# Transcript of Development Drums [Episode 37 – From Poverty to Power]

Host: Owen Barder. Guest: Duncan Green

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#### Owen Barder

Thanks for downloading Development Drums. My name is Owen Barder and my guest today is Duncan Green. Duncan is the Senior Strategic Advisor at Oxfam. Is that right?

#### **Duncan Green**

That's right.

#### Owen Barder

A well-known blogger and most importantly for today's purposes, he is also the author of From Poverty to Power, a book which is now out in its second edition. Duncan, welcome to Development Drums.

#### **Duncan Green**

Thanks for having me.

#### Owen Barder

Before we turn to your book Duncan, let's explore a bit your history. You're a physicist and tell us how you made the journey from that to Oxfam?

## **Duncan Green**

Well I studied physics which I'm not sure is entirely the same thing but I did my undergrad in physics at Oxford. After that, I graduated in 1979, long time ago, just as Britain went into the Thatcher period and I felt that the country didn't really fit or I didn't really fit in the country. I then went off to Latin America and backpacked around, got radicalized by sundry Jesuits and experiences of living in Argentina under military rule. And then when I came back I got very involved in Central American human rights and solidarity work and became a Latin Americanist, writing as a journalist and so on.

## Owen Barder

So you were like 15 years in journalism

# **Duncan Green**

Something like that. Yes, I was only freelancing, I wasn't a real journalist. My wife is a real journalist. She was BBC's streamer in El Salvador during the war. But I actually started work quite quickly in a think tank on Latin America, which was producing books on current affairs in Latin America called Latin American Bureau. That's where I really started writing properly and got really involved in some of these issues.

## Owen Barder

After that you were at CAFOD, is that right?

#### **Duncan Green**

Yes, I joined CAFOD the day after Tony Blair was elected and was sent home with a very bad hangover.

## Owen Barder

Was that a coincidence?

Entirely, yes.

#### **Owen Barder**

Okay.

#### **Duncan Green**

Causal connection doesn't work in either direction. That was in 1997. Worked very much on economic issues on globalization, trade and then went off to DFID to work on the same thing. Went to Oxfam, still working as Head of Research, but still working on very much economic issues, and the great thing about the book was that it enabled me to broaden out a lot more and naturally grasp the whole waterfront of what NGOs work on.

## Owen Barder

Let's turn to your book. First published in 2008, I remember reading it when I was living in Ethiopia. It struck me then and it struck me re-reading the new edition that it's an interesting combination. It's a compendium of everything you need to know about development. I mean you have at least a page or two on almost every current development issue and summarized the evidence and what people think about it. But you also seem to want to have a bit of narrative, a bit of a story that you are pushing. What are you aiming at here? Who is the audience? Is this an undergraduate textbook or is it a polemic about what we're supposed to think about development?

## **Duncan Green**

I don't think it's a polemic but it is a narrative, you're right. Writing the book was a juggling act. I wanted to get across the depth and richness of development. But if you just have a whole loaded dispirit chapters on different issues and do the encyclopedia, then you're missing something because actually NGOs, Oxfam, most people working in development actually have an overarching narrative which is what gets them up in the morning.

The interesting thing about the book was that the narrative emerged. I didn't start with the narrative, which is quite unusual for NGO research where you actually don't know the answer when you start. Normally you work backwards from the answer. And in this case, the narrative of this citizen-state interaction was something that actually emerged from reading, writing and thinking about it.

## Owen Barder

So what is the narrative in a nutshell?

#### **Duncan Green**

Well in a nutshell, the narrative is saying a couple of things. One is it's saying that the core driver of development is national and it lies in the interaction between active citizens and effective states. The implication of that is that the international system is of second order importance. Although we make a big fuss and song and dance about it, actually the primary drama is national and, we and all the other aid and development actors are bit players on this massive stage.

And that in order to understand how that interaction takes place, we have to learn to see power. We have to make power visible. We have to look at how power is negotiated, redistributed, contested. I think that whole focus on power and change is the least unoriginal bit of the book.

# **Owen Barder**

We'll come to this story of active citizens and effective states later on. But before we do that, I just want to explore with you what seems to me a missing part of this or what would seem to I am sure to many other people to be a missing part of this, which is the role of the private sector and of economic growth. It seems strange to think that development happens when citizens and the state interact properly together, when what we know is that its jobs and incomes that really drive improvements in people's standard of living. So what's the role of the private sector in your story, where does it fit?

Well that's a big set of questions in there and it's been one of the big debates within Oxfam, with people about the book. The initial position of the book was if you have an effective state, one of the things an effective state like South Korea or Taiwan does, is create the enabling environment in which the private sector flourishes. Therefore you will get growth, but that actually the state is very, very crucial. If you think 2008, we were still in a post East Asian miracle discussion where industrial policy was actually contested. People were saying you don't need state intervention, you just need to free, unleash the market. So it was arguing back against that.

But where I made a mistake in the first edition certainly was in conflating too many things. The private sector is not the same as large companies, large companies is not the same as economic power. How I see things now is more that the politics and power part needs to take in concentrations of economic power. Those concentrations are one of the blocks to progress often, but that actually I still maintain that if you have a good effective state, which actually creates the enabling environment. There is nothing quintessential about the Korean private sector, which can't be created elsewhere.

I'd be very influenced by Ha-Joon Chang from Cambridge on this who absolutely rejects cultural explanations of private sector, dynamism for example and really does say, anyone can do this.

#### Owen Barder

The rejection of cultural differences is saying in effect that the difference isn't because some people are entrepreneurial and some people aren't, but because something about the conditions in which they are trying to settle their businesses are different. And you are looking not the question of what can we do to invest in the private sector but what is it about the situation they're in that means they are unable to setup businesses already?

#### **Duncan Green**

Yes, absolutely. On growth, the book very clearly argues that growth is essential. But I am not antigrowth at all, I am very worried about the environmental consequences of the current form of growth and the pursuit of good growth is very important. The book is definitely not rejecting growth as an absolutely essential part of poverty reduction and wider development.

#### Owen Barder

Do you think the broader NGO community sometimes sounds as if it's anti-growth? Sometimes you do get this feeling that people are latching onto the idea for example that happiness is not correlated with growth and you mentioned the studies there. And in our last podcast with Diane Coyle we talked a bit about whether that statistical evidence is valid or not. But do you think there is something of a movement among the NGO community to be uncomfortable with the idea that economic growth is an important driver of improvements in people's lives?

# **Duncan Green**

I am not that skeptical about NGOs. There are different kinds of opinion. There is a kind of opinion that growth is environmentally unsustainable. Now that either leads you to a, we need different growth, or it does lead you to a, we reject growth. But very few in my experience, certainly in Oxfam, reject growth absolutely. They do and I think with very good reason, worry that we're unable to reduce the carbon intensity of growth at a faster rate than growth goes up.

There is a real issue there. There is a rejection of let's say the celebration of the private sector as this incredibly dynamic force which will solve a lot problems, as also perhaps a rejection of technology in the same way. Now sometimes that's well founded because those celebrations tend to ignore issues of power and control. Sometimes it just becomes a bit luddite. There are massive variations.

## Owen Barder

Let's turn then to what we mean by effective state. You've said that part of it is whether they create the enabling conditions for the private sector to grow. But I am trying to understand more generally what you mean by an effective state, in a way that doesn't turn into a tautology. If by an effective state you mean a

state that creates the circumstances for economic development then of course that is essential for economic development. What is it about say the UK or South Korea or Singapore that means they have effective states that isn't the case with say Ethiopia or Nepal. In what sense is an effective stage important for development, what do you mean by that?

#### **Duncan Green**

The backdrop to this is my discovery of East Asia as a Latin Americanist. I had worked on Latin America 15 years and then I read a book called Manufacturing Miracles, which compared Latin American industrialization with East Asia's industrialization. It blew me away, this sense of dynamism, possibility and success, which was not the message at that time that Latin America was giving anyone.

So basically effective states are developmental states in that sense that Chalmers Johnson described Japan which is that you need a state that is both very, very aware of growth and markets and the private sector but has a autonomy called embedded autonomy. You need that, which involves an industrial policy, it involves an effective technocracy; you also need a state that invests in people, health and education; invests in infrastructure, communications. Yes, there is an element of tautology in there but actually there are specific political characteristics of developmental states and the really interesting discussion at the moment is the one in South Africa and elsewhere about what constitutes a democratic developmental state.

#### Owen Barder

Right.

#### **Duncan Green**

And whether that's actually an oxymoron or whether it's achievable and when

#### Owen Barder

So we'll come in a sec to this interaction between active citizens and effective states. But let's just stick with the notion of what it is to be an effective state because certainly when you look at say the UK's history, a lot of the things that we regard is being important about the state today, the national health service or the education system, really came after the development process. We had the industrial revolution, political change accompanied that perhaps in many ways followed economic growth and it's really only quite recently that we've then developed that into a well phased state. And yet when we talk about effective states now in the development business, we often seem to project our idea of today's successful western democracies onto much poorer countries and we think that to be effective. They have to be running decent health services. They have to be running decent education system. Which bits of what we think of as a complete and effective state are actually necessary conditions for the development process and which of them are the consequences of development?

#### **Duncan Green**

Now we're down to what do we mean by development, right?

## Owen Barder

Yes.

## Duncan Green

If by development you mean increasing GDP per capita, then you can have a narrow definition of an effective state which will invest in the skills you need and the health you need for an efficient workforce, infrastructure communications and good policy. There is an argument that...

#### Owen Barder

But even then a lot of states develop not because the state invested in education and health but because people themselves did or the private sector did, right. It wasn't the state that invested in the education of British workers that then led to the industrial revolution. There are many countries in the world today where most of the education and much of the healthcare is done by the private sector not by the state.

Okay, well then this leads to the other part of the definition development which is development is about, is the Amartya Sen sense of universal freedoms to be and to do. And then when you have that wider sense of development you bring up the active citizenship part, you bring out the welfare state part much faster in terms of the development trajectory. I don't think there is any question that the support for people, the role of the welfare state expands as the country growth. But the question is how fast, what's the threshold at which you expect to have democratic elections? What's the threshold at which you expect to have universal healthcare, universal education? All those thresholds have been going down historically, in terms of GDP per capita compared even to Britain in the 19th century.

That's a great thing; I hate that school of development which ignores history. But also you can't be a prisoner of history, it's actually using history well will actually give you a really interesting discussion on this but it's not static.

#### Owen Barder

Just to be clear, are you saying that the sequencing for states that are going through the development process today, can and should be somewhat different than it was for say European countries. Today that they can develop robust welfare system and high quality public, free public services roughly at the same time as they are going through economic transformation, in a way that we didn't.

## **Duncan Green**

Certainly they can do it sooner. You can see that. I don't think they can do at the same time, you can't spend 50% of GDP on your welfare system when you're a low income country that seems to be very, very difficult. But you can certainly graduate quicker and that has huge human benefits.

# Owen Barder

You are listening to Development Drums with me, Owen Barder from the Center for Global Development in Europe. My guest today is Duncan Green. The author of From Poverty to Power which is now out in its second edition. If you enjoyed Development Drums, you might also like the Center for Global Development's Global Prosperity Wonkcast, which gives a shorter snappier overview of the work of the center. You can find it on the Center for Global Development website or like Development Drums you can get it free on iTunes.

I associate you Duncan in your book and in your writing with the idea that what's important here is power and power relations and you mentioned that at the beginning, is that is part of the narrative of your book. In some ways I've just been reading as I am sure you have, Acemoglu & Robinson's book Why Nations Fail, the other book of the year for developmentistas to be reading which is all about his idea that it's politics and power that drive nations towards development or not and drives what the success of the economy. When I read Acemoglu & Robinson I had this feeling of helplessness that all these things are predetermined. They are internal processes that would happen or they don't happen. Whereas your book feels to me much more intended to be a handbook, a book about agency. A book about how we change things. I want to get a sense of whether you think the politics of how nations evolve are just driven by the internal equilibria and the trade-offs that inevitably happen or if there are things that people within those countries can do to change them. That power is something that you take or is it something that you experience?

#### **Duncan Green**

This is really agonizing question because in the development sector you have a lot of voluntarists, people who think that willpower is enough. I have this plan for the world. It will make the world a better place, why don't you implement?

# Owen Barder

All you have to do is dream? That's what Hollywood's told us, right?

Absolutely. At the other end you have these very lofty political scientists who say you poor misguided thing, just stand back and watch the sweep of history with me and we won't attempt to influence it because it's far too complex and unpredictable. The really difficult thing is that you need both of those in your head at the same time. If you just think speaking truth to power will do it, then you're going to end up on a gallows. If you think that is all too difficult you must as well go and get a different job. The really interesting challenge for me within Oxfam and what I write is trying to get people to work out what margin of influence I can have with a much more sophisticated and realistic understanding of how power works and change works. That's become a very big part of Oxfam's internal discussions, we have a lot of case study work and research on pathways to change and what role citizens organizations, civil society organizations and outsiders can have in that.

It can have. We've got lots of examples where it can but don't think having the right idea is enough. You have to understand how power actually works.

#### Owen Barder

What would you say is the main difference between you and Acemoglu & Robinson's story of politics and power and development?

## **Duncan Green**

Well I actually reviewed it yesterday so that's a quite a coincidence. What I really liked about that book was their understanding of critical pathways, of critical junctures, of how a system develops, every country every locality develops along this particular pathway. And there will be moments of opportunity, critical junctures they call them, when it could go one-way or another. Those become dividing lines between why one country goes in one direction and one country goes another. That dynamics of change is really good.

What I didn't like actually was that their perspective part was all successful countries had to end up looking remarkably like the American dream. And poor old China is deeply deluded and is going to collapse at any minute. Which just seems, wish fulfillment of the highest order of yes – DFID for many years has been saying good governance is essential to growth. You must stamp down on corruption. These things are essential to effective development. And you just say "...China?" Usually they have no answer because the development sector is great at believing its own rhetoric.

# Owen Barder

This does segue nicely into the discussion about active citizens. Let's try and get this thought on the table and you do actually address it in the book. This idea that the most effective states in terms of generating economic growth and development do look more like China than they do like some of the Latin American countries, where you cut your teeth as a journalist. We have the relative success of places like China under the Communist Party, Korea under the generals, Singapore under what was not – which was a fairly directive government. So effective states at least at the outset don't look like very democratic, shared power places. That in some sense seems to contradict Acemoglu & Robinson, right. They seem to be saying that concentrations of power are bad for growth and development. Yet some of the best examples we have of fast growth, have involved a degree of unaccountable exercise of power and we're seeing that to some extent today in Ethiopia and Rwanda in Africa. Both fast growing countries, both of whose leaders justified their behavior on the grounds that that's what it took to be a developmental stage and that the active citizen part, the accountability part would come later. Then we have the opposite, we have these states in Latin America with very active citizens and NGO movements, and not as much economic success to show for it. I suppose Vietnam is perhaps the case that contrasts with China where you have quite impressive economic growth that's actually had still not active citizens although it's more equal and more spread. What's your take? Is there a tradeoff between your view of the need for active citizens and effective states or are these compliments or what's the relationships between these ideas?

## **Duncan Green**

It's complex and very interesting. It's that space between citizens and states, which is where I want to spend my time now, and where a lot of most interesting work takes place. I'd say start by looking at the question of fragility. Dani Rodrik did some really interesting work comparing democracies and autocracies

and their growth parts, showing that autocracies are great part enormous bursts of growth. They come in, they can do anything they want, they reform everything, they inject money and the economies take half.

But then when things start to go wrong, when you need second-generation reforms no one wants to tell the general nothing happens, they collapse. You get this very spiky form of growth under autocracies. Democracies when you try and reform, everybody says no, it's very hard, so you don't get the peaks. But as soon as something goes wrong everybody tells you and you definitely don't to get the same size of trough, although that may feel little odd at the moment but that's the historical record. You get a smoother pattern of growth without the big peaks but without the big drops.

Now that's much better in terms of equality and social cohesion and so on. That's one piece of the argument. But actually I do suspect that there are trade-offs that in that early stage of development when you need to invest massively in infrastructure, when you need to transform land tenure systems, all the rest of it, it does seem to land itself to the heavy hand. It may well be that there is a tradeoff that if you have a wider range of citizens voices and a greater distribution of power early on, then you have to accept low levels of growth. Then that brings us back to what do we understand is development. If development is primarily about growth, then the China is great, South Korea is great, that's the model.

Or if, is development about freedoms to be and to do in which case, it doesn't look quite so much like a tradeoff anymore. Actually the tradeoff is going for high growth with no voice.

#### Owen Barder

Well India would be an example of this second case wouldn't it? Hindu rates of growth as they are sometimes known. So lower levels of growth than China, but a more raucous democracy underpinning it than you get in China?

#### **Duncan Green**

But it's now got Chinese rates of growth and as a state –

## Owen Barder

Has it?

#### **Duncan Green**

Oh yes, of course 8%, 9% a year and is every bit as raucous as ever, I was there last month. Yes, the level of citizen activities is extraordinary. You go into the slums of Delhi and the women are saying, yes, I am going to bring a case under the right to information bill against our school because they are not spending the money on teachers like they should and all that kind of things. There is a – the other point on this tradeoff is, are other tradeoffs changing with time? Again this threshold question that it seems to me that autocracies are getting hard and harder to maintain, partly because of the spread of global norms. There are more subtle processes going on under the radar which actually affects what is and isn't a viable development strategy. Those kind of things do matter now.

#### **Owen Barder**

Now you're sounding a bit like Acemoglu & Robinson. You're basically saying that the Indian story, which is underpinned by changing power relationships, is a more desirable and sustainable form of growth in China, which they effectively call a cul de sac. And they basically say that as China is growing faster but it's all going to come crashing down because they are not dealing with the politics?

## **Duncan Green**

Well they say China won't be able to cope with the transition to a different kind of political system. I don't know how they decided that. India, I'd say is certainly dynamic, we'll see how sustainable it is. I don't have a view on who is going to be the big winner of the century, is it China or India?

## Owen Barder

But India is still much poorer than China even though it's growing as fast?

Yes, absolutely. But some people because it has this kind of chaos and therefore it will always be able to find a new source of growth because there is so much churning going on, you'll work on complexity and adapt to systems. China is rigid and fragile and therefore is more likely to crash.

#### Owen Barder

Let's turn then to the role of active citizens in the development story, which is the other prong, you have effective states and active citizens. In the active citizens part, the book of full of really interesting case studies of where particular groups have fought for rights to information or rights to land or where indigenous groups have reclaimed power in various ways. All of which is quite exhilarating and moving. But I struggled to connect it at times to the development story, to whether these different community actions added up to large scale change. So I'd like to get a bit more from you of this space that you talk about, between – the relationship between active citizens and effective states. Are you saying that active citizens are what you need to have effective states? That in the absence of active citizens states will tend to become corrupt or ineffective in creating the conditions for growth. Or are you saying that active citizenry is something that complements the economic growth process as going on as a consequence of effective states. What is the role of active citizens in the development process?

#### **Duncan Green**

Active citizenship is both inherently worthwhile in the sense of getting people involved in communities, getting people sense of belonging to things, bigger than themselves. But also it's very important in terms of keeping states honest, preventing excesses of abuse of power and the whole watchdog role. There is also a dumb approach to active citizenship and a smart approach to active citizenship. The dumb approach is the more protest marches as we have the better we are doing. There is an element to that certainly in the Latin America tradition.

The smart bit is what in Spanish they say moving from protesta to propuesta. How do you move from protest to proposal? What do you actually saying to people in that, what kind of arrangements, what kind of negotiations, what kind of alliances and coalitions are you building with people in decision making positions. That is the interesting, that's where active citizenship really starts to have an influence. I'm not in a polarization place, that doesn't work.

#### **Owen Barder**

Give us an example of something that you mean by active citizenship, that you think is an important part of development story?

## **Duncan Green**

So one of the case studies in the books from Bolivia. And it's an indigenous group, one of the lesser-known indigenous groups, which went through this extraordinary 20-year process of organization. Started off in the semi-feudal situation; they couldn't even leave the farm without permission from the landowner. They started to organize and the thing they did which is different from many Bolivian social movements is that whenever there was an attack or episode of repression, they would move into formal politics more. They wouldn't just reject formal politics.

They started putting up their own candidates at a time when it was actually very dangerous to stand indigenous candidates they would be attacked. And they became part of an indigenous movement which actually transformed Bolivia. They got to – in 2006 Bolivia's first ever indigenous president was elected and these were part of that movement and they then got a million hectares of land in the land reform. And lots of other indigenous groups in Bolivia, not only received land or benefits, but also a sense of identity, which they hadn't really enjoyed before. They actually felt like the country belonged to them.

Now that's an extraordinary transformation, driven primarily from below. AIDS activists in South Africa, people in Tahrir Square, you've seen a whole load of situations where active citizenship can get things moving, but unless you have that state as interlocutor, unless you have the state working together, you have potentially a big protest which leads nowhere as we're maybe seeing in Egypt now.

So what's it about this state in Bolivia that made them ready to listen to – why did that indigenous group in Bolivia succeed in a way that say Tibetans and China won't succeed?

#### **Duncan Green**

Numbers. Bolivia's majority indigenous. I think norms are important, actually things like the 500<sup>th</sup> anniversary Columbus' conquests, or whatever you want to call it, actually played a big part. This group in particular, when I talked to them, said 'We didn't even used to see ourselves as indigenous, we used to see ourselves as *campesinos*, as peasants'. And actually it was a cultural earthquake which made us realize that we were indigenous. And actually I remember speaking to one activist, he said 'The thing that changed my life was ILO convention 169.

#### Owen Barder

Really?

#### **Duncan Green**

He read IOL convention 169, and he said 'And the indigenous part of me woke up'; that convention's on indigenous rights. So even the most unlikely sources of awareness can trigger these big changes and I suppose that comes back to how we understand power, which is – what the book argues is that power is much more than just who has got the guns. This point about power within that when people actually start to feel a sense of entitlement, sense of right, sense of identity, that's often the trigger to much bigger change processes.

#### **Owen Barder**

Remind me, there were four notions of power that are in -.

#### **Duncan Green**

Well there's umpteen different ways to think about power, but this particular one I find useful, which is that in many social change processes, it starts with a sense of power within. The people this – the light-bulb moment when a women says 'He has no right to beat me', for example.

Then you go to a 'power with' people find other people in the same situations, start to form collective organizations of one kind or another. In the case of the *chiquitanos*, these Indians, they actually started off playing football together. That was how – it emerged out of a soccer game.

Then you have 'power to', make demands. And finally you get 'power over', people in authority, decision makers. So it's power within, power with, power to and power over and Robert Chambers has just added a fifth one, which is power to empower, if people really want to.

#### Owen Barder

And what is power to empower mean?

#### **Duncan Green**

Power to empower is Robert's classic thing about handing over the stick, enabling people who are in positions of power, like us; people in the development sector. A big part of what we should be doing is handing over that power to people on the ground and that changes the way we work, the way we talk to people, the way we behave in meetings all the rest of it. It's very nice, I put it on my blog on this week.

## Owen Barder

So I am going to come to this question of what we in the development sector should be doing, based on your analysis of effective states and active citizens, but I want to just keep going one – a little bit more on this relationship between active citizens and effective states, because you're acknowledgement earlier there is at least a case for a heavy hand, sits uncomfortably, doesn't it, with our desire to see groups take power and express that 'power within' as they find it and change their own minds. And we see this example at the moment the Oxfam campaign on land grabs, for example. I am sure there are people in some developing countries who say that reorganizing the land use is an absolutely essential part of development process and

that we have to move people from land which they are not using efficiently at the moment, and that this is a natural part of the development process. And then at the same time we sit there thinking 'Well actually these are real people lives and they ought to be empowered to take control of their lives and to resist this, and this is too heavy handed, and if we care about people's lives we ought to support them in resisting that'. So how do you – where do you come out on the extent to which active citizens actually can become an obstacle to the development process? And where do you – and when and how are they an accelerant and a part of the catalyst to the development process?

## **Duncan Green**

So in general I think Schumpeter got it absolutely right that development in general, especially economic development, is a process of creative destruction. And people in the development sector are generally much happier with the creative bit than the destruction bit. So we want somehow to sanitize the development process. We want everything to be nice and we don't want anyone to get hurt.

Now there is a danger if you actually were – if you were ever in a position to decide things, which we're generally not, that that would actually have a cost in terms of firms wouldn't go out of business, sectors wouldn't get rearranged, land wouldn't be redistributed, all the rest of it.

However, I think that's very different from saying that there should be a free-for-all and that the more destruction the merrier. Clearly what you got to have is a set of rules, a set of minimum standards and that's what we're asking for in the land campaign. Oxfam is not saying there should not be large scale land acquisitions, what Oxfam is saying is when those land acquisitions should take place, there should be free prior informed consent of the people who are already on the land, that the contract should be made public so we can see what on earth's going on, and the whole thing is got to be played by a certain minimum standards. So I think that is the way you get round that creative destruction problem. If that entails...

#### Owen Barder

Just on that, I mean there is one issue which is whether the people who suffer as a consequence of the change are properly looked after. There is another question about whether they each individually have to right to veto it; even in very democratic, wealthy countries, we have things like compulsory purchase orders, right? If we require people to sell their house or their land if that's the place the railway is going to go. And most countries have over time had large-scale movement of people, not all of which has been voluntary. And one test of civilization is do you treat people well when they are in that situation, by rehousing them, retraining them, compensating them and so on. There is a different question about whether you have to get the consent of all of them to undergo that change.

## **Duncan Green**

Yes, there is that one extraordinary house in China, which is in the middle of a road, because the one homeowner refuses to move. I think that's a valid academic critique of free, prior and informed consent. I am not clear enough about the details of it FPIC to know whether that's true, but in practice, if a government offers decent compensation or decent alternative land, people are willing to move. Very few people are going to live in that house in the middle of a major motorway to make a point.

And so yes, I think it is a worthwhile issue, but in practice, it's not the main issue. The main issue is, is there a decent process for consulting people, compensating them, even recognizing they exist – in the case of land grabs, government are saying to foreign investors 'There is no one living here, its fine'. And then making sure no one's living there, by the time the investors arrive; that kind of thing is unacceptable.

# **Owen Barder**

Okay. So but here the role of active citizenship seems to me to really change the distribution of the benefits of development, perhaps at some cost to its speed of progress that's the tradeoff. And what we're saying is that, if we have more empowered citizens in a situation like that, they will be able to capture bigger share of the benefits, but it means that it will be a longer, more expensive, more time-consuming process for that development to happen. So it will be fairer, better, but slightly slower development. Is that how your active citizens fit into the development story, in a nutshell, or do you see it differently?

Yes, I think that's a very good summary. If you have active citizens who are entirely in control, you might well end up with a sort of Latin American populous thing where the entire budget is spent on salaries and there is no money for investment and the economy gets very sluggish. And that's what happens when you have active citizens without an effective state. It's when you have the two in the right interaction that you actually get the best of both.

#### Owen Barder

You are listening to Development Drums with me, Owen Barder from the Center for Global Development. And my guest today is Duncan Green, the author of From Poverty to Power. I hope you will consider joining our Facebook group where you can find out about future interviews and you can also put questions that you want answered.

Let's explore the situation where the state is essentially not interested in development. A lot of analysis of why some countries are poor comes down to the idea that the incentives for the people running the country are not to bring about economic development; that they are actually – that the state, the people running the state, are better off if they continue to control such economic activities there is – perhaps mining of natural resources and so on. And that they don't have an interest in bringing about improvements in the lives of everybody in the country. Now in those circumstances making the state more effective feels likes its strengthening something whose incentives are fundamentally broken. So presumably, when you say effective state, you mean an effective state with the right motives, but what do you do in a situation, or what's the – can you not have states that are locked in an equilibrium, where there is just nobody in the state apparatus who wants to see change?

#### **Duncan Green**

Yes, you can and I think this – the big question in development is as the countries with effective states, whether they are poor or middle income grow, the development sector will increasingly be focused on states with adjectives – fragile, failed, failing – and there you have a whole different set of issues. Now you wouldn't want to – Matthew Locker talks about vampire states, the states which actually suck the blood of the country, and then there is no point in strengthening that state. But then no state is monolithic, so the challenge for the development sector is to find which parts of the state are most likely to become more effective and less vampiric over time to work with other centers of power.

So even in failed or failing states, there is lots of power distributed in religious organizations, in community organizations, traditional structures. So it's actually getting – becoming more intelligent about how we understand power and how that interacts with the creation of effective bits of state. And that seems to be where lot of the fragile states discussion is going at the moment, I think it's quite healthy. It's very difficult. I mean, if development was easy, we'd have done it by now, and that's especially true of fragile states.

#### **Owen Barder**

Is there really a story that says that, you know, if you don't have an effective developmental state and you work away bits of it – I mean, it feels like a very reductionist view of how change happens – that you gradually work away at the finance ministry or the defense ministry, that you gradually put in place the pieces. It feels to me like – what are the good examples, where we've gradually, painstakingly put in place these little centers of excellence within a state and then suddenly the jigsaw has been complete and we've had an effective developmental state emerge from it?

## **Duncan Green**

I'd some really interesting examples from things like tax authorities. South African tax authority was very important in terms of guiding South Africa through what could have been a much bloodier transition after apartheid. I think Botswana, the role of the Central Bank in Botswana – forget China, the most impressive economic performance in the last 40 years of the 20<sup>th</sup> century was Botswana. Went from \$300 per capita to \$6,000 without any fuss and that was down to some very effective aid, some very effective expats who ended up living in Botswana...

Diamonds.

#### **Duncan Green**

Finding diamonds at the right time, after you've just agreed all the institutions which were going to manage natural resources. They then found the diamonds, so therefore there wasn't – it didn't lead to a sort of, a natural resource curse. But it also was effective bits of institution; they'd had very weak institutions to begin with. There were only 12 graduates in the whole country at independence. So there are some examples like that, but I don't think that's the only strategy. I mean we're on to sort of what you do in development. I think some of the other things people talk about is shocks, absolutely crucial, that change is almost never linear in any system of development. And especially in fragile states, you can plug away something, but until there is a change of leadership, until there is a conflict, until there is an economic meltdown, nothing will change. But then things change very rapidly. And the question is are development actors geared up to move and take advantage and support the forces of light in those moments of opportunity, the critical junctures that Acemoglu and Robinson talked about, or are we sticking with our five year plans and completely oblivious to them?

#### **Owen Barder**

Right, we are as you are saying, now on the question of the role of outsiders. And I think once you get into this analysis that says it's about the internal power dynamics of a country; it's then quite difficult to see what the role of outsiders should be. Both because it's hard for us to be sufficiently knowledgeable and expert to really understand the effect of outsiders on internal power dynamics. And partly because we don't have sufficiently large leverage; things like providing or withholding aid are simply not big enough incentives – it's not a big enough carrot or stick to really change the internal power dynamics within a country. No government is going to give up control of the nation's natural resources in return for a bit of aid going to the poorer citizens of their country, especially when lot of that aid will never actually arrive or be used sensibly.

So what do you think the – if your analysis about active citizens and effective states is right, that seems to suggest that the role for outsiders is rather limited in what we can do. And yet you work for Oxfam, which is all about people in, originally in the UK and then internationally, trying to do what they can to in solidarity with people in poor countries. So what – how do you resolve that tension, what do you think we should be doing?

## **Duncan Green**

Well first of all start with a – take a very large swig of humility. So I think NGOs, aid agencies, everybody has exaggerated their own importance. There is no institutional incentive to minimize your own importance. It always works the other way. So I think part of the argument of the book is wise up guys, we're not as big as we think we are bit players in this, the drama is national. Then what do you do? Well, in the case of Oxfam, a lot of what we do, an increasing amount of what we do – we do two main things. We do emergency work, you know going in after natural disasters, when you do need someone to just come in and get – well, get water flowing. And that's kind of evolving, but not as fast. And then the other part is increasingly about how do we encourage national change processes, working with national organizations.

We're not going to come in and say do this, do that, do the other; we shouldn't and even if we did, no one would listen. But we can support local organizations, bring in new ideas, get organizations talking to people they don't normally talked to; the big, latest development jargon is 'convening and brokering', that Oxfam can get people in a room, who wouldn't normally talk to each other, and see what comes out of it. So it's that kind of – a more subtle role rather than – and I think in a way that's easier for, essentially a small organization like Oxfam. When you got the kind of resources of the World Bank or DFID, a) you are quite clumsy, because you have to spend \$1 million as soon as you get out of bed; but also it's actually quite hard to do that sort of deft stuff, which actually involves a deep understanding of the local situation, working – primarily national staff, and fitting in to the processes that exist.

You have a very interesting observation in the book that official aid agencies like DFID and the World Bank tend to work on the effective states part of the agenda, and that NGOs tend to work on the active citizens part of the agenda.

I wasn't clear whether you were saying that that was fine, that that's the right division of labor and these are the right partnerships; you know, your example just now of convening and brokering that feels like it's an active citizens thing that, as you say, NGOs are perhaps better placed to do than official government aid agencies. So have we, one way or another, come to broadly the right place, in terms of how we think about what we can do about active citizens and effective states?

## **Duncan Green**

Not quite, I mean obviously I work for an NGO so I'm never satisfied, right. So I think I definitely don't think DFID should be in the business of funding large amounts of money to civil society organizations, it's the quickest way to destroy them.

#### Owen Barder

I should say, Claire Short once said to me that she often wondered what would have happened in the UK if the suffragettes have been financed by the CIA.

## **Duncan Green**

A dreadful thought.

#### **Owen Barder**

Right, would that have accelerated women getting the vote here or not, right? I mean it does seem like some of these processes are best not foreign funded.

## **Duncan Green**

On the other hand I think it was a very interesting suggestion, I don't know DFID implemented it, that 5% of any funding to central government should go to watchdog organizations that were keeping them honest, whether they were parliamentary or citizen.

#### **Owen Barder**

I think that remains DFID's policy for budget support.

#### **Duncan Green**

Okay, well that's great. Because that's the kind of thing where it's an intelligent attempt to counterbalance the citizen and state interaction. NGOs, yes we – yeah, we work for civil society, but as I say increasingly we think it's helping civil society talk to others, whether it's private sector companies – we do lots of work getting producer organizations organized and helping them talk to companies who are buying their products, so they get a better deal in the value chain than just by selling locally, that kind of thing. So it's a more sophisticated understanding of networks and coalitions from –

And I think DFID could do more of that as well. So donors can – they shouldn't throw money at things that's going to destroy, but they could put more pressure on this kind of convenient brokering role. But there is one other thing actually which outsiders should do above all else really, which is I remember back in 2005 during the Make Poverty History campaign there was a brilliant paper by Nancy Birsdall and others saying 'hold on a minute, the first thing which you are doing is putting on our house in order. What are we doing on the climate change, what are we doing on intellectual property, what are we doing on migration?' And that is absolutely the one of the biggest roles for outsiders, is not doing harm. It's not, do no harm but stop doing harm.

## Owen Barder

Right, identify the harm you're doing and stop it. Let's come to that, because that as you know is what gets me out of bed in the morning and it's what the Center for Global Development exists to do. But I just want to before we move to that just focus a bit harder on what we're doing – what we're trying to do to affect

national processes as you call them. And there is a criticism of aid that aid to states makes them less responsive, less accountable, less likely to change, that we're – you know the kind of populist version of that is that we're propping up unaccountable dictators, the most sophisticated version of it is that by the amount of aid we give and the way we give it that we prevent the emergence of a social contract between a state and its citizens. And from your analysis about how change happens, that seems like a worrying phenomenon if it's true

Do you sometimes worry that the amount of aid we give to some of the most aid independent countries and the way we give aid does actually stifle some of the processes of political change and transmission of power in particular that you write about in your book as being part of what makes development happen?

## **Duncan Green**

I think that's a genuine worry. I think Paul Collier once said is aid like oil, is aid just money coming out of the ground? And if so then it'll have a similar, there'll be a resource curse effect with aid as with other things. I'd say –

#### Owen Barder

And I should say Paul Collier's paper Is Aid Oil found the answer to that question was no.

#### **Duncan Green**

Exactly. But the question is I think still a valid one in terms of the political impact of aid. And his conclusion was that, all the other things that come with aid kind of correct the potential damage. And I think that's actually quite a good way to think about, that you need to – the crude way of putting it is I think you start with a political deficit if you are giving large chunks of aids to government and thereby and therefore the government doesn't have to tax local people and the companies and therefore doesn't have to have that social contract to the same extent. But you can give aid in such a way that you overcome that initial deficit. You do it through watchdogs, you do it through funding tax reform. You know, you can use aid to build a social contract if you do it cleverly. The problem is always if the volumes are very large and the number of staff are very small. And I'm very worried about that when you increase an aid agencies budget and you simultaneously say, then you have fewer staff do more with less, then that actually makes it more and more crude in terms of how it can use money to achieve change. I'm not mentioning any names there, obviously.

## **Owen Barder**

And evidently DFID have been lobbying you to campaign for the larger staff, that's a separate topic. But actually they have increased their staff numbers quite rapidly.

## **Duncan Green**

The other thing I would say on aid is that one of the interesting developments in recent years is just how fast aid dependence is falling. And that's really healthy. So what you want is to keep our volumes of aid where it's needed but overall for aid dependence to fall so the social contract emerges untrammeled.

## **Owen Barder**

So aid dependence in this case is falling because domestic revenues are rising quite fast?

## **Duncan Green**

And domestic growth, yeah.

# **Owen Barder**

And because of domestic growth and because of better domestic revenue collection.

Then there's the related question of the extent to which it makes sense for outsiders to be supporting civil society movements. I remember in Ethiopia, several of my Ethiopian friends would refer to what they called astroturf organizations which were these fake grassroots. And you certainly did see – the dilemma in Ethiopia was that it's a very poor country; it would be very hard for an NGO to raise money domestically because the people they were seeking to represent were by definition very poor. And they received a lot of

money instead from outsiders, from overseas. And you could detect a shift in their alignment in many of them, that many of them felt very comfortable to and responsive to the agendas of external funders. And the Ethiopian government has introduced some pretty draconian laws about foreign funding of advocacy NGOs, which have got right up on the nose of many donors and international NGOs, but I have to say a lot of Ethiopians that I've spoken to – I wouldn't say all, but many of them – have quite a lot of sympathy for the idea the foreign funding of NGOs and advocacy organizations is undesirable and they would rather have their own organizations that are much more accountable internally.

So I mean as an international NGO, Oxfam must have this problem all the time. You have domestic partners, how do you avoid the astroturf problem?

## **Duncan Green**

If you have pure indigenous Ethiopian NGOs accountable locally that would be great, but they would be much smaller.

#### Owen Barder

Right.

#### **Duncan Green**

Yes, so that's the basic premise.

#### Owen Barder

It'd be much less well resourced; it'd be much smaller, then...

#### Duncan Green

In an ideal world, for so many reasons INGOs wouldn't be necessary and this is just of the many. But at the moment there is a massive shortage of resource of civil society organizations and we can help. Now there is a danger to this, so a friend of mine called carpe per diem culture, that actually you create – it's almost, again it's like – you inflate wages, you inflate – you draw staff from governments and you create some of the problems you're trying to solve. And I think that's – and you're constantly battling against that and it is one of the headaches today.

#### Owen Barder

And you see international NGOs working in developing countries that hire away not only key government staff to come and be there advocacy officer or their policy officer in the aid agency or the NGO, but also hiring away people like doctors, trained doctors to come and work as drivers because their wages are so high.

#### **Duncan Green**

Well that's grim. That's actually what migration does pretty effectively as well.

## Owen Barder

Right.

# **Duncan Green**

I must say, the number of lawyers and doctors I've had cabbing me around south London...

But so what would you do in that situation? Well it works both ways as well; a number of ex-Oxfam staff are now back in government, in politics and all the rest of it. So there is a – it's a brain circulation not just a brain drain, but there is an issue there, I think that's right. But again this is like the original sin of development and you have to overcome the original sin by the pennants you perform. That it's how you fund, who you fund, what are your criteria for making sure that the people you're funding are genuine, not briefcase NGOs. This is the art of development – it's not a science – the art of development is how do you actually make sure that you avoid some of the worst excesses of this?

But I think we may be missing the biggest problem here. So yes, it's a problem of NGOs or aid agencies are driving up wages, recruiting away the best staff, brain draining and so on. But surely it's more profound on that which is, you know, if what you're about is power, about power within, of communities recognizing that they have power and exercising that power, then ventriloquizing through a globally funded international NGO just isn't part of that process. We're into this problem of trying to construct what looks like the arrangements for an effective civil society organization by creating its structure from outside and artificially creating it and then wondering why it doesn't work. Now I'm overstating it.

## **Duncan Green**

Yes, absolutely.

#### Owen Barder

I can see by your face. But tell me why that isn't what we're doing?

#### **Duncan Green**

Okay, because if you try and ventriloquize it, it's a bit like working with states, if you try and draft on something artificial which doesn't work, if you try and insist on something which is best practice rather than best fit, it won't work. So actually when you look at the indigenous organizations which have taken off with NGO support it's because they hit some nerve, it's because they fit with the experience of poor people on the ground. So you know one of the best examples I've seen in recent years is our work on domestic violence in South Asia where we just, a group of largely Indian campaigners within Oxfam setup a very nice viral system where people would commit to talking to 5 to 10 neighbors and friends and relatives about violence against women. We produced a little pack of images for non-literate people about different situations in which women were beaten up in India and in South Asia. And it went viral, and we've got now 3.7 million have people signed up to that.

Now if that was artificially imposed it would be 37 not 3.7 million. Any of these processes, you can absolutely see when they work is because they fit. So again Self-Employed Women's Association in India was started with small NGO grants including from Oxfam. That kind of thing goes massive, and they're bigger than we are now, only if it fits. So I think there's a perfectly good market selection process if you like, or evolutionary selection process, which will stop the ventriloquizing actually getting anywhere.

# Owen Barder

So there's a question that arises for both official aid agencies and NGOs, which is if this is genuinely going to be homegrown and genuinely going to be what people want in developing countries, why don't we just give them the money? Why do we run these programs ourselves? Surely it'd be much better to just take that money, distribute it to people themselves and if they then want to contribute that to a local community NGO of their own making, they can. If they want – if the government wants to tax it from people, they can, to deliver people that. You'd get a much stronger social contract either between people and their civil society organizations or between people and their governments if we start by giving them the resources and they can make free choices about how they want to use them. Why do we need to construct organizations at our end that design, plan, implement, monitor and appraise all these programs and schemes and ideas for them? Why didn't we just give them the money and let them get on with sorting out their problems?

## **Duncan Green**

I think giving them the money works in some areas. It works in areas where markets the answer. So I'd say giving them the money instead of food aid fantastic, that clearly works better, people have sense of dignity and choice, you get more food for your dollar of aid, let's do it. I don't think it works so well with ideas, I don't think it works with organizational expressions. There are other things where actually —

# Owen Barder

But I mean organizational expressions, I mean if we were to give people the money at costs to setup an NGO and they want collectively come together and setup an NGO they can, right?

So let's take producer co-ops for example. So a lot of the work we do in many countries is with small farmers helping them setup producer organizations. And when they setup a producer organization, they can get access to credit, they can get better deals from buyers, all the rest of it. Now I'm not at all convinced that that would just spontaneously emerge at the same – it would in some situations, as it did in Europe umpteen years ago in Rochdale, but that's a pretty slow way. You can actually, you can speed up that process by saying okay we're going to try lots of different kinds of co-ops and see which ones flourish and we can bring in experience. So what does an INGO bring, one of the things it brings is it experience from other of countries. It can do cross fertilization. It can't impose – if it tries to impose the wrong model, it just won't work, so it'll go away. But sometimes that cross fertilization actually does work and you can see – so the work on – the violence against women stuff, originally came from Uganda, was transferred and adapted in South Asia and is now being introduced in Canada. So these things can – are a bit like markets and ideas which can evolve and flourish, and we can speed it up.

#### Owen Barder

Let's move finally to this question of the do no harm agenda or the do less harm agenda or however you want to describe it. This is the – you have a chapter in your book about trade, international institutions, the various things that happen in the rest of the world that affect poor countries. At the beginning of this conversation you said, well most of what matters, most of what's important is national, in another words, it's what's happening within the developing countries; that's really what determines development and poverty reduction and change. Does that mean that the kinds of things that we talk about, about trade policy and climate change, migration, intellectual property rights, that that's essentially all second order and not very interesting or important? Or what's – how important is that kind of stuff?

#### Duncan Green

So I'd say it's second order and it's interesting and important.

## Owen Barder

Okay.

# **Duncan Green**

If I'm allowed to. So, yeah, one of the other purposes of the book was to push back against some of what I thought were the misconceptions of exaggerating our own position and so on. So I probably went very strong on remember development is national, but that was just my experience from everywhere I'd been. But we are not a neutral player, you know, I am British, I want Britain to contribute to this. Oxfam is an international organization but predominantly based in Europe. It has a European – much of it has a European take on events. And so I think that means it's disproportionately relevant to us what the impact of these powerful, rich countries is having.

And I think when I look across the sort of sweep of development it seems to me that the optimism is largely national and the pessimism is largely global. And the pessimism springs from a number of interacting, horrible processes. I think climate change, the big shift from the first edition of the book to the second edition of the book was in the first edition I was talking about the future threats of climate change, and by the time of the second edition, we were seeing it across our programs. Chaotic weather systems, really, really worrying, deeply worrying processes going on faster than anyone had predicted. So I think climate change, the financial crisis, I think, amply showed that there is an inherent destabilizing impact of an excessively large financial sector and unregulated. But it's both of those things. It's too big and it's too unregulated. However well regulated it is, when the flow of finance cross borders is 100 times bigger than the real economy, a tiny shiver in the finance sector will cause havoc in the real economy. So I think real problems in the finance sector.

And then the third one is ideas. The north still has I think a huge impact in terms of ideas of what is right and what is wrong, what is good policy. And a lot of those ideas I think are questionable.

## **Owen Barder**

Really? Say more about that?

Before I even got into all the stuff around the book there was this endless debate about trade, where the trade lobbyists from Europe had a wonderful ability to conflate trade liberalization and trade as though they were the same thing, which if you take one look at the history of South Korea you know perfectly well it's not. And yet somehow if you are for trade then you have to be for which was a wonderfully, historically amnesiac position in terms of everything that Ha-Joon Chang's written about.

So it's these kinds of things where I think we just need to question some of the received wisdoms.

#### Owen Barder

So I'm interested in the idea that you're optimistic about what's happening in the developing countries themselves but pessimistic about what's happening at a global level. Do you think eventually that the global problems, the lack of investment in various kind of global public good, failure to make progress on climate change, will eventually or are already breaks on the development process for poor countries. What's – how much attention should people who are interested in development in the UK, say, or in the US, be paying their own government's policies? How much attention should they be paying to what we're doing in developing countries themselves? Is what's going to happen that as poor countries become richer and more wealthy that they will just become more powerful and they'll eventually be able to have their say on the international system themselves, in a way that we're seeing in China now and Brazil and South Africa and India and so on? Do we just wait for these countries to get richer and then they can fix – then they'll have sufficient power to fix the international problems that affect them. Or do we need to be focusing harder on the international problems today?

#### **Duncan Green**

I'm wondering whether to try a complicated metaphor, but it feels – development feels like we're running up a down escalator but the down escalator is accelerating. So, which is a very exhausting metaphor but I think that's kind of how it feels, you know, that you got this huge progress, the last 60 years absolutely phenomenal, NGOs don't talk about it nearly enough because we're always concentrating on what still needs to be done. But if you look at education, you look at health, you look at sense of dignity, rights, amazing 60 years. Every possibility that we can get the job done in some sense. The latest calculation of the total amount of money needed to end global poverty is \$66 billion a year, half of the global aid.

Mandela said in 2005, yours is the generation. He was just talking to the wrong group of people. He should have been saying that in South Africa, yours is the generation that can make poverty history, it wasn't a bunch of white activists in Trafalgar Square, although it was very nice message, it was the people in South Africa who can do that. And the cloud that's hanging over is definitely the cloud for me of climate change and sort of malformed globalization. I'm not against globalization per se but some of its excrescences are really worrying and finance is one.

## **Owen Barder**

You say in the book that we've kind of missed an opportunity with globalization, that looking back if we had shaped it better, we would have – the world would have done much better from it. At least I think that's what you say. Is that your view about globalization, that we've missed an opportunity? Is it recoverable? Is it..?

#### **Duncan Green**

I don't think it's going away anyway, so it's not really – half the time in development you have these weird conversations where it's, you kind of assume that you rule the world and you're going to do this or that; so it seems to me like quite often a waste of time. But on globalization I think some of the worst excesses were occurred. I think one of the really good things that's happened since I've been working in development has been that the push back – endless trade liberalization whatever the consequences and without any sense of history, has broken, has been sort of breaked, rather. Yeah the idea that the IMF should make capital account liberalization one of its articles of agreement has gone away because of the financial crisis. You know some of the excesses of liberalize-everything-now have gone.

Just to be clear, on the trade story you presumably wouldn't disagree, would you, that rich country should open their markets to poor countries? That the part that you disagree with is that we should require poor countries to open their markets either to each other or to rich countries?

#### **Duncan Green**

And there is no contradiction in saying what you just said, that's the key point. If you look at how countries develop, they need protection, they need industrial policy of a particular kind early, then they need to liberalize or they end up with a common agricultural policy. And that is a perfectly sensible trajectory.

Unfortunately the powerful countries in the WTO are trying to reverse that order and have all the poor countries liberalize while they do absolutely nothing about the common agricultural policy. So that's what we're opposing. Yes, absolutely.

#### **Owen Barder**

So what is it that we should be doing on some of these global issues? Where are the priorities and in particular how does that relate to – one of the things that I don't see a strong link to is your narrative about how power changes in developing countries. Is this just a question of creating the most propitious context for whatever is or isn't going to happen in developing countries. Or are there things that we do in the global system that actually affect internal power dynamics within power countries? The way we relax trade rules, or the way we tackle climate change, or the way we finance development investment and the way investment happens, for example. What are the things that – what's the interaction between your story about internal power dynamics and these global policy issues?

#### **Duncan Green**

Well I've been thinking a lot about that because I've just written a paper on the post-2015 what comes after the MDGs discussion, because I was struck by how completely unpolitical that discussion is. No one has really discussed how international instruments like the Millennium Development Goals affect government decisions. No one actually has, as far as I can work out, no one has actually gone to a government and asked in a neutral way, what international instruments affect your decision making processes? Which is bizarre given how much money and time is going into this discussion.

So I wrote a paper about that and it got me thinking about how does the international gain traction within a country? And it seems to me there are some obvious, ways and the MDGs were quite a blunt sort of attempt influence behavior. But there are a lot of the ones which are actually I think probably more significant are often not on our radar screen. So I think the constant sort of osmosis of international law actually does change the way the societies work. And yet if you look at the role of women, women's rights that – the identity, the very identity of children. Do you have the right to beat children or not? That has shifted in my lifetime hugely across the developing world.

## Owen Barder

So are you enthusiastic about the way that aid donors are now discussing gay rights as part of the development discourse?

# **Duncan Green**

Yes, I think it's an important part. I wouldn't say it was a priority, but it's certainly an important part of — especially if you work on Latin America where there is a big tradition of non-heterosexual behavior across large parts of Latin America, that's absolutely a perfectly valid question. So I think I've got a sort of wider concept of — I like this phrase 'the enabling environment.' I'm distressed that it always boils down to investment rules, because actually the enabling environment is the right way to think about what we are trying to help with. And I think the enabling environment in terms of ideas, in terms of experiences, knowledge and —

## Owen Barder

Norms and standards as well.

Yeah and not preventing things from happening is a very good sort of umbrella term for what we're trying to do. So I think that's right. You're absolutely right, on, allied to that, stop doing harm. If you put those two together then I think that's a useful contribution where you're actually – you're creating a market for progress.

## **Owen Barder**

Duncan Green thanks for coming on Development Drums.

# **Duncan Green**

Thank you.

## **Owen Barder**

You've been listening to Development Drums with Owen Barder from the Center for Global Development and my guest today has been Duncan Green, the author of From Poverty to Power available from Amazon, from the Oxfam website and from all good book shops.