



What is the role of the international community?

By Finn Tarp

Presentation at the UNU-WIDER R2C Conference
Helsinki, Finland, 24 September 2016



UNITED NATIONS
UNIVERSITY
UNU-WIDER

ReCom: Research and Communication on Foreign Aid

ReCom: <http://recom.wider.unu.edu/>

- 300 researchers from 60 countries
 - Analysed aid under 5 themes: Social Sectors, Growth & Employment, Governance & Fragility, Gender Equality, Environment & Climate Change
 - 240 working papers
 - 5 position papers
 - Lots of academic publications, policy briefs etc.
 - All available from our web-site!
-

Key messages

- Aid is effective, and has had a very respectable rate of return; including in places with weak institutional environments.
- For example: aid to the education and health sectors has helped reduce maternal mortality and the female/male gap in youth literacy.
- And aid has helped save lives in many rough places

A complete summary:

- 15 lessons: <https://www.wider.unu.edu/publication/what-do-we-know-about-aid-we-approach-2015>
-

Case 1: Vietnam

Aid in Vietnam

- Infrastructure
 - Quality control
 - Private sector development
 - Growth and poverty reduction
-

Case 2: Mozambique

Aid in Mozambique

- Humanitarian
 - Education and health (human capital)
 - Growth and poverty reduction
-

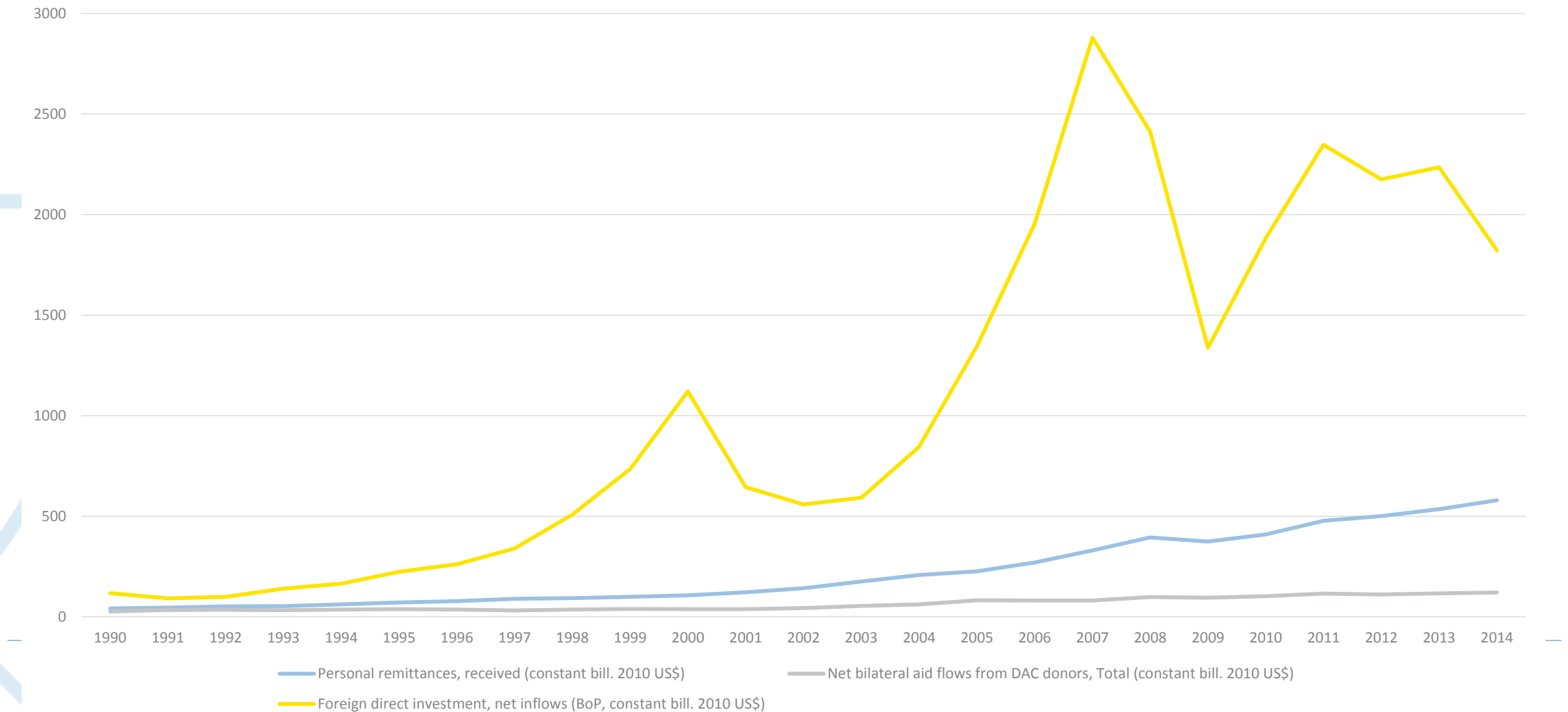
Case 3: AERC

Aid and AERC

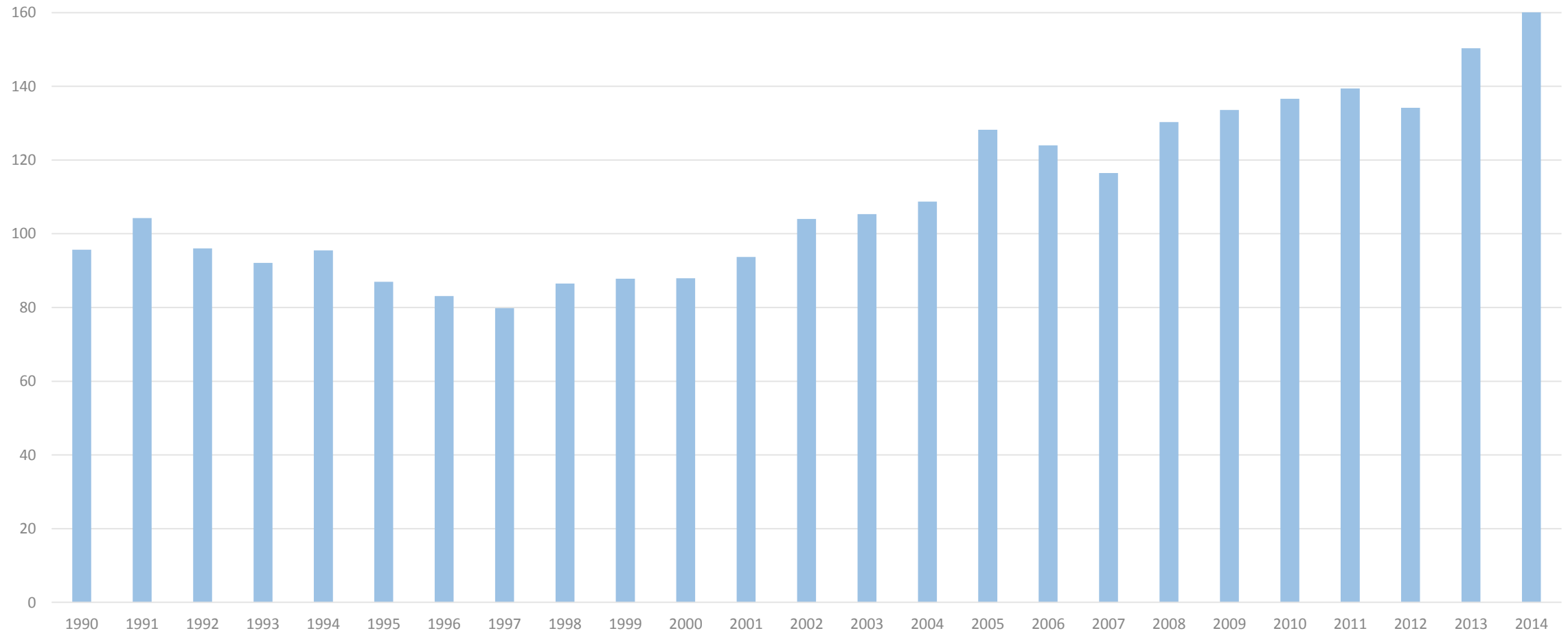
- Macroeconomic management
 - Education and training
 - Networking
-

Aid data in historical perspective

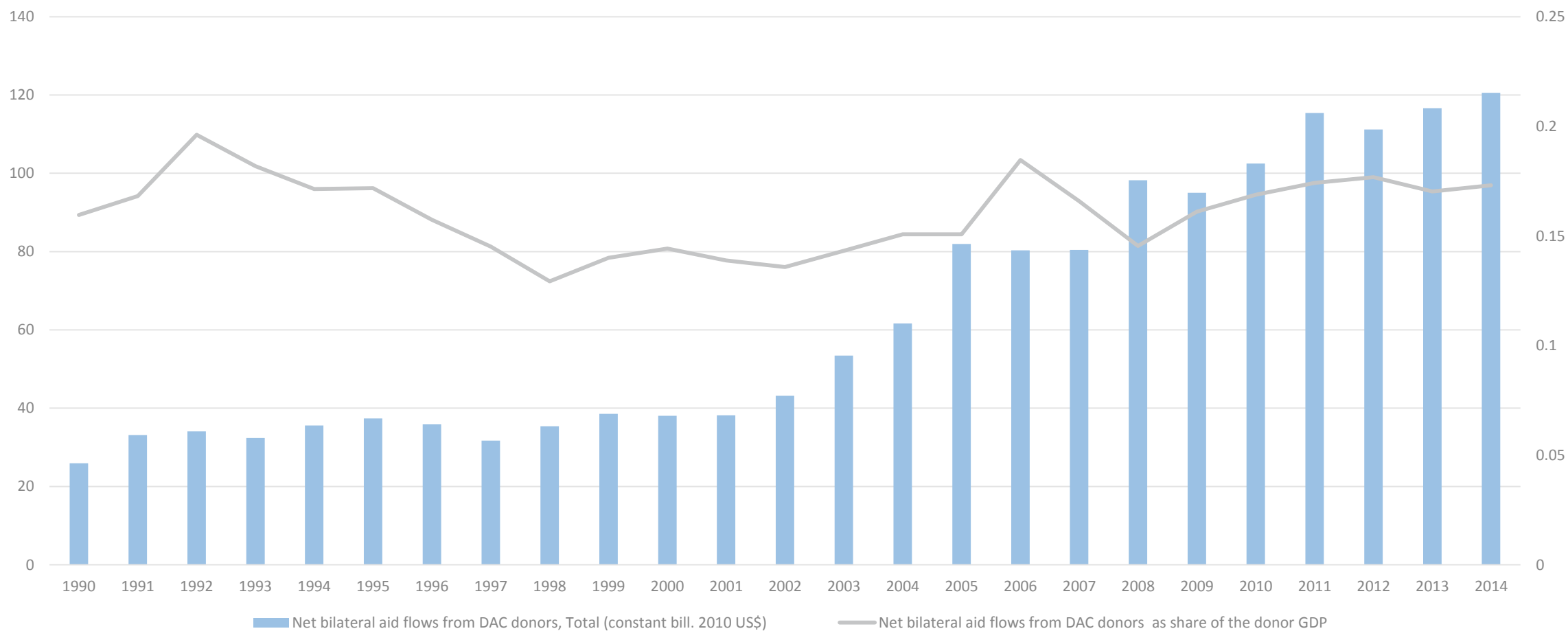
Net bilateral flows from DAC donors, foreign direct investment and personal remittances received in constant billions 2010 US\$, 1990-2014.



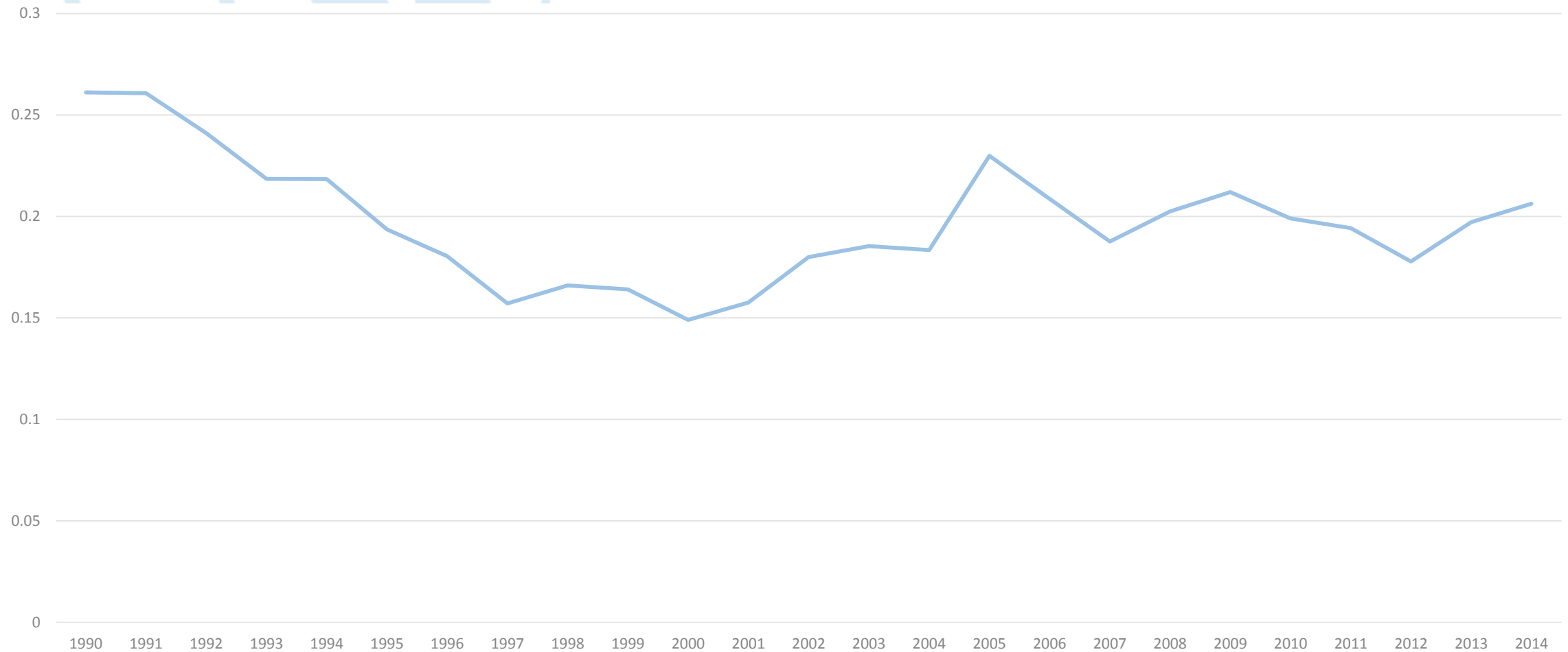
Net official development assistance and official aid received (constant bill. 2013 US\$), 1990-2014.



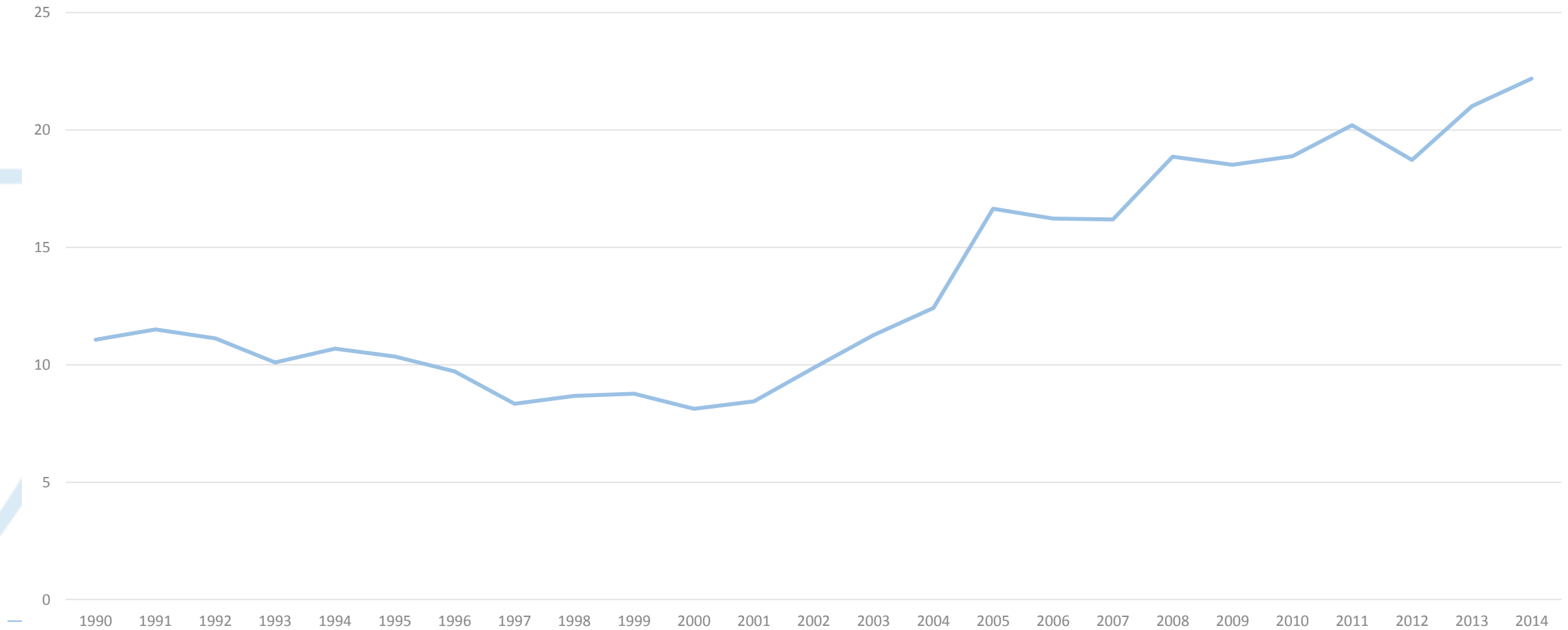
Net bilateral flows from DAC donors (bill. current US\$) and net bilateral flows from DAC donors as a share of donor GDP, 1990-2015.



Net official development assistance (ODA) received (% of recipient country GNI), 1990-2014.



Net official development assistance (ODA) per capita in aid receiving countries (current US\$), 1990-2014.



Final remarks

Final remarks

- Aid contributes in spite of its clunkiness – uninformed rhetoric and cynical criticism is not helpful
 - But aid is only one element of the international response to crises – and in many cases a minor element
 - Involvement of other policy areas, such as foreign policy, security policy, trade policy and economic policy may in many cases be primarily called for (Syria, Iraq, South Sudan or the African Great Lakes region).
 - Only if these policy areas get productively involved can the factors driving human suffering and the war economies be overcome.
-



UNITED NATIONS
UNIVERSITY
UNU-WIDER

www.wider.unu.edu

Helsinki, Finland