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Discussant's comments  
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Seminar, 24 March 2017

## Future of Multilateralism in Development



UNITED NATIONS  
UNIVERSITY  
**UNU-WIDER**

# Introduction

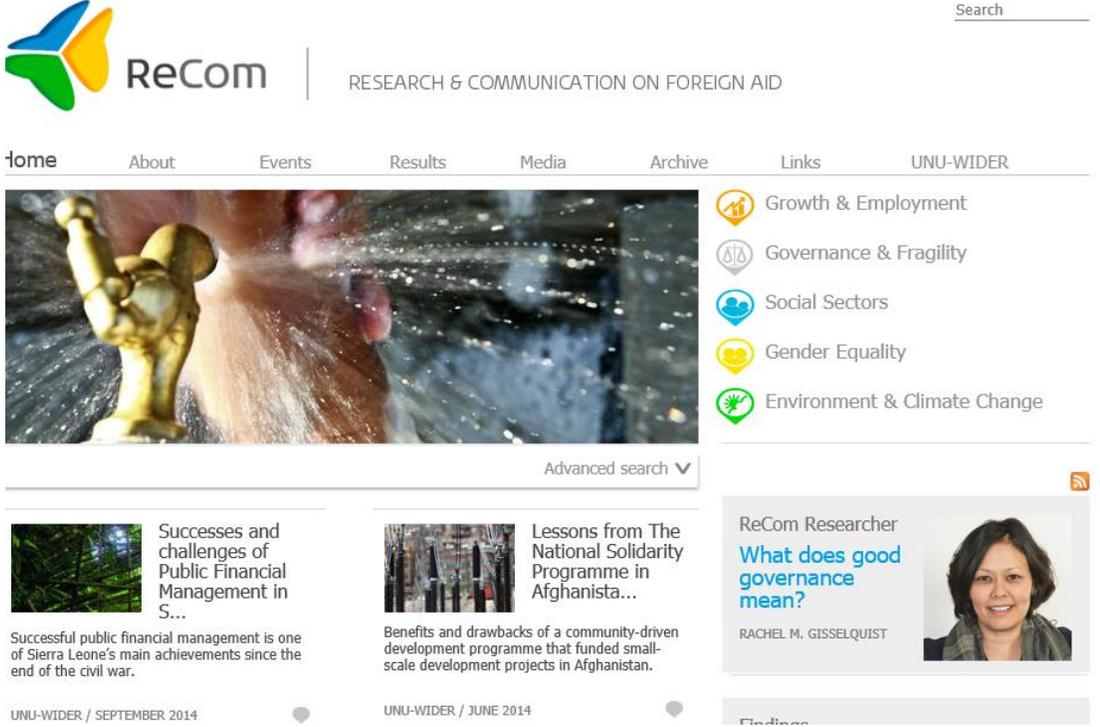
# Setting the Stage

- Appreciate Johannes Linn's tour de horizon
- Many difficult and important questions
- I will try to add a few more (focusing on the World Bank as the leading IFI)
- To help motivate debate and thinking

**Has Foreign Aid Been a Success?**

# Absolutely YES

- WIDER's ReCom programme turned every stone (300 researchers from 59 countries produced 247 in-depth studies)

- The case for success is strong: based on  ReCom | RESEARCH & COMMUNICATION ON FOREIGN AID
- comprehensive evidence at all levels:
- Micro, Meso, Macro
  - The micro-macro paradox is a myth
- <http://www.wider.unu.edu/recom>
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- The screenshot shows the ReCom website homepage. At the top right is a search bar. Below the logo is the tagline 'RESEARCH & COMMUNICATION ON FOREIGN AID'. A navigation menu includes 'Home', 'About', 'Events', 'Results', 'Media', 'Archive', 'Links', and 'UNU-WIDER'. A large banner image shows a person's face with a golden trophy. To the right is a vertical list of categories: Growth & Employment, Governance & Fragility, Social Sectors, Gender Equality, and Environment & Climate Change. Below the banner are two featured articles: 'Successes and challenges of Public Financial Management in S...' and 'Lessons from The National Solidarity Programme in Afghanista...'. On the right side, there is a 'ReCom Researcher' profile for Rachel M. Gisselquist with the question 'What does good governance mean?'.

**Has the World Bank Played a Role in The  
Success?**

# Absolutely YES

- Surely: too big not to have had a role
- But we have also seen some spectacular shortcomings
  - Structural adjustment/getting prices right in the 1980s is an example
  - Effectively the Bank dropped the ball on agriculture (key for poverty reduction) and the focus on structural transformation (key for jobs) was lost
  - The doing business indicators in more recent years did not help either (promoting business and competitiveness is much more than deregulation)
- Take a look at the Stockholm Statement:  
<https://www.wider.unu.edu/news/stockholm-statement-%E2%80%93-towards-new-consensus-principles-policy-making-contemporary-world>

**Has the UN Played a Role in The Success?**

# Absolutely YES

- Sure: too big not to have had a role
- But we have also seen a lot of “hot air” and wasted effort
  - Ineffectiveness of potentially important specialised agencies and programmes is one example
  - Externally driven (UN) aid coordination failing at country level is another (costs of fragmentation are very high)
- The SDGs – a new conditionality?

**Is There Need for Change – and if so Why?**

# Absolutely YES

- Because the world is a different place

Let's take a look at:

- The Past
- The Present
- The Upshot

# Three Big Elephants in the Room

- Trump
- Brexit
- Climate change

**What Should Smaller Donors Like Finland do?**

# A Suggested Focus

A smaller donor cannot do everything. But one key role Finland and other smaller donors could pursue is to serve as honest brokers - which mobilise knowledge networks (in a constructive and non-threatening manner) to achieve progressive social and economic transformation in poorer countries that continue to need assistance.

See: 'Strategic Choices for Development Cooperation in the Post-2015 World' by Tony Addison, Yoko Akachi, Andrew Norton and Finn Tarp