

# European

# Development Days

## Stockholm, Sweden October 22–24, 2009

European Commission President, José Manuel Barroso, speaks at the opening of the 2009 European Development Days, Stockholm, Sweden. © Hegel Goutier

*Opened by Sweden's Princess Victoria, this year's European Development Days (EDD) event – the fourth edition – organised by the European Commission and the Swedish Presidency of the EU was particularly vibrant and spawned a plethora of new ideas. Time and place had a part to play in this. Hosted in the capital of one of the world's most open democracies, it came on the heels of the 2008 financial crisis and ahead of the upcoming UN Climate Change Conference in December 2009, signalled as a sink or swim time to save the planet.*

**D**ebate in the plenary session and in side events around the three core themes; climate change, global crisis and democracy and development created a rich pool of new ideas with the suggestion from one participant that next year's event to be hosted in Brussels, the capital of Belgium, be re-named 'European Re-development Days.'

There were some 5,500 participants from government ministries, international organisations, think-tanks, non governmental organisations and individuals many of whom promoted their work from stands in a 'Development Village'. "Developing days are going global", said Gunilla Carlsson, Sweden's Secretary of State for International Cooperation of the growing impact of the event. President of Liberia, Ellen Johnson-Sirleaf; President of Sierra Leone, Ernest Bai Koroma; Prime Minister of Sweden, Frederik Reinfeldt; Managing Director of the World Bank, Dr.

Ngozi Okonjo-Iweala; Vice President of the Club of Madrid, Mary Robinson, head of the IMF, Daniel Strauss-Khan and President of the European Commission, José Manuel Barroso, were amongst those present (see: [www.eudevdays.eu](http://www.eudevdays.eu))

EC Commissioner for Development Karel De Gucht, interviewed in *The Courier* issue 13, urged all EU states to redouble their efforts to attain the EU's collective development aid spending target of 0.7 per cent of Gross National Income (GNI) by 2015. "We need to use development aid to get things right; to be less reactive and better at predicting", he said. President of the European Commission, José Manuel Barroso, said the EC was providing a safety net for the most vulnerable countries under a special 'Vulnerability FLEX' instrument providing up to €500M to countries most hit by the crisis, plugging fiscal gaps and maintaining essential spending.



Downtown Stockholm. © Hegel Goutier

## ➤ Rice doubled in price

The effects of the financial crisis on one of the world's poorest nations, Sierra Leone, were evoked by the country's President, Ernest Bai Koroma. Sierra Leone still hovers at the bottom of the United Nations Development Programme's (UNDP) Human Development Index. He told a plenary that the price of rice had doubled in less than a year. And the growth of the country which was 6.4 per cent in 2007 had shrunk to 5.5 per cent in 2008 and 4 per cent in 2009.

President of the African Development Bank, Donald Kaberuka, said the crisis had "undermined the efforts of Africans to manage themselves", wiping out 10 years of economic reform in six months and hitting hard countries like Botswana and Mauritius, both countries posting previously strong economic performances.

"The Bretton Woods Institutions are beginning to show their age; some say it is time to consider their retirement", suggested Otiye Igbuzor, Head of International Campaigns for Action Aid International. Dominique Strauss-Khan, Managing Director of the International Monetary Fund (IMF) founded after World War II to garner global financial stability, stated that "the IMF is going back to its roots" and said that the body is reducing the scope of demands it makes on countries and paying more attention to local conditions.

Dr Igbuzor hit out at tax evasion by multinational companies: "Robin Hood robs from the poor to give to the rich" he said. This

money, which he put at an annual \$106bn, half of Sweden's GDP, could be more usefully spent on developing countries, he suggested.

Muhammad Yunus, Nobel Peace Laureate in 2006 and Managing Director of Grameen Bank, called for a fundamental redesign of the international financial system which leaves out two-thirds of the globe's population. He said that the time had come to reject selfishness – with profit maximisation in favour of selflessness – favouring social business and non-dividend companies.

## ➤ Big business on trial

Big business was also on trial in a debate on Democracy and Development. Kumi Naidoo, Honorary President of CIVICUS, the World Alliance for Citizen Participation, called to account the big business in manip-

Muhammad Yunus speaks at the 2009 European Development Days, Stockholm, Sweden.  
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ulating democracy. There were many calls at the EDD for the strengthening of civil society so it can play its full part in taking up opportunities to participate in the Africa-EU partnership. "Democracy without a civil society is a simulation", said Thoraya Ahmed Obaid, Executive Director of the United Nations Population Fund. Homage for one of the pillars of democracy, a free press, was marked in the prize giving ceremony for the EC's annual Natali awards for journalism (see separate article).

Calls for action on climate change came thick and fast. Dr Rajendra Pachauri, Nobel Peace Laureate in 2007 and Chairman of the Inter-governmental Panel on Climate Change (IPCC), told a plenary debate on the subject that his organisation had evaluated that by 2020, 75-250 million people in Africa could be under "water stress" due to climate change.

Emmanuel Manny Mori, President of the Federated States of Micronesia, said his country comprised of 600 islands in the Western Pacific was "on the verge of drowning". He called for a change – lifestyles with less consumption of planet's resources. Raila Odinga, Kenya's Prime Minister, described the potent symbol of climate change in his country: the ice cap on top of Mount Kilimanjaro was shrinking, having reduced by 80 per cent between 1912-2009; it could entirely disappear by 2015.

Michèle Louis, who was Prime Minister of Haiti at the time of the EDD event, called for compensation for developing countries like her own who were bearing the damage caused by somebody else. She asked: "Is it going to be possible to achieve a globally agreed system to stop the causes of climate change and done to those suffering the consequences without having caused them?"

Carl Bildt, Sweden's Foreign Affairs Minister, said that the EU has taken a lead with a commitment to cut 1990 levels of emissions of greenhouse gases by 20 per cent by 2020. Jeremy Hobbs, Executive Director of the Non Governmental Organisation, Oxfam International, said: "There is no room for plan B. Failure in Copenhagen will mean loss of life". Hobbs called for the EU to make available a €110bn adaptation and mitigation fund for developing nations".

And for those worried about the carbon footprint of the holding of the EDD, President Barroso said it had generated €120,000 in carbon 'offset' funds. **D.P.**

## 'OVERCOMING FRAGILITY IN AFRICA'

by Okechukwu Romano Umelo

Launched at the EDD in Stockholm, the theme of the first ever 'European Report on Development' focuses on how the EU can best aid fragile states\* in Africa. 'Overcoming Fragility in Africa – Forging a new European approach' will contribute to the EU's understanding on how to react to fragile states said EC Director General for development, Stefano Manservigi, at the report's launch. The publication of an ERD is a new departure for the EC. It aims to generate new ideas on EU development thinking to assist EU policy-makers, including those in individual EC member states that have national development budgets.

Giorgia Giovannetti, the ERD Research Team Leader of the European University Institute in Florence said the report would "help fragile countries enhance

their resilience". She said that fragile states live in "acute insecurity" and lack the most basic services including access to safe drinking water. Their common characteristics include an inability to mobilise domestic resources, low levels of development, poor governance, highly concentrated exports and a dependence on natural resources and weak infrastructure. The report also says that the spill-over effects from a fragile country to its neighbours affect intra-regional trade and security. This 'bad neighbour effect', the report states, can add up to €160bn in losses for Africa annually.

\* The fragile countries which are the focus of the ERD are: Angola, Burundi, Cameroon, Central African Republic, Chad, Comoros, Congo (Republic), Côte d'Ivoire, the Democratic Republic of Congo, Djibouti, Equatorial Guinea, Ethiopia, The Gambia, Guinea, Guinea-Bissau, Kenya, Liberia, Mauritania, Niger, Nigeria, Rwanda, São Tome and Principe, Sierra Leone, Somalia, Sudan, Togo, Uganda, and Zimbabwe.

Read the full report at: <http://erd.eui.eu/>

## AFRICA: WORLD BANK HOVERS BETWEEN CONFIDENCE AND TREPIDATION

by Joshua Massarenti

What with the flood of private capital in free fall, prices of raw materials dropping, receding migrants' remittances and gloomy predictions on the volume of public aid for 2009, "Africa is feeling the full force of the economic crisis". This is what Shantayanan Devarajan, chief economist for Africa to the World Bank, confirmed to *The Courier*, reiterating that "all the efforts on the continent over the previous decade and the staggering growth they have produced may be wiped out by a crisis which the Africans do not feel responsible for". Figures released by Washington financial institutions on GDP growth (down from 4.8 per cent in 2008 to 1 per cent in 2009) and poverty (8 million more in poverty in 2009) are, according to Devarajan, "as worrying as the devastating

psychological impacts of the crisis on the Africans themselves. But for the moment, our priority is to help the worst off". Fortunately there is no shortage of good news: "We expected budgets to be in a dreadful state. To our great surprise, countries such as Zambia or Tanzania have succeeded in putting in place recovery plans which are much more prudent than the Obama stimulus package in America or those adopted by certain European governments. There is also Nigeria, which has followed through on its economic reform programme by removing fuel subsidies." Laudable efforts, then, "but they will not be enough. Without an improvement in the world economic situation, there will be no growth at all". The World Bank is hoping that the recent respective revivals of the Chinese and US economies will be consolidated in 2010.



Mount Kilimanjaro. © Reporters/Eureka Slide