

Doing development in a downturn



**Simon
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**‘Two approaches
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showing that aid
works, and linking
the development
story to the concerns
of voters.’**

This year, 2008, has been heralded as a milestone year for the Millennium Development Goals. But political support for the MDGs is in danger of erosion – by the credit crunch, rising prices and economic slowdown. Are new messages needed to maintain momentum?

Public concern for the victims of the cyclone in Myanmar and the earthquake in China confirms that common decency extends beyond national boundaries. The sentiments and the commitment that delivered Make Poverty History are still in place.

At the same time, opinion polls show that support for international development is broad but shallow – vulnerable to how people feel about prospects at home.

New messages need to shift the conversation from ‘them’ to ‘us’, creating a vision in which social justice and social inclusion can only be reached at home if also reached internationally. Development is in everyone’s interest

A recent poll conducted in the UK by Ipsos-Mori confirms the dilemma. Some 70% of people agree with the proposition that rich countries like the UK have a moral duty to help end global poverty. But when people are asked what is the most important issue facing Britain today, law and order comes top, followed by immigration, the health service and the state of the economy. Poverty reduction overseas does not feature in the top ten.

Perhaps this is not surprising. Food and fuel prices are up. House prices and retail sales are falling. The currency is relatively weak, at least against the Euro. Military engagements in Iraq and Afghanistan are unpopular. Public finances are being squeezed.

Furthermore, while Britain keeps its promises on international aid, others have failed to meet the pledges made at the Gleneagles Summit of the G8 in 2005. If debt relief for Iraq and Nigeria are taken out of the equation, world aid fell in both 2006 and 2007. The world

community is falling close to \$30 billion a year behind pledges made. France, Germany, Italy, and the US have a mountain to climb by 2010 and a trade deal still looks elusive.

This was the year to close the gap. Speaking in New York last July, Gordon Brown declared a development emergency and issued a Call for Action on the MDGs. The Call has been heeded – by the EU, at the heads of government meeting in June; by the G8; and by Ban Ki-Moon, who has convened a Call to Action Summit at the UN in New York on 25 September. A careful choreography of commitments has been prepared, on education, health and new financing mechanisms. Gordon Brown has launched initiatives on reform of the international system, including a new role on climate change for the World Bank, and a more coherent approach to post-conflict transition. All of this may be at risk if publics in rich countries turn inwards.

Two approaches are worth pursuing. The first is to reinforce the moral argument and demonstrate that aid does work. The UK aid programme alone is lifting three million people out of poverty each year. More than two million people are now receiving antiretroviral therapy for HIV. Thanks to debt relief and other additional funding, the number of children out of primary school has fallen from 115 million to 93 million since 2002. The challenge is to sustain progress if global growth falters. Rising food prices are especially damaging. The President of the World Bank, Robert Zoellick, has estimated that the food price spike could reverse the poverty reduction gains of the past seven years. The poorest countries need urgent help to meet the extra \$20 billion cost of food imports, as well as the cost of protecting the poorest from price rises. Food riots in close to 30 countries testify to the urgency.

The second approach is to link the development ‘story’ better to the more parochial concerns of voters in rich countries: international development as self-interest as well as

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altruism. Look again at the polling. When people are asked about how important global problems are, specifically to them, 89% say that disease is important, 83% say war and conflict, 83% poverty, 79% climate change and 76% international migration. And then, if people are asked about how the UK might respond, aid is high on the list, alongside a trade deal and debt relief. Diplomatic and military options are also recognised.

This is about self-interest, because these issues are felt to impact on welfare at home. The degradation of the world's environment is a domestic issue. So is the threat of terrorism. So is the risk of a global pandemic. And so is the threat to jobs from globalisation and increased migration.

This is not just in the UK. The unskilled white males who vote in large numbers for the protectionist platforms of US Presidential candidates share the same concerns: 51% in the US think globalisation is bad for the domestic economy, 56% think it is bad for job opportunities for young people, and 48% think it is bad for the economic security of themselves and their families.

Do we pander to prejudice if we reflect such sentiments? The risks are obvious. There can be no compromise with racism. Trade has undoubted benefits over protectionism. A progressive policy on refugees is both a legal requirement and a moral obligation. We can, however, construct a narrative relevant to both North and South that:

- is anchored in a global social justice framework;
- celebrates progress being made on the MDGs;
- and builds political momentum behind the Call to Action; but also
- recognises the need to manage our engagement with markets;
- mobilises a range of economic, diplomatic and military resources to tackle global threats; and
- engages internationally to make sure global institutions work better than they currently do.

The new content is about a better balance between instruments and better balanced geographies. For example, most poor people either live now or shortly will in middle income countries, where aid is a tiny fraction of 1% of GDP, and where the agenda for engagement defined by the countries themselves has less to do with aid and more to do with trade, financial flows and voice on the international stage. This is true for China, for example, and increasingly for India. On the other hand, the most enduring development problems are in fragile states, where aid needs to work hand in hand with diplomatic and foreign policy instruments: the Horn of Africa is a case in point.

The new agenda also requires much more attention to the performance of the international system, whether in gearing up the Peacebuilding Commission, improving the capacity to manage crises like Darfur, or picking up Gordon Brown's agenda of new roles for the IMF and the World Bank. This is far from institutional tinkering. It is essential rebuilding to provide the infrastructure for a cohesive world society in the 21st century.

UK Ministers understand all this. Gordon Brown has led on the Call to Action and also on the reform of international institutions. Douglas Alexander, the Secretary of State for International Development, has identified four priorities in addition to the MDGs, including both fragile states and reform of the international system. He has also talked about the need to transform DFID from an aid agency to a development agency.

Meanwhile, it is the messaging that most needs attention. International development – poverty reduction – will not stay on the agenda unless the public understands exactly why it matters.

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