

Article

## Business can't substitute government aid, UN hears

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By Patrick Worsnip

UNITED NATIONS, Feb 25 (Reuters) - Private gifts of overseas aid are rising as governments of the world's richest countries tighten purse strings, but they will never be as vital as state aid, experts at a U.N. conference said on Monday.

Aid contributions from non-governmental bodies, including businesses and foundations, rose to \$14.6 billion in 2006 from \$11.5 billion in 2005 while those from Organization for Economic Cooperation and Development governments fell 4.5 percent to \$104.5 billion, the U.N. said, citing OECD figures.

The U.N. Economic and Social Council (ECOSOC) gathered more than 200 businessmen and foundation managers at a conference aimed at showing how corporate philanthropy can help the world body achieve its anti-poverty Millennium Development Goals.

The goals include cutting extreme poverty in half, ensuring universal primary education and stemming the AIDS pandemic, all by 2015. But at the half-way point last year, most of the goals were behind target, U.N. figures showed.

"Governments cannot by themselves ensure the successful attainment of these goals," ECOSOC president Leo Merores told the conference.

U.N. Deputy Secretary-General Asha-Rose Migiro called the rise in corporate and individual giving "a wonderful embodiment of the universal human values of justice, fairness, compassion and equality."

But Jeffrey Sachs, a U.S. academic who is a special adviser to Secretary-General Ban Ki-moon on the anti-poverty goals, said government contributions remained essential.

"It's absolutely out of the question to believe that what we're talking about here is somehow the private sector substituting for the official role," he told Reuters in an interview.

### LAGGING ON GOALS

Sachs said the lagging progress on the goals was due to a failure by rich governments to follow through on promises such as their pledge at the 2005 Group of Eight summit in Gleneagles, Scotland, to double development aid by 2010.

Unfortunately these clear commitments still have been unfulfilled by many countries and until that's rectified we're going to be in crisis," he said.

"We're not lost yet but certainly the opportunity is going to disappear unless there's a breakthrough, and this is a critical year for that," he added. "We don't need any more promises, we just need follow-through."

The best thing private companies could do was to spread technologies such

as medicines to fight killer diseases and communications to bridge the "digital divide" between rich and poor, Sachs said.

Migiro said Monday's conference was aimed at improving cooperation between the United Nations and business, an area where some participants said the U.N. was lagging.

"It's up to the U.N. to persuade us that these are important things to be done," John Whitehead, a former co-chair of investment bank Goldman Sachs, told Reuters.

"Americans don't understand the importance of some of those Millennium Goals," he added. "It is something that the U.N. can, I think, do a better job (on)." (Stuart Grudgings)

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