

Human Development & September 11

UNDP/QEH Seminar:
20 September 2002

Tony Blair

“One illusion has been shattered on September 1: that we can have the good life in the West irrespective of the state of the rest of the World...”

The dragon's teeth are planted in the fertile soil of wrongs unrighted, of disputes left to fester for years, **of failed states, of poverty and deprivation.**"

What are Western interests?

- Terrorism, crime & drugs
- Harboured by failed states?
- Prevention better than intervention
- Also value international development

Development Interests

- Avoiding humanitarian crisis & regional instability
- Achieving the MDGs
- Finding a legitimate role
- Spotting failing states

Criteria for LICUS

Low Income Countries under Stress are in the bottom third of IDA in terms of:-

- Economic policy management
- Basic social service delivery
- Citizen participation

LICUS Regimes

- **Core (18):-**

Afghanistan Burma Haiti

Sudan Tajikistan Uzbekistan

Chad? Laos Zimbabwe

Angola Burundi Congo DRC

Liberia Sierra Leone Somalia

Guinea Bissau?

LICUS Regimes

Marginal (7):-

Azerbaijan

Cambodia

Cameroon

Comoros?

Congo Rep

Kyrgyz Rep

Yemen

- Just missed (4):-

CAR?

Papua New Guinea?

Nigeria

Togo

DAC ‘Difficult partnerships’

- No shared objectives
- Lack of political commitment to MDGs
- Authority not consolidated in State
- Political system unresponsive
- Weak capacity
- Continuum

Aid effectiveness argument

- Effectiveness linked to policy and institutions
- Poor policies correlated to
 - political instability, ethnic disharmony, lack of rule of law (LICUS)
 - political system (DAC)

Development Concerns

- Only 2 LICUS graduated since 1991
- 500 million people in these countries
- Conflict & regional instability

Proposed Strategies

- Stay engaged
- Make strategy specific & explicit
- Understanding & analysis
- Promoting inclusive political systems
- Maintaining services
- Policy coherence

Analysis

- Spreading general understanding
- Research: Crisis States; Future States
- Political analysis
- Sector analysis – ‘change forecasting’

Promoting inclusive political systems

- Artificially constructed participation
- Naming & shaming?
- Drivers for change

The nature of politics

- Systems historically constructed & context specific
- New forms of political organisation?
- Time scale?
- How to promote change?

Drivers for change

- Short term:
Leadership; policy wonks; developing elites
Advocacy: political champions; policy presentation
- Medium term: organisation building; civil society
- Intergenerational change: literacy, economic pluralism - small & medium enterprises
- Globalisation

Maintaining services

- Traditional : working where one can – private sector, faith groups, local government
- Sustainability & ownership
- International mobility & the Diaspora
- New idea - independent agency

Coherence

Coherence in Developed Country Policy

- Corruption & money laundering
- Transparency of revenues
- Arms sales

Co-ordination

International institutions & legitimacy

- UN & Commonwealth
- UNDP
- Regionalism - NEPAD
- Sovereignty

Sources on 'Poor Performers'

- Development Co-operation Directorate, Development Assistance Committee, OECD. *'Development Co-operation in Difficult Partnerships'*. 19 April 2002.
- World Bank. *'Low Income Countries Under Stress'*. Development Committee Meeting, April 21, 2002.

Aid effectiveness footnote

Aid/GDP (%)	<u>Derivative of</u> 2%	<u>growth from aid</u> 6%
CPIA: 2.6	0.34	0.05
3.3	0.47	0.18
4.0	0.60	0.31