

The End of Poverty: Economic Possibilities for Our Time

Jeffrey D. Sachs,

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In a world of over six billion people with about one-third living on less than U.S. \$2.00 per day, understanding global economic development and the policies that support or retard it is no longer an exercise for a few erudite academics. The author, Jeffrey Sachs, PhD, Director of the Earth Institute at Colombia University, is considered one of the hundred most influential leaders of our time. Dr. Sachs has offered a very approachable analysis of the stages of economic development that countries face, and the role and structure of development aid and other forces in moving that process forward.

The book is engaging in that it is truly interdisciplinary, drawing on history, technological advancement, anthropology, political science and macro-economics to make his cogent arguments. While he challenges the commonly held beliefs about foreign aid and economic development, his work is enticing because after years of experience as an economic advisor to governments throughout the world, his arguments backed by careful analysis are difficult to refute.

The first section of the book presents a "Global Family Portrait." Sachs describes a ladder of economic development from the destitute in drought ravaged Malawi, to factory workers in Bangladesh, to rising service industries and middle class in India, to the growing affluence in China. He then provides an historical perspective leaning on diffusion of technology, geographical differences and patterns of war and colonization to describe variations in economic advancement. Using in-depth examples from Poland, China, India, the Philippines, and elsewhere Sachs shows

us how economies progress or fail. A chapter on Africa and the emergence of epidemic disease inextricably links health and overall economic development. Sachs then turns from analysis to solutions and provides a "global compact to end poverty." This is a detailed road map for a global program to lift the poorest countries onto the first step of the economic development ladder. He provides a careful cost analysis and discusses among other things; donors, debt, corruption, environmental stewardship, and health. His analysis is linked to forwarding the Millenium Development Goals.

Finally Sachs debunks several common myths about foreign aid and efficacy. His analysis of U.S. lending to sub-Saharan Africa in 2002 demonstrates that for every \$3, after administrative costs and debt service, only 6 cents reached an individual in the recipient countries. He argues it is very difficult to measure the social and economic impact of programs that provide such remarkably paltry levels of funding.

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Foreign aid for economic development has never had a well developed constituency at the local level in the United States. Jeffrey Sachs' book is a call to arms. It is an effort to bring the difficult issues of global economic development to the forefront and to stimulate discussion outside of the usual intergovernmental circles. It may take more than a single book to create a groundswell of support for global economic development however as Sachs states "this book is about the rich and powerful facing basic truths about the impoverished and weak." As we forge a future together, The End of Poverty is required reading for all of us.

Reviewer:

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BOOK REVIEW