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More to World Poverty Than Sachs

By Gary Lai

Believe it or not, Jeffrey Sachs can learn from other economists in fighting poverty.

Jeffrey Sachs, of the Earth Institute, sat on a panel Wednesday night two weeks ago at Arledge Theater alongside the winner of the 1996 Nobel Prize in Economics, Amartya Sen. Their discussion was about the fight against Third World poverty. Disappointingly, no new ideas emerged.

Sachs is a macroeconomist. He is also known as a “shock therapist,” meaning that he advocates using intense policy changes to cure economic woes, as in the Russian economic crisis in 1992-3.

He understands that to spur economic growth in the Third World, on the other hand, at least three things need to be done. First of all, the productivity of workers needs to be raised. In a lecture in the School of General Studies, Sachs mentioned that this could be accomplished by hiring agronomists and other experts to investigate, among doing other things. This includes how African farmers can produce better crop yield and engage in myriad other economic activities in a free marketplace which improve the quality of the crop and product they sell. All of these activities increase the money that the poor bring in. There must also be investment in education, so that young people in Africa and the developing world can contribute to the fight in 20 or 50 years’ time in their countries, and the investments in technology and “village projects” must continue to fuel this vital growth.

This is especially the case in AIDS-impooverished countries in sub-Saharan Africa, which need better access to generic antiretroviral drugs, access to the Internet, and better resources for higher education and specialist courses that are necessary to maintain the eco-

conomic gains that these countries have made.

What disappoints me about Professor Sachs is the way in which he has chosen to fight poverty. In the last two lectures that I have attended, he repeated that, even with all the resources—political and media—available to him, it is necessary to do things slowly and methodically. Moreover, he uses an analogy of treating Africa the way that a doctor treats his patient, by first recognizing the problem at stake and then prescribing possible remedies.

If we choose to use Sachs' analogy of combating poverty as a clinical diagnosis, then Third World poverty has an acute form of meningitis or malaria. That means we cannot wait days or years, because the patient is likely to get worse or even die. It is necessary to give a heavy and sometimes harsh regimen of antibiotics or quinine immediately.

In Africa, if the problem of poverty is not treated immediately, the situation will become hopeless, and the problem will tailspin into something much worse (this is evident in the unpayable amounts of debt, the AIDS epidemic suppressed but not wholly controlled, and the wars spurred by warlords sparring over natural resources). In fact, if we have one or two great ideas, we should implement them now.

We, the international community, and economists generally, have the obligation to do it on a grander scale and with more ambition than the slow methodical approach that Sachs and most economists may call for. If Sachs was described by the *New York Times* as a shock therapist in 1993 during the Russian economics crisis, today we need a more massive jolt than ever attempted before.

The author is a student in the School of General Studies