

Seul, 13 November 2010 - Investing in children's potential is not just right, it's smart. For the G20 to fail to do so would be an economic and moral failure

I feel like I've only just got back from my last visit to South Korea in October and now I'm heading back again, to join the gathering of presidents and prime ministers, civil servants and press attachés, business leaders and NGO campaigners, as the leaders meet for the conclusion of the Korean G20.

You can't help but be struck by the huge pride in South Korea as the first non-G8 member to host the G20. That pride spreads across Asia, the optimistic continent that has been my home for the last six years. In 1997 the international community lectured South Korea on effective economic management – now they meet there in the middle of a global crisis started in the west, hoping that Asian dynamism will pull the world through.

Growth is what the G20 leaders will be talking about: specifically, how the world can recover from the economic crisis and ensure a return to high growth, including in low-income countries. A fast, broad-based recovery is essential, as the aftershocks of the global economic crisis are still being felt by millions of the world's poorest children. The World Bank, for example, estimates that child deaths could be 200,000-400,000 per year higher than they would have otherwise been between 2009 and 2015.

Growth is good. NGOs work alongside the poorest people in the world. We are not romantic about poverty. We want to end it. And we know, from experience, that growth is a powerful tool for reducing poverty in developing countries. But on its own growth is not good enough. For example, economic growth does not on its own lead to substantial reductions in hunger (see India) or substantial improvements in life expectancy (see South Africa).

In recognition of this, G20 leaders have officially committed themselves to advancing "strong, sustainable and balanced" growth. Occasionally they even let the word "equitable" slip in. When challenged about whether they've forgotten the millennium development goals, G20 leaders reaffirm the MDGs as the ultimate end goals and make reassuring comments about growth being a means, not an end in itself.

But the emphasis in the G20 discussions so far this year has been very much on cause and effect, where growth is the cause and the MDGs the effect. What is much less emphasised is the role that achieving the MDGs can play in promoting growth. So advocates for children's health and education are told by G20 representatives variations on the theme of: "Don't worry, once we get growth, kids can get their health and education."

But ensuring children survive and thrive isn't just an end goal – it's a means for growth. Investing in children's health offers the best guarantee of a productive workforce in the future. Addressing under-nutrition in pregnant women and children leads to an increase of up to 10% in

an individual's lifetime earnings. Between 30% and 50% of Asia's economic growth from 1965 to 1990 has been attributed to improvements in reproductive health, and reductions in infant and child mortality and fertility rates.

In contrast, malaria alone costs Africa \$12bn each year in lost revenue, and by failing to address under-nutrition, a country may have a 2% lower GDP than it otherwise would.

It can't all be left to the market. As the latest UN Human Development Report finds, "markets are very bad at ensuring the provision of public goods, such as security, stability, health and education". Government action is key – and for the poorest countries of the world, aid is a key part of enabling them to do it. Aid is especially important now as low income countries' domestic revenue generation is falling as a result of the economic crisis. We need to see a redoubling of effort by the G20 to safeguard progress in the fight against poverty.

Instead we're seeing a halving of commitments from the richer members of the G20. Less than half of the additional \$25bn pledged to sub-Saharan Africa in 2005 has materialised, and some donor countries such as Italy are already cutting aid. G20 leaders endorsed a \$22bn Global Food Security Initiative in September 2009, yet the initiative still lacks both the money and a clear action plan for where and how it will be spent.

Faced with a shortage of resources, low-income countries are cutting back, and it is children in poverty who are being hit hardest. In a review of the budgets of 56 low-income countries, two-thirds were found to be cutting budget allocations in 2010 to one or more of the priority sectors for the poorest people – education, health, agriculture and social protection.

G20 spin doctors' talk of a new paradigm "moving away" from "old, aid-centred approaches" doesn't stand up to economic scrutiny, and sounds too much like donors trying to wriggle out of commitments made. This would not just be a moral failure, but an economic one. Investing in children's potential is not just the right thing to do, it's the smart thing to do.

Source: [Guardian](#)