If the United States Won’t, Germany Must

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The reelection of President George W. Bush raises the stakes for European diplomacy, which in turn raises the stakes for Germany. The first Bush term put the world on an increasingly dangerous course, in which American military action was given pride of place over the instruments of American diplomacy and support for economic development. Europe should be the counterpoint to the United States’ militaristic approach, but Europe is divided and Germany’s own role in promoting peaceful solutions to global instability has been much too quiet. Europe needs a much bolder approach to reduce the instability in the developing world, one based on promoting economic development. For that to succeed, however, Germany will have to play a much larger role, including larger development aid, greater intellectual engagement, and more political leadership on behalf of economic development in Africa, the Middle East, and Asia.

In my view, the challenge can be summarized in four numbers. The first two involve the United States. This year the United States will spend $450 billion on its military, and only around $16 billion on aid for developing countries. With a 30-to-1 ratio of military spending to development aid, the United States has put all its foreign policy effort on military approaches. Not surprisingly, it turns to war as an instrument to further US foreign policy objectives. One motivation for the war in Iraq, for example, is the basic US security doctrine that a massive United States military presence in the Middle East is the key to long-term US energy security. One aim of the Iraq War is to establish a long-term US military presence in Iraq.

The other two numbers involve Germany. This year Germany will again spend a reported 4 percent of its gross national product on the continued huge costs of reunification. At the same time, Germany will spend only around 0.29 percent of GNP on official development assistance, one of the lowest ratios of development assistance to GNP among all European countries (although 0.29 percent is much larger than the aid-to-GNP ratio of the United States, which is only 0.14 percent). Germany, it’s fair to say, has devoted its energies in the past decade to the great internal challenge of reunification and to the European challenge of strengthening and enlarging the European Union, much more than to the challenge of global economic development. Yes, Germany has played a role in Kosovo.
and Afghanistan, but its broader role in global economic development is very small.

**Germany’s Abdication**

With Germany’s attention looking inward to unification and domestic reforms, or at best to European issues, Europe itself plays a much too limited role in counterbalancing US militaristic approaches to a global problem. To put the matter in a simplistic, yet helpful terms, the world is awash in instability as a result of the profound stresses of globalization. Many regions in the world are destabilized by poverty, economic stagnation, high unemployment, environmental degradation, and too little prospect for economic betterment. In extreme cases of economic and environmental failure, such as Afghanistan, Somalia or Sudan, the economic collapse turns into a full-blown violent conflict. The US approach to such problems is militaristic rather than development-oriented. Yet Europe offers insufficient counterweight, either to convince the US to follow a more balanced foreign policy, or to promote an alternative development strategy backed up by European foreign assistance.

Europe’s weakness in economic diplomacy and promotion of peaceful solutions in impoverished and unstable countries reflects, to an important extent, Germany’s lack of participation in such issues. As Europe’s largest country and economy, Germany is vital to any coherent European foreign policy vis-à-vis the developing world. Yet Germany’s constructive voice in such a European development policy is very quiet, if present at all. Let me illustrate that with some recent personal experience.

During the past five years I have been leading two international efforts to help promote development-oriented solutions to the instability in developing countries. The first was as Chairman of a Commission on Macroeconomics and Health of the World Health Organization during 2000-2001. The second is currently as Special Advisor to United Nations Secretary-General Kofi Annan on the Millennium Development Goals and Director of the UN Millennium Project. In both capacities I have dealt extensively with European aid agencies and the Directorate General for Development of the European Commission. In both capacities, I have been amazed at the relative lack of presence of German leadership and voices in promoting global disease control and economic development.

In September 2000 the entire world, including Germany of course, adopted the Millennium Development Goals, a commitment of rich and poor countries to work together to cut extreme poverty and disease in the world’s poorest countries. Specific numerical targets were established: to reduce income poverty by half by 2015 (compared to 1990), to reduce child mortality by two-thirds, to reduce maternal mortality by three-quarters, and so forth. Most European countries have taken on these goals as the centerpiece of their international
development strategy. The European Commission is increasingly organizing its own efforts around Europe's promotion of these goals. Correctly, the success in meeting the Millennium Development Goals is understood to be at the core of the challenge of spiraling instability, violence, and open conflict, in the poorest parts of the world, including Africa, the Middle East, Central Asia, and South Asia.

One and a half years after adopting the Millennium Development Goals (MDGs), and in the shadow of September 11, the world’s countries met in Monterrey, Mexico to recommit themselves to the goals. On that occasion the world’s richest countries pledged to increase their development aid significantly. Specifically, they promised “concrete efforts towards the target of 0.7 percent of GNP in official development assistance.” The pledge that donors would provide 0.7 percent of their GNP in development aid is now 34 years old. It was first adopted by the UN General Assembly in 1970, to be achieved by 1975, a target that was utterly missed, and that is unachieved in most developed countries until today.

MDG Saints, Sinners

Yet since 2000, several European countries have worked very hard in furtherance of the Millennium Development Goals, including the pledge of 0.7 percent of GNP. Five European countries—Denmark, Luxembourg, Netherlands, Norway, and Sweden—have long honored the 0.7 percent pledge. Importantly, another six European countries—Belgium, Finland, France, Ireland, Spain and the United Kingdom—have recently joined the pledge with a promised date for achieving the target. Germany is conspicuous, of course, for neither fulfilling its own commitment to the 7 percent pledge nor achieving the target nor setting a date to achieve the target.

From my perspective as Director of the UN Millennium Project, I have been working closely with several donor agencies regarding the Millennium Development Goals. Several European donors are remarkably engaged in thinking through the challenge of the MDGs. They recognize that meeting the MDGs will help put the world on a path toward global peace and security. For example, the United Kingdom has taken the lead in confronting African poverty, including through the Africa Commission established by Prime Minister Tony Blair. France has championed “innovative mechanisms” to finance foreign assistance. Sweden has been in the forefront of efforts to achieve “coherence” in foreign policy approaches vis-à-vis the low-income countries, by aligning foreign aid, trade, and diplomacy. Norway has boldly led the United Nations Commission on Sustainable Development in promoting global development goals. And this is just a partial list.

Germany, alas, is hardly at the table. Yes, of course, there are many German professionals deeply committed to international development assistance, but there is little in the way
of a national commitment to the Millennium Development Goals or to a German strategy to support them. German policymakers’ attention is limited, German foreign aid is modest, and Germany’s voice has not really been heard globally on these issues. The real cost is not just a lack of German leadership, but a lack of European leadership. How can Europe help to convince the United States to pursue a peaceful and development-oriented approach to global instability when Europe itself is unable to promote a bold European development agenda?

2005 Critical

The year 2005 will be critically important for at least three reasons. First, President George W. Bush has just won reelection. Will his administration view the reelection as a mandate for expanded war, perhaps with Iran or Syria? Will Iraq’s violence spread to other Islamic countries in the Middle East and Africa? Will humanitarian crises such as Darfur continue to spiral out of control? The best chance for a more peaceful solution will depend on European leadership, both in pursuing European initiatives and also in convincing the US to rebalance its foreign policy to give much more weight to development and diplomatic approaches.

Second, 2005 is the fifth-year review of the Millennium Development Goals, and the start of the final decade for achieving them, since the completion date is set at 2015. The entire year will be devoted to diplomacy over the MDGs. The European Union plans to adopt a new development strategy this spring. The Africa Commission of the UK will issue its report in March. The G-8, hosted in July by the UK, will focus attention on development aid, featuring United Kingdom Chancellor Gordon Brown’s proposals for a new International Finance Facility to double development aid during 2005–2015. And in September, the world’s leaders will gather for a United Nations summit, in part to recommit global efforts to achieving the MDGs.

Third, 2005 will also be a year of intense debate over restructuring the United Nations security mandate and institutions, including possible enlargement of the UN Security Council. Germany has already made clear its desire for a permanent seat on the United Nation Security Council. To accomplish that, Germany will require the support of two-thirds of the United Nation membership, including, therefore, a large number of low-income countries for whom economic development is the primary national objective. It is hard to see how Germany’s membership on the United Nation Security Council will generate much enthusiasm or votes if Germany continues to give such a low priority to the international development agenda.

The United Nations Millennium Project will issue a report to United Nation Secretary-General Kofi Annan in January 2005 to show how the Millennium Development Goals can be achieved. We will make several basic points of relevance for Germany and
Europe. First, the Millennium Development Goals can indeed be met in poor and unstable countries. One indispensable key is a massive increase in investments in critical areas—such as roads, power, clinics, schools, water, and sanitation. The key to successful economic development is investing in the poor, to raise their skills and labor-market productivity and to improve the business environment through upgraded infrastructure.

Second, this increase in investment in the poor countries will have to be financed in part by a significant increase in development assistance from the rich countries. The donor world, as a whole, will have to double its development aid as a share of GNP, from around 0.25 percent to 0.5 percent, on average during the period 2005-2015. By 2015 it should reach the target 0.7 percent of GNP.

Third, to accomplish such an objective, Europe will have to lead, by adopting a proposal like the International Finance Facility. That, in turn, will require Germany's active and enthusiastic participation. I very much hope that Germany will take the time away from pressing domestic economic issues to focus on international diplomacy and development in 2005. Without Germany's strong voice for peace through development, the world could drift inexorably towards expanded war and conflict. With Germany's voice, we could not only achieve the bold objectives for alleviating suffering that were set out at the United Nation Millennium Assembly in September 2000, but also put the world on a much safer course. Germany has expressed a desire and willingness to help lead in this. Its voice for a peaceful resolution to the Iraq crisis in the lead up to war shows how realistic and valuable Germany's perspective can be. But Germany will not have the voice, or (I believe) the votes for permanent United Nation Security Council membership, unless it is ready to put its own financial resources into this challenge, and to do that in the context of a strong and unified European foreign policy.