Dr. Bockenforde, facilitators and organizers Alexandra Trzeciak and Gerardo Bracho, and distinguished guests, including DAC Chair Charlotte Gornitzka, former chair Richard Manning, DCD Director Jorge Moreira da Silva and former Director Richard Carey. I thank the organizers for the honor of delivering this year’s Kate Hamburger Lecture.

The Nazis expelled Kate Hamburger in 1934 because of her Jewish heritage. She lived in neutral Sweden until 1956 when she returned to Germany. Her contributions to the field of literary theory are internationally recognized, and they are intimidating to anyone who presumes to give a lecture in her name!

Were Dr. Hamburger alive today, she would help us reflect on a Europe and a Germany that has benefitted greatly from development and integration; a Europe that has lived in peace for two generations. The author of Balkan Ghosts, Robert Kaplan, recently wrote an editorial for the New York Times called the “The Necessary Empire.” He was referring to the European Union, “a dynamic overlapping of identities and sovereignties.” “Unless there is a credible European Union,” Kaplan wrote, “the other layers of identity are not possible without conflict.”
These are challenging times for the European Project. Even after the Macron victory in France, the forces of nationalism and populism have not gone quietly into the night. These forces are attempting to confine public policy to national borders, to the exclusion of the “other,” the victims of poverty and persecution. “America First” is my country’s version of this irredentist movement toward protectionism and anti-globalization. This is the unfortunate context for our discussion of development cooperation.

We gather here in Duisburg to consider the role of the Development Assistance Committee, its history and its future. I have had the good fortune to participate in important phases of that history. The contribution the DAC has made to behavior change within the development community has been far more significant than the creators of the original Development Assistance Group could have foreseen.

Conceived as a burden-sharing and coordination mechanism, the DAC has evolved into an indispensable intellectual hub for the larger development community. It has measured, defined and refined the delivery of cooperation and, in recent years, it has fostered a donor-partner relationship that has produced tangible results and increasing levels of effectiveness through local ownership and mutual accountability.

We can spend the next three days celebrating the achievements of the DAC, but that would ignore the contemporary context and the challenges before us. Serious
questions are being raised about the continued viability of the development mission.

Almost two years ago the United Nations endorsed a new set of universal Sustainable Development Goals. Then an historic climate change mitigation agreement was reached. If these important global initiatives are to be implemented, we will need not only to increase ODA levels, we will also need to mobilize domestic tax revenue and private investment. Just a 1% increase in local tax revenue in developing nations would produce $300 billion, more than twice the current global ODA level. This is an effective way to capture the profits of multinational corporations whose profits are most often transferred out of developing countries.

ODA continues to be a key strategic lever, yet, it would appear that the leading global donor, the United States, may be about to turn its back on the development mission. It is in this troubling environment that we consider the future of the DAC.

The DAC cannot stand pat if it is to continue to play a leadership role in the development community. As a recent High Level Panel charged with examining the role of the DAC has observed: “...if [the DAC] is to remain influential, it needs to bring its development partners actively into its work...The DAC needs to be a ‘servant leader’...” This is spot on, but how can the DAC escape the confines of its organizational structure and recreate its finest moments?
There is troubling evidence that international organizations like the DAC will wither and fade away if not infused with renewed energy. As the constructivist institutional scholars Barnett and Finnemore (Rules for the World) have observed, these organizations use their relative standing to: “classify the world; fix meanings in the social world; and articulate and diffuse new norms, principles and actors…”

The DAC and the multi-lateral donors have done that well in the field of development cooperation:

- They have defined Official Development Assistance as “concessional in nature” and in terms of its impact on poverty;
- Gained consensus on approaches and goals in the various development sectors;
- Established vital reinforcing connections among interventions;
- Created a conceptual continuum in fragile states that links relief, transitional assistance and sustainable development;
- And promulgated effectiveness principles that have been embraced by donors, partners, civil society and much of the private sector.

Peer reviews, monitoring systems and studies have been used to hold actors accountable. Much of the work the DAC does is arcane, highly useful for internal consumption and accountability purposes, but limited in terms of political
saliency. The OECD format for reports may be necessary for internal drafting purposes, but it is highly bureaucratic, often obscuring the most telling points.

As the German social philosopher Max Weber observed, “bureaucracies bring precision, knowledge and continuity to increasingly complex tasks.” There is no more complex task than undertaking to create development progress.

Yet, if we continue to describe development in barely decipherable terms and fail to describe vividly its instrumental response to global challenges, we will fall into a trap that Weber foresaw. He called it an “iron cage.”

Our development cooperation ministries, often led by politicians-- and the DAC itself-- must promote development investments and their results in politically salient terms, as in support of both national and global interests. If we fail in this, we will become what Weber called “specialists without spirit.”

How can we infuse our work with enthusiasm and passion? Must we always be on the defensive? As the global population grows and spills out beyond our ability to service its needs, we are challenged as never before. It behooves us to describe this threat in vivid terms and to appeal to both the humanitarian and security instincts of our citizenry. We need to make the case for development: for proven methods that produce results; for the need to harness new technology and new ideas. In short, we need to generate through our advocacy the political will needed to improve this earth’s carrying capacity.
Development means positive change, but to some insecure leaders even positive change is threatening. The new wave of governments that have embraced “illiberal” and authoritarian methods are making the development mission very challenging.

The book Why Nations Fail: The Origins of Power, Prosperity, and Poverty, by Daron Acemoglu and James Robinson, should be required reading for development professionals and “illiberal” leaders as well. Those who compromise democratic institutions and seek to extract wealth from society while failing to serve the needs of people will find that their methods are unsustainable. Their tenures eventually will end in impeachment, defeat at the polls or even violence.

I see the DAC and its Directorate for Development Co-operation as having the capacity to contribute to this debate. Its research and advocacy can be an important antidote to retrenchment. It has played this role in the past and it can do so again. Let me share a personal experience.

In the 1990s, I presided over a development program at USAID whose budget was reduced severely by Congress; it was seen as the “peace dividend,” a taxpayer savings at the end of the Cold War. The American political system, just as today, saw no need to reduce military expenditures, but those who had seen foreign aid exclusively as a way to counter communism no longer saw the need to support the program.
I did what I could in Washington to counter this trend. Some who did not accept the need for long-term development assistance wanted to merge USAID with the State Department. I feared that this meant the end of development investments, as resources would be siphoned away for short-term diplomatic objectives. It was a lonely battle, but I found support and sustenance in my ministerial colleagues at DAC high-level meetings. We decided to draft a political statement that set out substantive goals for the development community.

Working with then-DAC Chair Jim Michel, it took almost two years to work out the language of a 1996 document called “Shaping the 21st Century: The Contribution of Development Co-operation.” This was the first attempt to establish global goals for development and it had a profound impact, initially on the donor community and then, after it was adopted as part of the United Nations’ Millennium Declaration, on the entire world.

Clare Short of the UK, a highly effective political leader, was instrumental in making this part of a G-8 Summit communiqué in Birmingham in 1998. And DCD Director Richard Carey worked behind the scenes with the UN to make it part of the Millennium Declaration.

The Millennium Development Goals inspired a 50% increase in ODA in the decade that followed, but the more important contribution was in creating a system of accountability. Now results were important and measurement systems were created to hold donors and partners’ feet to the fire. The MDGs
gave birth to a sophisticated set of measurement indicators and data points, benchmarks for progress that to this day not only inject energy into the development mission, they also serve to defuse criticism that aid is a wasted expenditure.

Now we have a new set of 17 UN Sustainable Development Goals and a universal mandate to pursue them. These goals reflect political concerns related to job creation and wealth distribution that Western nations are themselves confronting. And herein lies the rub: can traditional donors continue to invest taxpayers’ resources in the developing world when their own economies are under stress? I would suggest that not only they can, but they must.

It is tempting for politicians to appeal to fear and to suggest that walls be erected to exclude those escaping persecution or poverty. These populist appeals, whether metaphorical or sincerely ignorant, are motivating large segments of the electorates of OECD nations.

We should have seen this coming. The world population in 1945, when the UN came into being, was 2.4 billion. Today, it is 7.5 billion. Most of this increase has occurred in the poorest nations of the developing world and in countries like China, Brazil and India that have only recently risen to middle-income status.

We can and should contest the voices who exploit these realities for political gain, but that is not enough. It is incumbent upon those with knowledge of the vital importance
of development cooperation to reexamine the institutions and the methods that facilitate the achievement of the mission’s purpose.

It is encouraging, for example, to hear the new Secretary General of the UN commit to reform. Antonio Guterres learned firsthand the implications of the exponential rise of population as the UN High Commissioner of Refugees.

In the coming days, we will address the role of the Development Assistance Committee. That is why we have been invited here and our collective perspective is relevant because we have participated in and studied the DAC, some of us for many years.

Most of us will agree that the DAC has played a vital role in the development community. I have already mentioned the contribution made to the Millennium Development Goals. Members of the DAC have subjected themselves to monitoring and review against important standards of performance and ODA volume. At the Busan Forum on Development Effectiveness, the DAC played a key role in encouraging South-South providers of assistance to accept sound development principles.

The creation of a Global Partnership for Effective Development Co-operation portended a new era of more inclusive consultation with partner nations, civil society and new South-South providers. Sadly, the afterglow of that Forum and its outcome document seems to have faded.
Despite the creation of a highly representative Steering Committee and ministerial Forums in Mexico City and Nairobi, this initiative seems to be losing the enthusiastic support of member states. This is regrettable, as this new institution has engaged the individuals directly responsible in developing nations for achieving development results. Unlike the various forums of the UN, the discussions that take place in these forums are more practical and less polarized.

What can be done to revive the Global Partnership?

First, the Steering Committee needs strong leadership from donors, partners and new providers. The Steering Committee should meet in person or virtually several times a year and membership should be for multi-year terms.

Second, the Partnership needs a vigorous and proactive secretariat provided by UNDP and the DAC/DCD. It is not sufficient to believe that the Steering Committee leadership made up of busy ministerial-level individuals will have the time to devise agendas and to engage actively between meetings.

I would be pleased to be proven wrong, but my impression is that the joint UNDP/OECD secretariat has been much too passive, awaiting direction rather than promoting issues. Information and analysis can and should be empowering if presented in the right way. And the Steering Committee of the Global Partnership needs to be empowered. This forum on
effectiveness should be so attractive that leaders are lining up to join.

Third, the issue of legitimacy must be addressed directly. If this means giving the UN a more direct role, then the OECD should recede, as its member states will derive great benefits from an institution that is both effective and legitimate. This is too important to allow jurisdictional parochialism to defeat its purpose. For all its faults, the UN embodies global legitimacy. It is the citadel of international law. The DAC has the needed expertise but it may have to lead from the back seat.

I continue to believe that the DAC plays a vital role in the development community. The recommendations of the High Level Panel, led by former President of Ireland Mary Robinson and created by my successor Erik Solheim, are wise. Their main thrust involves being “more inclusive of other development partners” in pursuit of the “new consensus development goals,” the 17 UN SDGs.

The DAC has been creative in the past in organizing highly inclusive networks such as the Working Party on Aid Effectiveness which involved some 90 participants from traditional donors (bilateral and multilateral), new providers, partner countries, civil society, parliamentarians and the private sector. DAC subsidiary bodies that consider issues such as democracy/governance, humanitarian response, public health, the environment, evaluation, and finance have become quite inclusive, but more can be done.
If necessary, OECD rules should be modified to facilitate the participation of partner nations. I found these rules on occasion to be confining. Accommodation was made to engage the BRICS countries—potential members of the OECD-- but broader participation was more difficult to achieve.

The OECD has made an important contribution under the leadership of Secretary General Angel Gurria. There is no question that he is committed to the development mission. The Development Center has become very active under his leadership and that of Mario Pezzini, and has reached out to middle income countries and made them members. However, the Center is not a standing committee; it has more flexibility under OECD rules, but less potential for impact when policy consensus is reached.

Joining forces with the Center, as the High-Level Panel recommends, is only part of the solution. The DAC continues to be the sole permanent standing committee of the OECD, and it and its subsidiary bodies need the flexibility to be more inclusive.

Some member states of the DAC want to keep it exclusive. They base their case on “not going soft on our values and standards,” but in the end those standards are elusive. They are really more about working methods related to transparency, accountability and collective learning. If governments are willing to agree to these methods, they should not be excluded from membership.
The world is facing a tipping point. Global crises are accumulating much faster than governments and international organizations can handle them. Whether climate, refugees, infectious disease, crime, terrorism or even nuclear proliferation, most often the root causes relate to underdevelopment.

ODA has risen to record levels, yet an ever-increasing percentage is used for relief and refugees. Private sector investment is dwarfing ODA, but these flows are infusing the economies of middle-income countries and are more often the consequence of development. They are not strategically directed at poverty alleviation, as is ODA.

And now ODA is at risk because large portions of the populations of Western nations fail to see their own well being as tied to the well being of the bulk of the world’s people. Too many seem to have forgotten John Donne’s admonition: “Never ask for whom the bell tolls, it tolls for thee.”

The DAC and its member states are well positioned to contribute the evidence needed to confront erroneous appeals to fear, but it must see itself as an integral part of a much larger universe that includes its developing nation partners. It can still be the intellectual hub of the development community, but if it is to become a “servant leader,” it must broaden its audience far beyond the richer countries of the OECD.