

Draft for DfID conference

## MDG FRAMEWORK 2.0

As a development practitioner I had and have doubts about the MDG conceptual framework at the intellectual level.

As a Development Minister I struggled with translating it into a results-based tool. The Framework makes it easy to ignore the complex policies and programs that are critical to the achievement of the first goal—poverty reduction. Instead it promotes simplistic stove-piped budgetary earmarks for the social sectors, while neglecting other sectors such as investment in rural development, energy and infrastructure, which are which are needed to foster inclusive labor intensive growth. Indeed such donor earmarking and the “Vertical Funds” the Millennium Goals have inspired are inconsistent with the new aid-effectiveness agenda of ownership and alignment; and contribute to further fragmentation of the already chaotic aid-architecture.

However, as a politician, acknowledging that the very existence of development policies and their funding depends on domestic support and constituencies, I believe the Millennium Goals are the best thing ever happened.

We in development business hid for decades in our ivory towers – speaking in abbreviations – to ourselves and each other in conferences like this one. International conferences delivered lofty intentions & promises – but they never reached the general public. Thus the lack of follow-through went unnoticed.

The Millennium Goals put a human face on development efforts and have proven to be of great value as a framework for citizens’ mobilization. Richard Jolly’s research shows that the United Nations over the years has set some 50 goals for economic and social development. But the degree to which the “goals set” became “goals met” depended on citizen’s support and the degree to which they were known and owned publicly beyond the development agencies and UN officials. Citizen’s mobilization is key. And the MDG framework, which mobilized more than 116 million people last October to “Stand Up” for these Goals, has broken all records.

Yes, the public support for these Goals has been a crucial element for the recent high profile (as the background paper noted) of international development in our parts of the world, allowing unprecedented ODA commitments in the EU, and, to a lesser extent, the G7, even if implementation has been disappointing. And yes, it will be hard to sustain such public support during the economic downturn. While people loose their houses, jobs and pensions, sustained effort and political leadership is needed to explain that while we can’t afford our banks and corporations to fail, we definitely cannot allow our efforts to achieve the MDG’s for yet another generation to fail either...

And one thing is abundantly clear to me: we will continue to need the Millennium Goals framework more than ever, for any public support to survive these times.

2. That doesn't mean all is well, and that no updates are needed. Let me make 4 points, first on issues already internationally agreed, but never (sufficiently) translated in the framework:

a. On goal 8:

While the first seven Goals reflect international consensus derived from earlier UN conferences, the content of Goal 8, involving rich countries' commitments, was only discussed and agreed internationally after the Millennium Summit in other forums, such as the Doha Development Agenda (2001), the Monterrey Consensus (2002), the Paris Declaration (2005), and last year in Accra. Thus Goal 8's formulation is vague, and it lacks the time tables, which the other goals have.

Goal 8 should be clear regarding the responsibilities of OECD governments, instead of being diluted into "partnerships" with everybody & their grandmothers. And the various commitments need clear timeframes – not just for ODA volume. Now is the time to act on those parts of Goal 8 which do not necessarily need additional scarce tax payer's money: aid effectiveness and trade.

Regarding aid effectiveness action could double ODA's bucks – as according to the OECD/DAC less than half of all bilateral aid can be used by recipients to address their needs.

At least the EU should be able – as it did on ODA – to make time bound commitments on the Paris/Accra targets and implement the division of labor envisaged in their Code of Conduct. As the EU encompasses 2/3ds of official donors and gives more than half of all ODA, swift European action can make a big difference in reducing transaction costs– and might bring aboard others who have been reluctant until now.

Also, Goal 8 is not just about ODA, but includes action on trade. I know as a politician that trying to do something on trade during these times of rising protectionism may sound utopian. Yet there are some things that can be done which may be feasible precisely because of the difficult economic situation. One particular issue may be promising: As rich countries review their public spending for things to cut, they should start by modifying their wasteful agricultural policies that only help rich farmers in rich countries at the expense of poor people everywhere.

b. The other element of Monterrey insufficiently captured in the MDG framework is the primary responsibility of developing countries for their own development. Achievement of the Millennium Goals will not happen unless Governments of developing countries take full responsibility for their actions, work properly and are accountable to their own citizens.

With all our concerns about fragile states, let us have no illusions: Examples as Bosnia and the Chad pipeline have proven that whatever efforts of the international community, without the political will of the government concerned, these are to no avail.

And yes, this primary responsibility includes the other commitments not captured in the Goals, made in the 2000 Millennium Declaration (spelled out in background document) on governance, transparency, participation and human rights, which are not simple to measure, but are essential, including for the achievement of the Goals.

Even in the aid-dependent countries, aid is a minor part of the overall development finance and mobilization of domestic resources and spending these resources well, is the only way to ultimately finance the achievement of the Goals in a sustainable way. Aid advocates – however well-meaning – ultimately undermine any constituency for development by suggesting that aid by itself could “buy” the MDGs: as if “one project (or village) at a time” could ever make a dent if it bypasses and ignores government policies and responsibilities.

c. One of the best aspects of the Millennium Goals was their potential to actually monitor progress – and thus hold governments to account – country by country. **MDG achievement requires domestic action – country after country; not more international conferences;** domestic policies are hardly influenced by yet another international gathering, but by persistent well organized domestic constituencies that demand change from national governments. And information on country specific progress is essential to empower such movements.

Alas, until today MDG progress and goal-wise performance is only reported at the aggregate level.

In 2002 the UN announced - among other system-wide MDG initiatives - monitoring efforts which would create MDG League Tables, which could spur public debate and thus competition among countries to do better than their neighbors. However, the necessary investment in statistics, research and analysis to do so has been lacking. Or is it lack of political will to stand up against Member States objecting to the UN providing such, possibly embarrassing, information? And, in the meantime, where are the international think tanks making an effort? At least the CGD tried to do regarding OECD countries' comprehensive development efforts...

But having said that, and while we need globally comparable information, the Goals can only become meaningful if they are adopted and adapted for local relevance. They should not be a “one-size-fits-all” cookie-cutter solution, but should be localized and customized to country circumstances. Priorities and the degree of ambition should be locally determined and owned.

d. Finally, possibly a new element that may be considered in connection with Goal 1. At the time the Millennium Goals were conceived talking about inequality was taboo, even within Labor Parties, even though World Bank research had already shown in the early nineties that inequality hampers long term growth. One silver lining of the present crisis could be that – across the political spectrum - the world's tolerance for large income differences and the damage this does to social cohesion – at least within countries – has seriously decreased. Is it possible to capture progress in reducing inequality in MDG framework 2.0 in a less covert way than talking about the need of growth to be “pro-poor” or “inclusive”?

