

POST-2015: BUSINESS AS USUAL IS NOT AN OPTION

Peacebuilding, statebuilding and sustainable development

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KEY MESSAGES

1. Evidence and experience illustrates that to achieve human progress the post 2015 development framework must place the development of open, transparent and accountable government at its core. Failure to include this in the MDG framework left the poorest and most vulnerable behind.
2. A new framework must take into account new global realities, including the emergence of shared challenges and threats.
3. The global framework must recognise the unique circumstances of each country by enabling a flexible pursuit of a single global vision with nationally specific goals.
4. The New Deal pilots offer practical insights into the barriers and opportunities of operationalising a participatory and explicitly political approach to development, based on a holistic framework. They provide valuable practical evidence for the OWG to use in its deliberations.
5. Accountability, transparency and effectiveness are intricately linked. It is not possible to generate sustainable development without oversight or open participation.
6. Development is not achieved if the private sector cannot function and grow. The post-2015 framework must create the national conditions for this.
7. The OWG must actively solicit the expertise of academia, science, civil society, regional intergovernmental bodies and the private sector in developing its report.
8. Civil society, intergovernmental bodies and the private sector must also rise to the challenge by making their voices heard, and coalescing as far as possible around the evidence and insight of the High Level Panel report; supporting the OWG in its critical work of synthesising those conclusions with complementary themes arising from the Sustainable Development discourse and the findings of the UN Task Team consultations to date.

BACKGROUND

Development is a political process. Yet the approach taken to achieving development as set out by the Millennium Development Goals since 2000 is explicitly non-political, favouring a socio-economic set of mainly technical targets. People in fragile countries where political

institutions are weak, legitimacy is contested and violence is widespread have made little or no progress. The poorest were left behind.

1.5 billion people and 50% of the world's poor live in parts of the world that are threatened by armed violence. The international community categorises these places as "conflict affected states" and regards them as separate to the rest of what is called "international development". The problem with that approach is that it serves neither those areas affected by violence nor those countries fortunate enough to experience relative calm. Development is not simply a socio-economic process, whether in conflict affected or relatively peaceful societies. It is inherently political in both, which means the lessons from conflict affected areas are applicable to all.

Reaching the poorest

No fragile or conflict affected state has made significant progress in the globally defined fight against poverty as measured by the MDGs. The reason, as the World Development Report of 2011 told us, was that the MDGs were the wrong targets measured in the wrong way. Technical targets had replaced the inclusive political vision set out in the Millennium Declaration, implying that socio-economic progress could be achieved without addressing the unique political circumstances of each country. The report called for a "fundamental rethink",¹ citing human security, justice and jobs as essential elements of a revised and more holistic approach. Despite some limited progress since the 2011 report, with 20 conflict affected states meeting one or more targets,² the World Bank Director recently observed:

*"While these successes offer hope, the reality is that far too many fragile and conflict-affected countries lag behind the rest of the world."*³

A new deal?

The emergence of the New Deal for Engagement in Fragile States ('New Deal') is one attempt to try a new approach. Based on a broad narrative of progress, the New Deal proposes a mechanism through which government and citizens of fragile countries can work together with outside agencies to define a unique strategy for reducing fragility and thus building resilience. Each strategy looks at security, justice, the legitimacy of the political system and culture, the economy, tax revenues and the provision of services, in a framework which highlights some of the indicators of fragility. The New Deal recognises the primacy of national actors, as well as the role and relevance of donors and intergovernmental organisations, aiming to redefine the donor-recipient relationship as a different kind of partnership while also formalising the need for domestic civil society organisations to play an essential role in governance. While the New Deal emerged out of a conversation between states facing conflict and donor partners, its pilot implementation in

¹ World Development Report, 2011

² World Bank Global Monitoring Report, 2013

³ <http://www.worldbank.org/en/news/press-release/2013/05/01/twenty-fragile-states-make-progress-on-millennium-development-goals>

seven countries now offers practical insights into the opportunities and barriers faced when a new development process is attempted in some of the most challenging and complex environments.

The New Deal is not a perfectly working model, but a generally applicable framework that has experienced challenges as well as successes in its adaptation to each context. It represents an important source of experience of what works and what doesn't when attempting a more holistic approach to development, and is thus of critical importance to the OWG.

Multiple, parallel processes

To date there have emerged three separate processes concentrating on the future of development after 2015. They are represented by the High Level Panel of Eminent Persons established by the UN Secretary General (High Level Panel), the Open Working Group on Sustainable Development (OWG) arising out of the Rio+20 Sustainable Development conference and the Expert Committee on Sustainable Financing for Development,⁴ also arising out of the Rio+20 process. This has resulted in duplication of resources and, particularly in the case of the Expert Committee, risks the emergence of a financial framework that does not take account of the new vision of development likely to emerge out of the OWG.

A different world

The world meets to discuss these questions amid changed circumstances, compared with 2000. Among them are shared global threats and issues that have come into much sharper focus since then. These include climate change and other environmental threats, the continuing impact of the economic crisis of 2008, international terrorism, the desire for political and economic transformation illustrated by the Arab Spring, and the opportunities presented by the rise of new and emerging powers who are rightly not prepared to play a passive role.

In that context putting politics at the heart of development is difficult. There are genuine tensions between donors and recipient governments which can appear to challenge sovereignty. The fragility and lack of space in political systems in many developing countries make it hard for even well-meaning governments and their citizens to engage constructively. Countries are represented in the international system by the governments in power, whether or not they are the legitimate voice of all of their people. Donor countries meanwhile are under considerable pressure to justify their international aid contributions. Yet despite these very real difficulties, the overwhelming evidence of the limit to how far the current approach represented by the MDGs can transform lives means the debate cannot be ignored.

⁴ <http://sustainabledevelopment.un.org/index.php?menu=1558>

The challenge in front of us, therefore, is to create opportunities for positive collaboration while avoiding the temptation created by political sensitivities and the global economic slowdown to revert to a business-as-usual approach. This would allow governments to illustrate short term results to voters but would do little or nothing to meaningfully tackle the long term and deep rooted political factors that prevent a genuinely transformative development agenda. That in turn means making little if any progress towards achieving the goal set out by the High Level Panel to “... eradicate extreme poverty from the face of the earth.”⁵

In recognition of the challenge we make the following suggestions as a contribution to the debate within the OWG. These are organised in three categories. First we address what kind of mechanism ought to be used instead of the MDGs. Next we discuss the substance, and finally we make recommendations about the process the OWG might follow.

MECHANISMS

The mechanism for post-2015 needs to learn from both the strengths and weaknesses of the MDGs. Having a single model was a strength because it became a rallying point. But it got in the way of context-specific strategies. The MDGs therefore incentivised some unfortunate as well as some positive kinds of behaviour by governments and other actors. Accountability is key, but accountability of governments to their citizens is worth a great deal more in terms of development, than accountability in an international system. The MDGs themselves were global goals which were applied in each country irrespective of local circumstances. Such an approach, in hindsight, was always bound to fail in fragile contexts where accountability and open government was weakest.

Global vision, national goals

Without a global vision it would be difficult to mobilise resources and sustain the commitment of governments but by definition a single vision does not address every country’s specific issues. International Alert, drawing on its experience in over 25 conflict-affected countries and territories, proposes that a single global vision has to be augmented by national indicators of progress. This offers the best prospect of getting the best from a single model and avoiding its disadvantages.⁶ There are several possible mechanisms that such an approach could adopt, such as that set forward by over 50 peacebuilding and development organisations in 2012.⁷ This is in line with the declaration made in The Future We Want report arising from the Rio+20 conference which states:⁸

⁵ A New Global Partnership: Eradicate Poverty and Transform Economies Through Sustainable Development: The report of the High Level Panel of Eminent Persons on the Post-2015 Agenda (2013) p7

⁶ Vernon, P, Baksh, D (2010) Working with the Grain to Change the Grain, International Alert – puts forward a set of possible goals and indicators

⁷ Bringing peace in to the Post 2015 Framework (2012) A joint statement by civil society organisations

⁸ <http://sustainabledevelopment.un.org/index.php?menu=1549#para>

“We recognize that progress towards the achievement of the goals needs to be assessed and accompanied by targets and indicators, while taking into account different national circumstances, capacities and levels of development.”

Accountability, transparency and effectiveness

Experience since 2000 also shows, however, that whichever mechanism is adopted must have accountability and transparency at its core, so that all those engaged can be held to account for their actions and contribution. This, in turn, relies on a politically engaged and aware population which is only possible through genuinely participatory politics, free from violence or repression. The Administrator of UNDP Helen Clark outlined the connection between political participation and developmental effectiveness to an audience of African leaders in Senegal in 2012:

“... more politically aware populations have also led to improvements in the accountability and responsiveness of a number of African governments. That, in turn, helps make government policies more effective and inclusive.”

In other words, a politically engaged population is an essential part of effective policy making leading to sustainable development. The High Level Panel, UN Task Team Global Consultation, New Deal, World Development Report 2011 and numerous research reports from multiple perspectives all point to the need to place open, transparent and accountable government at the core of any approach to achieving human progress in a post 2015 development framework.

Doing this will create a kind of virtuous circle, in which citizens of developing countries have a say in the elaboration of development strategies, in which they participate and for which they hold their governments to account; and in so doing the habits of participation and accountability are embedded in the political culture, thus contributing to developmental progress.

Finance fit for purpose

Experience, history and evidence illustrates that economic growth led by a vibrant national private sector is an essential pre-requisite for development. Indeed, it can be argued that most development is financed, or at least resourced, by individuals and families. Yet much of the current debate around financing for development remains rooted in the old idea of transfers from rich to poor, as represented by the debates surrounding the target of 0.7% of GDP being allocated by donor countries to the developing world. A more sophisticated conversation is needed about how national and local economies can developed and provide a sustainable route out of poverty and toward shared prosperity. It is well understood today that tax revenues are an essential part of the picture, not only for a reliable and

⁹ <http://www.undp.org/content/undp/en/home/presscenter/speeches/2012/07/23/helen-clark-speech-at-the-undp-regional-bureau-for-africa-conference/>

autonomous source of financing but also because tax systems encourage government accountability. A key enabling element for that is the rule of law. This enhances consent to being taxed and lets the private sector operate in a predictable framework of regulation rather than on the arbitrary basis of networks, alliances and nepotism, which in turn encourages Foreign Direct Investment (FDI). It is tremendously important that the OWG's discussion of financing mechanisms focuses at least as much on revenues generated in country, and on FDI, as on aid mechanisms and transfers.

SUBSTANCE

Taking as a given that a holistic approach to development – including political, as well as social and economic factors – represents the only effective way to achieve genuine human progress, the OWG's work will benefit by drawing on the High Level Panel report of 2013 and the New Deal.

Taking the Rio +20 Sustainable Development strand as its starting point, the OWG may make its greatest contribution between March and late 2014 by synthesising the HLP ideas and the New Deal principles into a coherent vision to be used as the basis for negotiations in 2015. We draw out the following elements of each strand and urge the OWG to reflect these elements at a minimum in their final outcome document due in September 2014.

The High Level Panel report redefined development. Highlighting the need to “build peace and effective, open and accountable institutions for all” as one of five transformative shifts needed to achieve genuine development for all, it argued that:

“We must acknowledge a principal lesson of the MDGs: that peace and access to justice are not only fundamental human aspirations but cornerstones of sustainable development.”

Inter alia this means that paying attention to the relationships between people and between people and their governments is a critical factor in any effective approach to sustainable development. The report set out how this could be defined and measured in a post-2015 framework by suggesting two key goals: *Ensure Good Governance and Effective Institutions* and *Ensure Stable and Peaceful Societies*. In addition the report sets out indicators of progress that would ensure “no one is left behind” by calling for data to be disaggregated and that targets “... should only be considered ‘achieved’ if they are met for all relevant income and social groups”.

In addition, and building on the evidence of what works, the New Deal places these relationships at the core of a new and participatory form of governance as a basis for good development. The Peacebuilding and Statebuilding Goals (PSGs) currently being piloted in 7 countries are:¹⁰

- Legitimate politics: fostering inclusive political settlements and conflict resolution;

¹⁰ <http://www.pbsbdialogue.org/documentupload/49151944.pdf>

- Security: establishing and strengthening people's security;
- Justice: addressing injustices and increasing people's access to justice;
- Economic foundations: generating employment and improving people's livelihoods;
- Revenue and services: managing revenue and building capacity for accountable and fair service delivery.

The OWG can thus build on insights gained through the New Deal so far and draw on practical experience of the barriers and opportunities encountered in pioneering this new way of framing and operationalising development. We urge the OWG to seek the input of those pilot countries in order to utilise their expertise alongside the findings of the High Level Panel.

The OWG can and should integrate them into its deliberations and final report to the UN Secretary General in September 2014, which we expect to frame development in a broad and holistic framework, just as the HLP did.

PROCESS: HOW DO WE GET THERE?

The OWG is a new and innovative inter-governmental structure. There are challenges both to its member states but also to civil society and the private sector to ensure its success. Just as we challenge member states, so civil society, businesses and others wanting to get involved must also rise to those challenges, rather than waiting to be asked.

The Rio+20 outcome document The Future We Want states that the OWG will develop ways of ensuring the full involvement of relevant stakeholders and expertise from civil society, the scientific community and the United Nations system in its work, in order to provide a diversity of perspectives and experience. This is welcome, necessary and critical. We urge the OWG to draw on each of these three constituencies in the drafting stage of the final report due in September 2014.

We also urge the OWG to engage regional intergovernmental bodies and the domestic constituencies of member states as equally important stakeholders and future implementers.

In responding to the invitation to contribute to the OWG, members of civil society must continue to push for their interests and ideas, but we strongly suggest that they now start to coalesce around the emerging perspectives outlined in the High Level Panel report; at least as far as the substance of the new framework is concerned.

The private sector is an essential feature of development and is therefore a critical voice. Yet few leaders of industry are involved thus far. They are taking a leadership role and must encourage others to follow suit.

While the OWG is now the principal international forum for the substantive elements of the development debate it is not operating in a vacuum, since the Expert Committee for the

Financing of Sustainable Development is meeting in parallel. Both the OWG and members of the Expert Committee must synchronise their efforts to avoid contradictory conclusions.

WITHIN REACH

None of these challenges is beyond the capacity of our collective efforts. What is needed is a new and participatory approach – involving States, civil society and the private sector at global, national and local levels. There are plenty of good ideas in the public domain. The experience of the New Deal is already highlighting the opportunities and challenges of implementing a new partnership based on participatory politics, open government, transparency and accountability, and using a broad holistic development framework. At the global and the local level there are formidable challenges of co-ordination, domestic politics, economic uncertainty and rapidly changing circumstances in many of the countries that have made least progress thus far.

Conflict and fragility affects at least 1.5 billion people, and it is they who need the international community to rise to these challenges the most.