, which joined OECD after period covered in the graph).

Table 1

Secretary General's report	Millennium Declaration	Roadmap
At the international level, the more fortunate countries owe a duty of solidarity to the less fortunate. Let them resolve therefore:	12. We resolve therefore to create an environment – at the national and global levels alike – which is conducive to development and to the elimination of poverty. 13. Success in meeting these objectives depends, inter alia, on good governance within each country. It also depends on good governance at the international level and on transparency in the financial, monetary and trading systems. We are committed to an open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial system.	GOAL: Success in meeting these objectives depends, inter alia, on good governance within each country. It also depends on good governance at the international level and on transparency in the financial, monetary and trading systems. We are committed to an open, equitable, rule based, predictable and nondiscriminatory multilateral trading and financial system.
	14. We are concerned about the obstacles developing countries face in mobilizing the resources needed to finance their sustained development. We will therefore make every effort to ensure the success of the High-level International and Intergovernmental Event on Financing for Development, to be held in 2001.	We are also concerned about the obstacles developing countries face in mobilizing the resources needed to finance their sustained development. We will therefore make every effort to ensure the success of the International Conference on Financing for Development
To grant free access to their markets for	15. We also undertake to address the special needs	GOAL: Address the special needs of the least

goods produced in poor countries— and, as a first step, to be prepared, at the Third United Nations Conference on the Least Developed Countries in March 2001, to adopt a policy of duty-free and quota free access for essentially all exports from the least developed countries.	of the least developed countries. In this context, we welcome the Third United Nations Conference on the Least Developed Countries to be held in May 2001 and will endeavour to ensure its success. We call on the industrialized countries: • To adopt, preferably by the time of that Conference, a policy of duty- and quota-free access for essentially all exports from the least developed countries;	developed countries, and in this context welcome the Third United Nations Conference on the Least Developed Countries, held in May 2001, and ensure its success. The industrialized countries are called on: (a) To adopt, preferably by the time of that conference, a policy of duty- and quota-free access for essentially all exports from the least developed countries;
To remove the shackles of debt which currently keep many of the poorest countries imprisoned in their poverty—and, as first steps, to implement the expansion of the debt relief programme for heavily indebted poor countries agreed last year without further delay, and to be prepared to cancel all official debts of the heavily indebted poor countries, in return for those countries making demonstrable commitments to poverty reduction.	15. . . . We call on the industrialized countries: . . . • To implement the enhanced programme of debt relief for the heavily indebted poor countries without further delay and to agree to cancel all official bilateral debts of those countries in return for their making demonstrable commitments to poverty reduction 16. We are also determined to deal comprehensively and effectively with the debt problems of low- and middle-income developing countries, through various national and international measures designed to make their debt	(b) To implement the enhanced programme of debt relief for the heavily indebted poor countries without further delay, and to agree to cancel all official bilateral debts of those countries in return for their making demonstrable commitments to poverty eradication; GOAL: Deal comprehensively and effectively with the debt problems of low- and middle-income developing countries, through various national and international measures designed to

	sustainable in the long term.	make their debt sustainable in the long run
To grant more generous development assistance, particularly to those countries which are genuinely applying their resources to poverty reduction.	• To grant more generous development assistance, especially to countries that are genuinely making an effort to apply their resources to poverty reduction.	(c) To grant more generous development assistance, especially to countries that are genuinely making an effort to apply their resources to poverty reduction
To work with the pharmaceutical industry and other partners to develop an effective and affordable vaccine against HIV; and to make HIV-related drugs more widely accessible in developing countries.		
	17. We also resolve to address the special needs of small island developing States, by implementing the Barbados Programme of Action and the outcome of the twenty-second special session of the General Assembly rapidly and in full. We urge the international community to ensure that, in the development of a vulnerability index, the special needs of small island developing States are taken into account.	GOAL: Resolve to address the special needs of small island developing States by implementing the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General Assembly rapidly and in full. Urge the international community to ensure that, in the development of a vulnerability index, the special needs of small island developing States are taken into account

	18. We recognize the special needs and problems of the landlocked developing countries, and urge both bilateral and multilateral donors to increase financial and technical assistance to this group of countries to meet their special development needs and to help them overcome the impediments of geography by improving their transit transport systems.	GOAL: Recognize the special needs and problems of landlocked developing countries, and urge both bilateral and multilateral donors to increase financial and technical assistance to this group of countries to meet their special development needs and to help them overcome the impediments of geography and by improving their transit transportation system

Table 2: Targets and indicators for MDG 8

MDG 8: Develop a global partnership for development	
Target 8.A: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system Includes a commitment to good governance, development and poverty reduction - both nationally and internationally Target 8.B: Address the special needs of the least developed countries Includes: tariff and quota free access for the least developed countries' exports; enhanced programme of debt relief for heavily indebted poor countries (HIPC) and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction Target 8.C: Address the special needs of landlocked developing countries and small island developing States (through the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General Assembly) Target 8.D: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term	*Some of the indicators listed below are monitored separately for the least developed countries (LDCs), Africa, landlocked developing countries and small island developing States.* Official development assistance (ODA) 8.1 Net ODA, total and to the least developed countries, as percentage of OECD/DAC donors' gross national income 8.2 Proportion of total bilateral, sector-allocable ODA of OECD/DAC donors to basic social services (basic education, primary health care, nutrition, safe water and sanitation) 8.3 Proportion of bilateral official development assistance of OECD/DAC donors that is untied 8.4 ODA received in landlocked developing countries as a proportion of their gross national incomes 8.5 ODA received in small island developing States as a proportion of their gross national incomes Market access 8.6 Proportion of total developed country imports (by value and excluding arms) from

	developing countries and least developed countries, admitted free of duty 8.7 Average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries 8.8 Agricultural support estimate for OECD countries as a percentage of their gross domestic product 8.9 Proportion of ODA provided to help build trade capacity <u>Debt sustainability</u> 8.10 Total number of countries that have reached their HIPC decision points and number that have reached their HIPC completion points (cumulative) 8.11 Debt relief committed under HIPC and MDRI Initiatives 8.12 Debt service as a percentage of exports of goods and services

Source: Oficial list of MDG indicators (available at http://mdgs.un.org/unsd/mdg/host.aspx?Content=indicators/officiallist.htm)

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