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**Millenium Development Goals: How is India Doing?**  
**Sudipto Mundle**

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**National Institute of Public Finance and Policy**  
**New Delhi**  
**<http://www.nipfp.org.in>**

# Millenium Development Goals: How is India Doing?

*Sudipto Mundle*<sup>1</sup>

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<sup>1</sup> Emeritus Professor, National Institute of Public Finance and Policy, New Delhi. Earlier versions of this paper were presented at the National Seminar on Indian Economy in Transition, Madras Institute of Development Studies, Chennai, February 10, 2011, at the Delhi School of Economics on August 5, 2011, and at NIPFP on 26<sup>th</sup> August. I would like to thank the discussants and other participants at these seminars for their comments, especially M. Govinda Rao. Research Assistance from Satadru Sikdar is gratefully acknowledged.

# Millenium Development Goals: How is India Doing?

## Introduction

This paper evaluates the Millenium Development Goals (MDGs) as a framework for measuring development and, subject to qualifications arising from that evaluation, assesses how India is doing in terms of the MDGs.

In September 2000 the 191 member countries of the United Nations adopted the Millenium Declaration, committing themselves to universal development and poverty eradication. The declaration was spelt out in 8 broad goals that came to be known as the MDGs. Each goal was translated into one or more targets, totaling 18 targets to be achieved by 2015 (see the *Appendix*). Of these, Goal 8 is mainly relevant for the role of the developed countries and the special problems of the least developed countries, land-locked countries, and island economies. Of the seven targets linked to this goal, only one is relevant for India. Furthermore, for each target one or more (mostly) measurable indicators were specified for monitoring progress, adding up to as many as 53 indicators of which 35 are relevant for India. In 2009 the Central Statistical Organization produced a India country report on the MDGs (CSO 2009). This report is largely based on data on different indicators available up to between 2006 to 2008, i.e., approximately the mid-point of the period from 2000 to 2015 during which the MDG targets are supposed to be achieved, and is therefore a mid-term benchmark of the Indian MDG track record. The paper uses the data reported in this report to assess India's MDG record, embedding this assessment in a critical evaluation of the MDG framework itself.

This evaluation is presented in *Part 2* of the paper. *Part 3* presents an assessment of India's performance on the different MDG goals and targets, with qualifications as required by the evaluation of the MDG framework in *Part 2*. The method used for the assessment in the CSO report is to fit a time line from the initial conditions in 2000 to the target point in 2015 for each indicator, which in effect traces the paths different indicators should follow to stay on track to achieve the MDGs by 2015. The path an indicator is actually following is then traced, and compared with the required path to indicate whether that particular indicator is ahead of track, on track, or falling short. *Part 4* concludes with some lessons from success and failure.

## 2. The Millennium Development Goals: An Evaluation

Ever since the UN adopted the MDG framework, it has become the main frame of reference for all global discussions on development and also development assistance. At the same time it has attracted considerable critical scrutiny, precisely because it now anchors the development dialogue. Critical evaluations of MDGs fall into broadly two categories, critiques of a technical nature and political-economic critiques.

There is little dispute about the eight, or rather seven, broad goals. However, the technical critiques argue that the targets and, more importantly, the indicators are often unduly narrow interpretations of the goals, arbitrarily defined sometimes in terms of relative changes, some times absolute changes, and sometimes levels of the different variables, which bias the assessments of performance, or that data are not even available for some of the chosen indicators (Attaran 2005; Bourguignon 2003; Chen & Ravallion 2004; Clemens, Kenny, & Moss 2007; Easterly 2009; Lopez & Serwen 2006; Saith 2006). Some of these authors have even argued that intentionally or otherwise the choice of specifications systematically biases the assessments against the poorer countries, or poorer sub-national regions within countries (Clemens, Kenny, & Moss 2007, Easterly 2009).

For instance, if a target is specified as a relative improvement on a negative indicator, e.g., percentage reduction in maternal mortality, where the base level is likely to be much higher in a poorer country compared to a better-off country, the same level of *relative* improvement will require a much larger absolute improvement compared to the richer country. Conversely, for positive indicators such as literacy, where the level is likely to be higher in richer countries, an absolute improvement in levels will entail a smaller relative increase in richer countries compared to the poorer countries. Similarly, if incomes are normally distributed, as is often the case, a relative target of reduction in the percentage of population below a poverty line, e.g., 'reduce by half', will require a much larger percentage reduction in poverty in the poorer countries, simply because the initial percentage of population below the given poverty line will be larger in a poorer country.

Consequently, it matters a great deal how targets are specified to determine whether or not the targets are biased against the poorer countries or sub-regions. Easterly provides a very compelling demonstration of this with regard to the African countries, but the same would apply to poorer states within India, compared to the better-off states. The technical critique, such as the significance of the specification bias, is discussed further in the context of India's performance on specific targets in the following section. At this stage it should suffice to point out in defense of those who established the targets that they were initially set up as global targets, not targets for individual countries, still less sub-regions within countries (Vandemoortele 2007). Though it has since become quite conventional to apply these targets at national and sub-national levels, the blame for biases appearing in such applications probably cannot be laid at the door of the original authors of these targets.

The political economic critique of the MDGs has mainly come from the left of the ideological spectrum. These critics accept that most of the goals are reasonable. Their complaint is that the amplification of these goals is vague, without focus, and not translated into actionable policies except the appeal to public-private partnerships, liberalisation, and globalisation. The MDGs, they claim, is a veil of motherhood statements under which the G7 seek to push their own agenda for the developing world, without any concrete commitments on their part for which they can be held accountable. Amin (2006) even claims that the MDGs were drafted by a CIA consultant, and imposed on the UN General Assembly by the G7 hegemony without much discussion or debate. Personalities apart, this is clearly at variance with the facts. Fukuda-Parr (2004) has described the main intellectual benchmarks since the 1970s that led up to the specification of the MDGs. Saith, himself a strong critic of the MDGs, has also traced in detail the long route that led to the MDGs through several prior meetings spread over several years (Saith 2006). Apart from reservations about individual targets, discussed

elsewhere in the paper, Saith's main complaint is that the MDGs lack an underlying strategic framework to inform development policy, and that this can actually derail the ongoing development process in different countries. He also believes, like Amin, that the MDGs are linked to pushing the agenda of liberalisation and globalisation. This reading of the MDGs flows from Goal 8, which does refer to public private partnerships, the need for opening up markets, etc.

Limitations of the MDGs notwithstanding, any objective evaluation must also recognise the positive achievements.<sup>2</sup> First, the very fact that 191 member countries of the UN could agree on a set of concrete goals, targets, and indicators that go far beyond general platitudes is itself a historic achievement. Anyone familiar with the power play and tortuous negotiations that go on behind such international agreements will understand that some of the vagueness or arbitrariness found in the MDGs are, at least in part, the adhesives that were necessary to make the agreement stick. Second, these countries have collectively agreed to a concept of development that goes beyond growth and poverty reduction to include other aspects of human development such as education and health outcomes, protection of the environment. This consensus on a broad concept of development that goes beyond growth is also a historic achievement. It is particularly important since some of the social and other development goals are not much correlated with growth, implying that development requires a multi-faceted effort along a broad front as opposed to a narrow focus on just growth. A third major achievement is that amplification of the goals into quantitative targets and indicators, however imperfect, enables actual measurement and monitoring of development performance along this broad front. This is a huge move forward compared to the past, and it is always possible to address and correct the technical limitations of the various indicators that have been pointed out. Tracking of performance in turn enables us to draw lessons from the success stories about what works, while also helping to focus on the failures and what does not work,

Of particular relevance in this context is the contrast between, on the one hand, the Asian 'overachievers' in terms of growth and poverty reduction that have not done so well in terms of the other social outcomes related MDGs, and the Latin American or MENA countries that have performed less impressively in terms of growth and poverty reduction, but performed much better in education and health related outcomes. Typically, the high growth performers are also poorer countries in per capita income terms, suggesting that growth and poverty reduction are the first priorities for the poorest countries, with education and health outcomes emerging as priorities only when a country is by and large past the basic survival threshold. Of course there are some well known exceptions to this pattern, e.g., Sri Lanka

Equally important, the comparisons of success and failure in terms of the MDG framework have generated a whole slew of governance related lessons. These include the key role of coordination between policies aimed at broad economy wide goals and those directed at specific MDGs; the need to squarely face tradeoffs between different MDGs in resource allocation, and the so-called failure syndrome. The latter includes four conditions under which the MDGs take a back seat: excessive state ownership and regulation; use of the state to redistribute resources in favour of interest groups that have voice; inter-temporal policy mismanagement, commitments to unsustainable levels of public spending based on past economic buoyancy; and state breakdown, when the state

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<sup>2</sup> See, among others, Fukuda-Parr 2004; and Bourguignon and others 2008.

is unable to provide even basic security and there is generalised breakdown of law & order, possibly even civil war (Bourguignon & others 2008; Ndulu, B. J.; A.A. O'connell; R. H. Bates; P. Collier, and C.C. Soludo (eds.) 2007).

The MDGs have also been very helpful in focusing international attention on the challenges of poverty reduction, and mobilising more aid. Atkinson (2005) points out that while Official Development Assistance from the developed countries was stagnating during the 1990s, it started increasing significantly post 2000, following the adoption of the MDGs, and the Monterey accord on developed country commitments to help achieve the MDGs. Devarajan & others (2002) had estimated that achieving the MDGs could cost up to \$76 billion in aid. This figure is not very different from Atkinson's estimate of around \$80 billion at 2003 prices. While official aid has not reached such magnitudes, having goals that are also costed sets a target that can anchor the aid discussion and hopefully guide aid policy

Finally, it has to be said that the political economic critique of Amin and others, however well intentioned, seems over simplistic for at least two reasons. First, they suggest that the MDGs are a cover for the G7 countries to impose their agenda on the developing countries. However, the notion of a unified G7 conspiracy or strategy is at variance with the evidence. For instance, the background paper prepared by Bourguignon and others for the European Union Development Report, that was cited earlier, is highly critical of the so-called Washington Consensus. It argues eloquently that what the developed countries contribute by way of aid is then taken away through the manipulation of trade prices, i.e., high import prices for protection and low (subsidised) export prices, an argument that the critics on the left would whole heartedly support. Similarly, in a recent address to the Belgian Development Council, Daniel Kauffman of the Brookings Institution, an establishment think tank in the US, has blamed governance failures in the advanced countries, especially the US, for the 2008 financial crisis that has offset the beneficial effects of aid and adversely affected poverty reduction in the developing world (Kaufman 2010).

The second reason is that critics like Amin have viewed liberalisation and globalisation as an unmitigated disaster for the developing countries, drawing on the centre-periphery model of globalisation developed during the 1970s by Furtado (1970), Frank (1971), and Amin himself (Amin 1976), among others. This perspective may have been a useful lens for understanding backwardness in the 20<sup>th</sup> century, but it seems to be very much at odds with realities of the 21<sup>st</sup> century. The eclipse of the G7 by the G20 is compelling evidence that the greatest beneficiaries of globalisation have been China, India and other emerging economies in Asia, Latin America, and increasingly Africa. Contrary to predictions of the centre-periphery model, it is the advanced OECD countries that are now in retreat in the wake of globalisation. Similarly, liberalisation and market-friendly reforms within countries have accelerated growth and poverty reduction in most of these countries, though other social indicators have lagged behind.

These market-friendly policies may well have contributed to increased inequalities, between sub-national regions as well as among social classes or income groups, but the jury is still out on that. Such evidence that we have indicate that poverty has continued to steadily decline in countries like China and India, and there is no evidence of sharply increasing inequalities in either country. Of course some would argue, including this author, that at least in India even if inequality has increased, this would not be captured by the NSS consumer expenditure surveys because of increasing

non-response to survey enquiries by the richer households. This has now resulted in a discrepancy of around fifty percent between National accounts estimates of consumption expenditure and that estimated on the basis of the consumer expenditure surveys. That apart, policymakers have to make hard choices when they are confronted with policy options that reduce poverty in a sustainable manner *via* growth and other policies that may reduce inequality at the cost of lower growth, and hence a slower pace of poverty reduction. A policy that rapidly reduces poverty *via* high growth, and at the same time reduces inequality may sound ideal conceptually, but is quite difficult to identify in practice (Kanbur 2005). Even inclusive growth, which disproportionately benefits the poor in a country, need not necessarily reduce inequality for the economy as a whole.

To summarise, the political economic critique of the MDGs seems to be somewhat fragile, and it ignores many of the positive achievements of the MDGs. However, some of the technical limitations of the targets used, and the biases they build in when applied at the national or sub-national level, are important. They require that the discussion of India's MDG performance in the following section be suitably nuanced to take account of these limitations.

### 3. India's MDG Performance: An Assessment

This assessment of India's MDG performance is primarily based on the CSO report (CSO 2009) which is in effect a mid-term review of India's performance, based as it is on data available up to the years 2006-2008, which is the middle of the MDG reference period 2000-2015.

#### ***Goal 1. Eradicate Extreme Poverty and Hunger***

The main target for this goal is the poverty headcount ratio, though other indicators like the poverty gap ratio, and share of the poorest quintile in national consumption are also included in the monitoring framework. The target is to halve between 1990 and 2015 the proportion of population with income below \$1 a day at constant prices. The CSO report (CSO 2009) has replaced this with the national poverty line.<sup>3</sup> Though this makes international comparisons of poverty incidence more difficult, the national poverty lines are in fact much more realistic relative to the domestic cost of living in individual countries. Indeed Deaton, the original author of the \$1 a day line for international comparisons, also proposes that as this \$1 line is adjusted to national currency lines on PPP basis, those adjustments should approximate national poverty lines to the extent feasible (Deaton 2003).

As regards the headcount ratio, it was noted earlier that with a log-normal distribution of income (or expenditure), which is quite typical, the poverty elasticity of growth rises as we move from lower to higher per capita income levels (Bourguignon 2003, Chen & Ravallion 2004; Clemens, Kenny, & Moss 2007; Easterly 2009; Lopez & Serwen 2006). The simple reason is that a larger proportion of the lower end tail of income distribution lies below any specified poverty line, and that proportion is smaller the higher the level of per capita income. Hence, any relative target such as halving the

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<sup>3</sup> The CSO report uses the traditional official poverty line, not the new poverty line proposed by the Tendulkar committee, and since adopted by the Planning Commission.

proportion of people below the poverty line requires a much larger percentage reduction in the below poverty population in poorer countries, or states, compared to countries/states with higher per capita income.

The CSO projections indicate that at the current rate of poverty reduction India is well on track to reduce the head count poverty ratio to 18.6 percent (traditional definition) by 2015. However, at the subnational level as many as seven states are likely to miss the target, most of them being the poorer states. Neither of these two outcomes should surprise us. Recall that the MDGs were originally designed as global targets, not meant for application at the national level, and still less at the sub-national level (Vandemoortele 2007). When they are so applied, then outcomes on target achievement will reflect the rising poverty elasticity of growth discussed above. India has considerably moved up the per capita income scale compared to 1990, and continues to do so at a very rapid rate as one of the fastest growing among the major economies of the world. Within India the poorest states with the lowest per capita incomes will find it most difficult to achieve this target, which is actually biased against them.

The other main target for this goal is to halve between 1990 and 2015 the proportion of people who suffer from hunger. The main indicator used for this is percentage of under weight children. India had an initial burden of under weight children of nearly 54 percent in 1990, and India is going to miss this target with a projected outcome of 40.7 percent in 2015 compared to the target of 26.8 percent. Again, a relative target like this on a negative indicator implies that the absolute reduction in percentage of hungry children required in those countries where the initial incidence of under weight children is high will be more, Therefore, the target will be more difficult to achieve in poorer countries compared to the required percentage reduction in countries with a lower initial incidence of underweight children. That being said, the fact that more than 40 percent of India's children will suffer from hunger and undernourishment in 2015 is indeed a matter of shame. At the level of states, only 3 states will achieve the target and another 6 will be close to the target (less than 6 percent shortfall). However, in the poorest states the incidence of hungry, underweight children will remain as high as 50 percent to 65 percent.

### ***Goal 2. Achieve Universal Primary Education***

The main target for this goal is to achieve a Net Enrolment Ratio of 100 percent by 2015 at the primary education level, i.e., percentage of children in age group 6-11 years enrolled in grades I to V.<sup>4</sup> Projections based on the District Information System on Education (DISE) suggest that India will achieve this target before 2015. While it is good that 100 percent of children of the primary school going age will be attending school in the near future, the main challenge here is the quality of their learning. There is a great deal of evidence from across Asia, Africa and Latin America, mostly drawn from the Program for International Student Assessment (PISA) test scores, that learning outcomes are very poor even in countries that are set to achieve the MDG enrolment target. (Filmer, Hasan, and Pritchett (2006). A comparison with children in OECD countries shows that reading maths and science skills of children in Indonesia, Brazil, and Peru, are comparable to the bottom 5 percent to 7 percent in France, Denmark, and USA respectively.

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<sup>4</sup> The other indicators monitored for this target include the percentage of children in grade I who reach grade V, and the literacy rate for the population in age group 15-24.

The learning shortfalls compared to enrollment in a class noted above are very similar to the pattern observed in India. The latest Annual Status of Education Report for rural areas (ASER 2010) indicates that 36 percent of children in grades III to V cannot read a standard I text. Over 65 percent of them cannot do a simple subtraction. Clearly the focus on quantity, the percentage of children enrolled, has deflected attention from actual learning outcomes, and the MDG enrolment target reinforces this bias. Indeed, it is often argued that learning outcomes have slid further since enactment of the *Right to Education Act*. It has put a great deal of pressure on the bureaucracy to achieve 100 percent enrolment, and this may have further diverted attention from learning outcomes, for which there are no targets. Since learning is found to improve with the number of years in school primary school completion rates, or the number of children in grade I who complete grade V, may be a better indicator for target setting than the current enrolment rate (Easterly 2008). DISE data reported in the CSO report (CSO 2009) indicates that this rate peaked at 81 percent in 2002, and then declined to 72 percent by 2007-2008.

### ***Goal 3. Promote Gender Equality and Empower Women***

The target set for this goal is to eliminate any gender disparity in primary and secondary education preferably by 2005, but no later than 2015.<sup>5</sup> As Easterly points out, elimination of gender disparity in primary education is a redundant target since Goal 2, achieving universal primary education, also ensures elimination of gender disparity in primary education. But it is an effective additional target for secondary level education. India did not achieve this target by 2005, but is set to achieve it by 2015. Gender parity will also be achieved in literacy by 2015, however it is projected to remain well below parity at the tertiary level.

Gender parity in education is of intrinsic value, but it also has instrumental value for other MDGs, since women's or mother's education is known to have positive impacts on growth, hence poverty reduction, reduction of fertility rates, and also infant mortality rates (Abu-Ghaida D and S. Clausen 2004). However, feminists have been very critical of the narrow interpretation of women's empowerment in setting the gender parity target only in terms of gender parity in primary and secondary education (Saith 2006). There seems to be strong justification for such criticism in the Indian context where the other indicators show a vast shortfall in gender parity. Thus, the share of women in non-agricultural wage employment is expected to remain below 25 percent even in 2015, and women's share of seats in the National Parliament is only around 10 percent at present. (CSO 2009)

### ***Goal 4. Reduce Child Mortality***

The target set for this goal is to reduce Under Five Mortality by two-thirds between 1990 and 2015.<sup>6</sup> As pointed earlier, setting a relative target on a negative indicator biases the target against those countries that have a high initial burden of disadvantage to begin with. They need a much larger percentage reduction in the burden

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<sup>5</sup> The other indicators monitored for this goal include ratio of literate women to men in 15-24 age group, share of women in wage employment in the non-agricultural sector, and proportion of seats held by women in the National Parliament

<sup>6</sup> The other indicators being monitored here are the Infant Mortality Rate and proportion of one-year old children immunised against measles.

compared to countries that had a lower initial burden, the base to which the relative target ratio is applied. In India's case the target requires reduction of the under-5 mortality rate to 42 per thousand live births, against which the expected outcome is 70. In the worst performing states like UP, MP, Chattisgarh, Orissa, Bihar, and Jharkhand the expected outcome is more than 90 per thousand live births. The main component underlying child mortality is really high infant mortality, especially neo-natal mortality. The non-availability of medical facilities, and lack of quick road connectivity in remote or rural areas in case of emergencies, and poor health infrastructure appear to be to be the key factors accounting for this in India. It is also consistent with international experience, which suggests that apart from the standard traditional factors like income-wealth status, maternal education, and prompt access to health care facilities, poor health infrastructure, such as piped water supply and proper sanitation is a key factor behind high child or infant mortality rates (Fay M, D Leipziger, Q. Wodon, & T Yepes 2005)

**Goal 5. Improve Maternal Health**

The target here is reduction of the Maternal Mortality Rate (MMR) by three quarters between 1990 and 2015. As against the required rate of 109 per 100,000 live births, the projected outcome is 135. The main factor underlying this shortfall is the lack of trained, professional medical personnel for institutional deliveries. Even by 2015 only 62 percent of deliveries are expected to be covered by trained personnel. The states lagging behind the most are MP, UP, Bihar and the north-eastern hill states of Arunachal, Assam, Meghalaya, and Nagaland. The caveat about setting a relative reduction target for a negative indicator has been mentioned several times above. That qualification notwithstanding, India's failure to improve the MMR remains one of the weakest aspects of its MDG performance.

**Goal 6. Combat HIV/AIDS, Malaria, and Other Diseases**

One of the targets here is to halt and begin to reverse by 2015 the spread of HIV/AIDS. The outcome has been quite satisfactory for this target. The spread of AIDS among the general population has indeed been halted. However, it is still spreading among high risk groups. The other target for this goal is to halt by 2015 and begin reversing the incidence of malaria and other major diseases. This too is on track since the incidence of malaria has started declining as also tuberculosis and tuberculosis related deaths. However, malaria mortality is not yet declining.

Two related points are worth noting. Stuckler and others (Stuckler D, S. Basu, and M. McKee 2010) have shown statistically that both for biological reasons (co-morbidity) as well as economic reasons, high incidence of HIV/AIDS and even non-communicable diseases can lead to higher child mortality, higher incidence of tuberculosis, etc. Hence, the public health strategy should keep in view the economic value of treating an ailment in terms of spillover effects on other MDGs. It has also been pointed out for much the same reason that disease specific or service specific interventions may not be ideal for achieving the MDG health outcomes. Instead it is important to focus on improving the delivery system as a whole (Travis P., S. Bennett, A. Haines, T. Pang, Z. Bhutta, A.H. Hyder, N.R. Pielemeier, A. Mills and T. Evans (2004).

### **Goal 7. Ensure Environmental Sustainability**

This goal has three targets, the first being integration of the principles of sustainable development into country policies and programmes and reversing the loss of environmental resources. India's performance has been good on this count. Loss of both tree cover and forest cover has been reversed. Over a decade forest cover has increased at roughly 0.46 percent per year.

The second target is to reduce the proportion of population without drinking water and basic sanitation by half by 2015. This requires access to safe drinking water for 84 percent of the population. That target has already been achieved. However the target for sanitation will be missed. About 46 percent of the population will not have access to sanitation as compared to the target of 38 percent.

The third target here is to significantly improve the lives of at least 100 million slum dwellers. Since no description has been provided of what constitutes "significant improvement", the status on this particular target remains unclear.

### **Goal 8. Develop a Global Partnership for Development**

As noted earlier, this goal is mainly for the developed countries, small island economies, land locked countries, etc. However, one target that is relevant for India under the MDG framework is making available in cooperation with the private sector, the benefits of new technologies, especially information and communication. In India telephone density has risen from only 0.67 percent in 1991 to 36.98 percent in 2009. Internet subscribers have gone up from 0.21 million in 199 to 13.5 million in 2009, and expected to go up to 100 million by 2014.

To summarise, India's performance has been positive, though mixed. Out of 12 targets spread over 8 goals, India's performance has been high for three targets, meaning on track or ahead on all indicators; and it has been good for another five indicators, implying the country is on track for the main or most of the indicators. As against this, India's performance has been weak, meaning off-track for most indicators, in two target areas, i.e., child mortality and maternal mortality reduction. It has been poor, off-track on all indicators, in the case of one target-reduction of hunger

## **4. Conclusion: Some Lessons of Success and Failure**

There are lessons to be learned from our successes as well as our failures for the period going forward. The most important lesson to be gleaned from the success stories is the need to guard against premature complacency. The MDG for education is a case in point. India will achieve the specified net enrolment ratio target. However, we have seen that this misses the point about learning outcomes, where our record has been poor as in many other developing countries of Asia, Africa, and Latin America. For learning outcomes, the survival rate of grade I students to grade V is a much better target, since learning does improve with years of schooling. Here our performance has been declining. This requires re-visiting what we focus on, even in the areas of success. Indeed, there is a view that focusing on numbers, the enrolment target under the *Right to*

*Education Act*, may have actually led to deterioration in learning outcomes because of the thinner spreading of resources.

The lessons from our failures are a richer harvest, since they point to the numerous ways in which we can improve our performance. It is true that setting the targets as relative improvements of negative indicators overstates failures, as Easterly has convincingly argued in the case of Africa. However, there is nothing to be gained from taking refuge in this caveat, when more than 40 percent of our children will still be going to bed hungry in 2015. This is a national shame, and our collective moral agony. Hopefully, the *Right to Food Act* currently under discussion will finally put an end to it. Some of the other failures, especially those related to health outcomes such as child mortality and maternal mortality, seem to be concentrated in the poorer states. This is partly attributable to the relative target setting problem cited earlier, but the failures would remain even if targets were set in terms of absolute changes.

The poorer states suffer from some real capacity constraints. One is the lack of infrastructure: road connectivity that can improve access to health facilities, and also improve supplies of medical provisions, but also health infrastructure such as access to drinking water and sanitation. Here too, the Indian experience is very much in line with experience in other developing countries (Fay M.; D. Leipziger; Q. Wodon; and T. Yepes 2005). The role of infrastructure, especially rural roads, applies to a wider set of MDGs than just the health outcomes. These include growth mediated poverty reduction, rural connectivity and agricultural growth, rural roads for easier access to schools for both students and teachers, reduction in urban pollution and quality of life for slum dwellers due to more efficient urban transport systems (African Union; UNECA; AfDB; World Bank; EU 2005). What this implies is that strategies for improved delivery of social services, should not only look at policies specific to those sectors but also infrastructure which improve access to those services, especially rural roads.

The other factor, which may be experienced more starkly in the poorer states but cuts across both rich and poor states is the deficit in quality of governance. The elements of governance failure include poor quality and shortage of personnel, poor delivery systems, shortage of resources, and rent seeking by state functionaries who have power over citizens.

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