Must the poor always be with us? If leaders of the world’s richest countries would only heed his diagnosis and prescription, prominent US economist Jeffrey Sachs reasons, the 1.1 billion people who live below the World Bank’s $1-a-day “extreme poverty” designation could break through this barrier by 2025.

In The End of Poverty, Sachs systematically lays out what would have to be done to sustainably overcome the conditions that contribute to the horrific global toll of over 20 000 who perish daily from AIDS, malaria, TB and a host of other poverty-related afflictions. He further documents that the associated price tag of between $135 and $195 billion in additional targeted aid over the next 20 years would not require any new commitments of the world’s most powerful economies — merely the fulfillment of existing promises!

Sachs’ impressive professional credentials are in “macroeconomics,” the branch of economics that deals with how broad economic policies such as money supply govern phenomena such as rates of economic growth and inflation. As an academic expert in this domain, Sachs has repeatedly been drawn from his Harvard base to tackle real-world policy challenges, as he vividly relates. Through these experiences, he draws sharp attention to the specific contexts and realities that orthodox policies of the International Monetary Fund (IMF) and World Bank have consistently failed to comprehend. And he does this in a way that is intelligible and engaging, as the following passage shows:

In many ways, today’s development economics is like eighteenth-century medicine, when doctors used leeches to draw blood from their patients, often killing them in the process. In the past quarter century, when impoverished countries have pleaded with the rich world for help, they have been sent to the world’s money doctor, the IMF. The main IMF prescription has been budgetary belt-tightening for patients much too poor to own belts.

Sachs, whose wife is a pediatrician, freely applies the medical metaphor and calls for the adoption of a “clinical economics” approach to “underscore the similarities between good development economics and good medicine.” Sachs is not the first person to skewer the wisdom of the approach dictated by the IMF and World Bank, and his failure to acknowledge these contrary perspectives that came before him is often frustrating. Nevertheless, his perspective helps flesh out why drastic policy shifts are required, and helps us to move beyond rhetoric.

In this regard, one of the book’s greatest strengths is precisely the author’s eyewitness accounts of his involvement in crisis situations in various countries (Malawi, Bolivia, Poland, Russia and others), especially the behind-the-scene accounts of how policies were adopted or resisted. For example, we learn of an overnight drafting session to present Lech Walesa with a blueprint for Poland’s post-Soviet economic plan, as well as private conversations with IMF officials that unwittingly revealed how reasonable debt relief options in Bolivia were nixed because they ran contrary to the interests of private banks who assert undue conflict-of-interest influence in this domain.

Sachs also chronicles his involvement in key global policy efforts such as the Macroeconomic Commission on Health, a blue-ribbon panel of world experts that he chaired to explore how economic policies could contribute to health, and how improved health could contribute to economic benefit. It is primarily from this experience, and his leadership role in framing the United Nation’s Millennium Development Goals, that he bases his prescriptions for eradicating extreme poverty.

Although Sachs devotes much space to outlining why and how his policies can succeed in countries with extreme poverty, especially sub-Saharan Africa,
he rightly places equivalent emphasis on dissecting how and why wealthy countries and their leaders should take action and comply with his recommendations, such as cancelling debt. While the world’s most powerful nations have repeatedly committed to contributing 0.7% of GNP to development aid, disinformation persists to exaggerate perceptions of current levels of assistance (which are actually below 0.2% in the US and below 0.4% in Canada), and public support for increasing assistance is muted in the belief that misspent funds are not producing results.

In his role as an impassioned advocate for challenging global poverty, something that earns rock star Bono’s glowing foreword to this book, Sachs, who now heads Columbia University’s Earth Institute, systematically picks apart the standard arguments of defenders of the status quo. For example, while acknowledging that corruption and poor governance in low-income countries must be overcome if aid is to be effective, he exposes the frustrations faced by relatively well-governed countries such as Ghana, who despite their well-reasoned national strategies are still stonewalled by a lack of international agency support. The tragedy of HIV/AIDS emerged, after all, in circumstances where health budgets in most countries in sub-Saharan Africa were dwarfed by debt repayment obligations to wealthy countries (a sharp contrast to how the US had provided assistance for post–World War II reconstruction through the Marshall Plan, as is pointedly presented).

The systematic failure of wealthy countries to live up to their promises may ultimately remain the most fundamental weakness of the manifesto that Sachs has developed. It is difficult to have faith in the feasibility of the world’s powerful suddenly taking up his prescriptions when these same countries so disappointingly moved away from facing up to their accountability for eradicating poverty and meeting Millennium Development Goals at the UN’s Summit and the G8 meeting in 2005. Sachs spends little time considering how other global forces may be required to pressure a shift in policy, as was witnessed at the round of international trade talks in Cancun when low- and middle-income countries refused to accept the agenda being promoted by the world’s wealthy, such as further restrictions on international property rights. And there is nary a mention of countries such as Cuba that have defied conventional development models and provided excellent health outcomes despite weak economic growth.

Another weakness of the book is the not uncommon practice of a narrator setting himself in a positive light and avoiding self-critical assessments. In claiming victory for the successful conquering of hyperinflation in Bolivia, for example, Sachs treads lightly on the severe structural problems of poverty that persist, often aggravated by the privatization that his policy recommendations promoted.

Despite its limitations, The End of Poverty makes a formidable contribution to our understanding of the disparities that ravage our 21st-century world, and a reminder that the potential for change exists if we can muster the necessary political will. The extreme poor need not always be with us after all.

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Reading

A marvellous invention

On the second of his improbable travels, Lemuel Gulliver is blown off course to Brobdingnag, where he finds himself much diminished. By Gulliver’s scale the people are gargantuan, but their understanding is small. Their education consists of mere “Morality, History, Poetry and [applied] Mathematicks.” Abstraction is unknown; no law is more than twenty-two words long. A vast militia lies fallow, constrained by the discipline of peace. A narrow outlook affects even the King, who has no appreciation for the glories of war. — CMAJ

... In hopes to ingratiate my self farther into his Majesty’s Favour, I told him of an Invention discovered between three and four hundred Years ago, to make a certain Powder; into an heap of which the smallest Spark of Fire falling, would kind the whole in a Moment, although it were as big as a Mountain; and make it all fly up in the Air together, with a Noise and Agitation greater than Thunder. ... That we often put this Powder into large hollow Balls of Iron, and discharged them by an Engine into some City we were besieging; which would rip up the Pavement, tear the Houses to Pieces, burst and throw Splinters on every Side, dashing out the Brains of all who came near. That I knew the Ingredients very well, which were Cheap, and common; I understood the Manner of compounding them, and could direct his Workmen how to make those Tubes of a Size proportionable to ... batter down the Walls of the strongest Town in his Dominions in a few Hours; or destroy the whole Metropolis, if ever it should pretend to dispute his absolute Commands. Thus I humbly offered to his Majesty, as a small Tribute ...

The King was struck with Horror at the Description I had given of those terrible Engines, and the Proposal I had made. He was amazed how so impotent and groveling an Insect as I (these were his Expressions) could entertain such inhuman Ideas, and in so familiar a Manner as to appear wholly unmoved at all the Scenes of Blood and Desolation which I had painted as the common Effects of those destructive Machines .... As for himself, he protested, that although few Things delighted him so much as new Discoveries in Art or in Nature; yet he would rather lose Half his Kingdom than be privy to such a Secret; which he commanded me, as I valued my Life, never to mention any more.

From Swift J. A voyage to Brobdingnag, ch. 6. Gulliver’s Travels. Dublin: 1727.