

## The 20<sup>th</sup> Century Has Left the Building: Time to Reimagine Global Development

While the millennium bug did not bring about the anticipated crash of our known world, a number of crises over the first decade of the twenty-first century suggest the need for a political and intellectual reboot. Piled on top of the long-unfolding drama of climate change, the food, fuel and financial crises of the past two years have been a real wake up call for those of us who care about development beyond our own back yard. It's time to take stock and re-evaluate *what* global development is, *who* is engaging in it, *how* can we continue pursuing it and *why* we are even trying.

Is global development still about chasing growth? We know that the pursuit of GDP per capita as the prime measure of progress is an easy rather than accurate indicator of what we want. Witness the many instances of economic growth driving things that are not good for us or our planet such as obesity, environmental degradation, volatility and uncertainty in food and fuel prices, the fragility that comes with extreme inequality and, of course, a warming planet. Not all economic growth is bad, but not all is good. We need to distinguish between the two, and measure the things we care about. Some steps are being taken, for example, the Commission set up by President Sarkozy for measurement of social progress, but not enough is being done to redefine our measures of success.

### ***New voices***

Who is driving or engaged in global development? It's certainly not just the richer, Western, OECD countries. New voices are emerging everywhere, and this is the focus of the **Dochas Conference**, "New Voices in Development", taking place at the end of this week. New voices are already having an impact. Not much will get done on global development issues if China, India, and Brazil are not in agreement. And they can now afford to ignore the rich countries. The West needs to treat these countries as partners rather than subcontractors if agreements on trade, arms, drugs, climate and financial regulation are to be struck.

The West also needs to learn from the social change successes in the developing world. We do not have a monopoly on solutions--many of the most exciting innovations such as cash transfers to help children stay in school, citizen involvement in budgeting, new forms of local government and social enterprise, are being developed in Asia, Africa and Latin America.

Other voices need to be heard which are common to all countries. First, there is the private sector. Caricatures of businesses as "all evil" or "all good" need to be thrown out. We can ignore business as a driver of development, at our own peril. Much better to influence, incentivise and, where necessary, regulate the massive resource flows towards more sustainable and equitable development. This means actively working with businesses, to understand the possibilities and the risks.

Second, there is the security community. Development, diplomacy and defence are already bracketed together in the fragile contexts within which one third of the world's poor live. There is also a responsibility for the richer countries to find substantive ways of working across these three spheres.

But the voices that are easiest to ignore are from those people we purport to help. Lots of development rhetoric is expended on the need to listen to ordinary people living in everyday deprivation. But, in reality, few development organisations have the incentives to really listen to and act on what these voices are saying. No-one will lose their jobs if they do not convene with farmers or brainstorm with health clinic users. Career advancement is simply not dependent on it. Fixing this “broken feedback loop” in development—from those development is supposed to help to those who hold the resources—is the key to improved aid and development policy and practice. Civil society must be supported to make development ineffectiveness inconvenient for the financiers and implementers, and to provide new solutions. **Irish Aid** is one of the innovators in this area, working with the Institute of Development Studies and others to develop and pilot an index ranking countries’ commitment to reduce hunger.

### ***New alliances***

How can these new alliances work for global development? We now accept that there are no blueprints for development, but we also have a good idea about the ingredients necessary for success: stability, clear rules of the game between the state, entrepreneurs and civil society, and a strong domestic tax base to name a few. The challenge is to bring the innovators and the planners together to find the right recipe for a given place and time. This requires “development diagnostics” that allow us to determine local priorities based on an assessment of technical capacity and political opportunities.

At the global level, such alliances have to reimagine global governance. The G20 is a step in the right direction, but it is still ad-hoc and unrepresentative. The UN is too fragmented to wield itself into a more powerful and effective force. Fundamental change in the governance of the World Bank and the IMF still seems elusive. International efforts to combat climate change are at present, ungoverned. Global governance is broken. The costs of not fixing it are potentially catastrophic.

If global action to address global problems is to be effective, it means we need to consider how people understand the problems and what capacities they have to address the problem locally. Much of the knowledge in the world is produced by the West suggesting that we are missing local knowledge which is important to constructing both local and global solutions. For instance, addressing the problems thrown by climate change is not just about getting the science right, but also about whom countries believe to be responsible for the problems caused and how having this knowledge becomes important for negotiations and finding a global resolution.

### ***Why bother?***

Finally, what motivates these efforts for global development? The arguments usually fall into two camps—the moral (“we have so much we should spread it around”) and the self-interest (“keeping the bad stuff away from us”). But the biggest negatives for the developing world are now being generated by the rich world—climate uncertainty from greenhouse gases and financial volatility from weak regulation. We now have a responsibility to act, one that is beyond charity. The self-interest motive is also evolving into one of common interest. Many of the world’s problems now require global collective action and many countries are increasingly experiencing similar challenges: greater

urbanisation, more chronic disease such as diabetes and hypertension, and how to provide social welfare regimes that spur rather than hinder development. The motivations for global development need to move from charity to responsibility and from self-interest to common interest.

The Institute of Development Studies is taking these challenges seriously. Its new strategy focuses on new ways of measuring society's progress, forming new alliances to invigorate development thinking and practice and building knowledge across boundaries to provide the evidence needed to support global development.

We must deal with the challenges of today, not those of yesterday, if we are to make the resources paid for taxpayers and entrepreneurs the world over are to be effective in driving global development. As with the millennium bug, anticipation, knowledge sharing and cooperation will key to mitigating future crises and finding new directions for global development.

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