

TODAY'S CHALLENGES FOR DEVELOPMENT COMMUNICATION

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I welcome very much the opportunity to address this audience. Decades of efforts to raise the political importance of development cooperation and to understand what our role as donors is, are at stake in the present economic crisis. I will start first with a few words on the Millennium Goals, particularly on actions needed on Goal 8 and how to convey these to the general public. Then I will address our challenges in this time of crisis, and will end with comments on Moyo's "Dead Aid."

I. The Millennium Development Goals.

My first message to you would be: hang on to the framework of the Millennium development Goals. The very existence of development policies as well as their funding depends on domestic support and constituencies. I am convinced that the Millennium Goals are the best thing that ever happened to mobilize and fortify such support.

We in development business hid for decades in our ivory towers – speaking in abbreviations, to ourselves and each other in incessant conferences. International conferences delivered lofty intentions & promises – but they never reached the general public. Thus, the lack of government 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. Sir Richard Jolly's research shows that, over the years the United Nations has set some 50 goals for economic and social development. But the degree to which "goals set" became "goals met" depended on citizen support and the degree to which they were known and owned publicly beyond the the development agencies and UN officials. Citizens' mobilization is key. The MDG framework, which mobilized last October more than 116 million people to "Stand Up" for these goals, has broken all records in this regard.

And the message that we – as UN Millennium Campaign – conveyed consistently is: citizens need to demand action from their OWN government: as Kofi Annan always stated: it is not at the U.N. that these Goals can be achieved – it takes action from governments – country after country. The world does not need more international conferences where governments once again make pledges. Governments—both North and South—just need to live up *at home* to commitments they already made-- over and over again.

So, 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 challenging times.

Our responsibility: Goal 8

But we need to use this framework correctly, particularly regarding what it implies for the responsibility of the rich, that is our own countries. While the first seven Goals reflect international

consensus derived from earlier UN conferences, the content of Goal 8, involving rich countries' commitments, was only elaborated 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. Goal 8, thus, is not just about aid volume (the 0.7), but as much about aid effectiveness and trade.

II. Aid Effectiveness: or as the Americans Say, 'More bang for your Buck'

A. Who develops?

Regarding aid effectiveness, the most important issue to educate our publics is that ***WE do not develop THEM but they develop themSELVES.*** Agreed at Monterrey, and reconfirmed ever since, 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. ***They*** are responsible for the first 7 Goals in their country, and need to balance their relative priority in their country specific context. While these goals are useful to build constituencies for development cooperation in our countries – it is not up to us to decide which Goal has priority when and where. Donors should respect ownership and align aid to home grown priorities and strategies. The simplistic budgetary earmarks for the social sectors and the “Vertical Funds” which the Millennium Goals unfortunately have inspired are inconsistent with the agreed aid effectiveness agenda of the Paris and Accra Conferences. and contribute to further fragmentation of the already chaotic aid architecture.

B. What is the objective?

Aid will never be effective as long as it is used to serve our own economic interests – through tied aid, or supply driven expatriate Technical Assistance- serving our own development industry and through “imputed student costs” and scholarships, which basically constitute a subsidy for our own universities. Public opinion needs to be educated that as development cooperation's objective is to help reduce world poverty, its results should be judged by how many poor people it supports – not by how many people it employs in the donor country. Increased aid effectiveness could double ODA's resources – as according to the OECD/DAC less than half of all bilateral aid can be used by recipients to address their needs.

C. Chaotic Architecture

Thirdly, lots of ODA is wasted through the chaotic aid architecture of tens of uncoordinated donors, all active in the same countries, and the same sectors, creating huge transaction costs. 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.

D. Which Countries?

Fourth, most donors spend 1/3 to 1/2 of their ODA budget on Middle Income countries – which do not need external concessional resources to achieve the MDG's; despite the repeated commitment to spend at least half to benefit SSA, less than a fifth of net-ODA actually goes to Sub Sahara Africa, where it is most needed.

These 4 points about aid effectiveness should be an easy sell: precisely given the present crisis, public opinion will be pleased with efforts to spend their tax euro's for the purpose they are intended.

E. Trade

Finally, I come to trade, perhaps the most difficult area for action during these times. Goal 8 is not just about ODA, but includes action on trade. It is not too difficult to make public opinion understand the inconsistency of spending ODA to improve the capacity of small producers in developing countries, to help lift themselves out of poverty, while at the same time denying them or spoiling the markets they depend on to sell their produce. According to the World Bank the present food crisis is rooted in decades of rich countries' trade distorting policies that have discouraged efficient agriculture production in developing countries.

Trying to do something on trade during these times of rising protectionism may sound utopian. Yet, some action may be feasible precisely because of the difficult economic situation: as rich countries review their public spending for things to cut, they could start by modifying their wasteful agricultural policies that deprive poor farmers in developing country of livelihoods, the more as our Common Agriculture Policy also has a negative impact on equity and the environment in most of our own countries.

III. Development Communication in Times of Crisis

Let me now get to the core issue I was invited to address: the challenges of development communication during the present crisis. How can we create or even sustain public support for development issues during this economic downturn? Indeed while people lose their jobs, houses and pensions, sustained effort and political leadership is needed to explain that, while we can not afford our banks and corporations to fail, we definitely can not allow our efforts to help achieve the Millennium Goals for yet another generation to fail either...

A. The Humanitarian Imperative

As the strongest pillar of support for development is the humanitarian imperative, communication efforts should underline how much this crisis impacts on the achievement of the Millennium Goals, and how totally innocent by-standers – the worlds poor – are the hardest hit victims of this crisis:

In fact, the world was on track to achieve at least the first Millennium Goal of halving the number of extreme poor; and was coming close in several others. The present crisis might wipe out that hard fought progress. The crisis dampens investment, reduces poor countries' access to credit and demand

for their exports; commodity prices and remittances are declining. Worldwide unemployment is rising sharply, while more than half of the world's workers and their dependents are excluded from any type of social protection. And yes, some rich countries have already indicated that the crisis will have adverse consequences for their aid budget. A recent UN Report (World Economic Situation and Prospects 2009) stated that the world economy would shrink 2.6 percent this year, and that developing countries are disproportionately hard-hit by the crisis. Between 73 million and 105 million more people will remain poor or fall into poverty in comparison with a situation in which pre-crisis growth would have continued.

Africa might be robbed of its one chance in a generation to make real progress. While the initial effects of the financial crisis were slow to materialize there, the impact is now translating in the real economy. Poverty, malnutrition, infant mortality, and even conflict and political instability are increasing setting back progress towards the Millennium Goals for years. African countries do not have large enough domestic markets or the financial resources for stimulus packages or improved social safety nets. Growth in Africa's GDP is expected to slow to 0.9 percent, down from 4.9 percent in 2008; that is negative growth per capita.

Clearly the impact on the Millennium Goals is devastating:

- We already know, that the number of hungry people is back above one billion;
- The crisis will impact government budgets and income, cutting investment in human development;
- Unemployment will continue to rise as producers lose markets – local and international;
- Loss of household income will translate in less school attendance of girls and decreased health, as visits to clinics will be postponed and nutrition will suffer – even if governments would be able to keep up social expenditures.

According to the World Bank hundred thousands of infants will die additionally every year between now and 2015 just because of crisis. Thus, the World Bank speaks, rightly so of a Development Emergency.

The humanitarian imperative for development cooperation is stronger than ever since we started giving aid over half a century ago: for the billions of the world's poor, this is the worst time for us to decrease our efforts. Precisely now, the moral case for aid is strongest, as solidarity is *more* valid and valued, precisely in hard times.

B. Self-interest

Development cooperation is an investment in our own future and our own security. Misery abroad threatens well-being at home. We have stated this before – but this point is more acute today than ever: worldwide economic and social stability – and instability – go hand in hand. As Amnesty International warned last week: the world is sitting on a "powder keg" of social unrest, which risks exploding as human rights are eroded by the global economic slowdown.

Sharp declines in income levels, an increased inability to pay civil service employees and security forces, and a decrease in the capacity of the state to provide basic goods and services exacerbate the fragile nature of many African states. The crisis creates the conditions whereby policy disputes spiral into instability – violent or non-violent – such as criminal activity and riots. We have already

witnessed an increase in violence in fragile countries that have been hit hard by the crisis. For this reason, three months ago, the International Monetary Fund (IMF) concluded that 22 of the world's poorest nations, most of them regarded as fragile states, will need as much as \$25 billion in additional funding this year, as the 'third wave' of the financial crisis sweeps into all corners of the world, and especially sub-Saharan Africa. And as President Ellen Johnson of Liberia said, it makes sense for rich countries to fund the poorest now, since it would cost less than paying for peace keeping operations later!

Disease, migration pressures, and international crime will be much harder to manage as the crisis undermines progress in the poorest countries: it is in our self-interest to act now. The same goes for climate change, which demands joint action. As we see in the run up to Copenhagen, it is an illusion to expect poor countries to cooperate if we don't even live up to our commitments to help them deal with poverty – let alone with the consequences they face because of climate change.

In short development policy, including aid, is an essential instrument in pursuit of our own welfare, our efforts to deal with global warming and an investment in our own security.

IV. “Dead Aid”, or Recovering Patient?

Finally, let me say a few words about Dambisa Moyo's book “Dead Aid” which some of you apparently found rather threatening. Of course, the easy retort is that her recipe – more foreign investment and access to international capital markets, while feasible – and in fact happening - at the time she wrote her book, offer no alternative at present: due to the economic crisis foreign money flows have been reversing and there were no international bond issues by African countries in 2008. In fact Kenya, Nigeria, Tanzania and Uganda had all cancelled plans to raise funds in the capital market. In the meantime some well-performing African economies reevaluate their intentions to phase out ODA.

But regarding her criticism of aid, frankly, I feel the “aid-business” has reacted too defensively. The practices she condemns are exactly those, the DAC and more enlightened donors have been trying to reform. I see Moyo's book as a great opportunity to raise these issues of aid effectiveness and trade, for which it was always hard to get public attention and finally create the constituency and political will for the implementation of the Paris/Accra agenda, which has been lacking/lagging. .

The more as Africans finally joined the debate, which was dominated too long by westerners, some of whom too often portrayed Africans as incompetent and helpless. It was time for Africans to stand up against the insulting paternalism of some parts of the international aid community – suggesting it is up to *us* to fix global poverty- denying the primary responsibility of the developing countries to fix themselves – as embedded in the division of labour in the Millennium Goals. Time to attack the underlying myth of Western superiority: we lecture – you listen; we give – you receive; we know – you learn; we take care of things – because you can't. Undermining Africans' self confidence – we take over. Neo-colonialism is what I call it... Or as an African friend of mine once told me: “*When you move to Africa, you are per definition an expat expert. But when I move to Europe I am only an immigrant*”

Getting rid of these perceptions is essential for public opinion to understand the “We don’t develop them – they develop themselves” paradigm that underpins the Paris-Accra agenda. Only if Africans – not donors – set their development agenda can aid be used productively.

Also Moyo’s point that “without aid, it would be easier for citizens to hold governments accountable” should not be dismissed. Indeed, the attitude of “we” (standing for experts/money) will save Africa ; “we” will end poverty lead to undermining incentives for poor people to demand action from their own government to improve governance, fight corruption, and ensure resources – not just aid, but also the far larger domestic resources – are spent transparently and well. This implies donors have to deliver aid in a fashion that does not allow developing country governments to shirk that responsibility, nor shift their citizens’ expectations away from their own governments to those of the donors. Indeed, the type of aid that removes the link of accountability between political leaders and their electorate ultimately perpetuated poor governance and poverty. Aid must be channeled through recipient budgets to allow domestic accountability.

Also, regarding the vested interest in our domestic development industries (‘ not interested in aid succeeding in creating prosperity as they would be out of business’), and that too much aid is driven by donors own economic and geopolitical interests, I do agree with her. Where “aid” is given for geopolitical or export promotion objectives, it was never intended to reduce poverty; thus we should not be surprised if it did not.

Finally, she is also right about the importance of trade, relative to aid, and the need to make trade rules fairer. Alas, while the EU has pledged more coherence of trade policies with development objectives for more than 15 years, we still fail to provide genuine market access to the poorest countries or reform our agricultural policies.

But I **disagree** with Moyo’s conclusion that if aid does not work, we should quit the aid business. We should not throw out the baby with the bathwater, but should draw the lessons from its failures and successes. And that is exactly what we have been doing the last decade. Now, seriously, for the first time in aid history we do have an agreed broad-ranging agenda of measures to ensure that aid genuinely contributes to development. The Paris-Accra agreements are not just slogans or buzzwords – each is backed up by a series of practical reforms, deeply grounded in reality, and responding to past failures, including the many ills Moyo pointed at. And it is high time to communicate this message.

What worries me most about Moyo, is that she does not say much new: it all has been said before by Peter Bauer in the sixties and seventies (she was fair enough to dedicate her book to him) and by William Easterly a few years ago. By now it is not good enough for us in the aid business to just say we heard it and debate the finer points.

It is time to *implement* Paris-Accra, so aid responds to genuine local needs, builds local capacity to manage development, and makes governments responsible and accountable. But implementation has been lagging as it demands political leadership and understanding of the rationale for the Paris/Accra reforms by public opinion in general and parliamentarians in particular.

Moyo has done us a great favour by providing the platform, generating interest for these issues in main-stream media, and providing the right arguments for these urgent reforms...

So your job is laid out for you...