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Towards **global public investment**
Briefing Paper #1

(FF)Dos and (FF)Don'ts

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Featuring Jonathan's favourite anecdote from the 3rd Financing for Development Conference in Addis (2015), his most annoying memory, the predictable assertion that he was right all along and, of course, his (FF)Dos and (FF)Don'ts as we begin the road to FFD4 in Madrid (2025).

(FF)Do's

(FF)Don'ts

01

Work on a narrative that centres the public (not just the private)



02

Emphasise process (which is about voice, accountability and decision-making)



03

Forget about national interests (and regional ones)



04

Self-censor your analysis (even if you are being uber realistic on strategy)



Nine years ago, almost to the day, I was in Addis Ababa along with hundreds (thousands?) of delegates from around the world. Our job was to build an ambitious consensus on Financing for Development (FFD) in the lead up to the acclamation of the paradigm-shifting Sustainable Development Goals which was to take place in September of that year (2015). Many countries, predominantly from the Global South, had insisted that the world should commit to coming up with the requisite cash before going ahead and shifting paradigms, not the other way round.

The next Financing for Development conference (Addis+10) has now been announced - to take place in Madrid in July 2025 - so it is time ramp up the campaign for transformational changes in the international financial architecture. This note describes my lessons from the Addis conference and the years since: my (FF)Dos and (FF)Don'ts. (Sorry, translator, that only works in English!)

[1] Resisted calling this document "FFS" despite the fact that that is what FFD always gets auto-corrected to on my Whatsapp...

Most amusing anecdote from Addis 2015

A couple of days into the conference, some of us were invited to dinner at the house of a friend who was based in Addis Ababa. Lovely. At one point someone asked, "Where's X?", X being a UK government official. The answer came from our host, "Oh yes, she was intending to come, but when she realized Jonathan was here she decided to go to her hotel to relax."

I had become a thorn in the side of the UK and other governments because they were blocking on the key issue of the day; the establishment of a tax body at the UN (of which more later). I am still not sure if this means I was doing my job well or badly.

Most annoying memory

As the final round of negotiations got underway, a delegate from a large international NGO complained that he had to have a meeting with "the crazies!" In this case these "crazies" were some civil society delegates from Central America insisting on more transformational change than powerful countries were prepared to offer.

This INGO boss no doubt thought himself 'the adult in the room' whose role was to manage down naïve utopians campaigning not just for modest reforms but for a significantly fairer and more effective global financial architecture.

No matter that these Guatemalans and Salvadorians had been on the frontline of a decades-long struggle for justice involving personal and tragic sacrifice, while my Northern colleague's only headache had probably been the high interest on his mortgage. Think outside the box, challenge established norms, and you risk being labelled a "crazy".

What were the main issues at Addis in 2015?

There were two major era-defining issues in Addis nine years ago. First, the expanding international role of the private finance as opposed to public finance. Second, the centrality of domestic resource mobilization, which is jargon for raising taxes and incentivizing private sector investment in the world's poorer countries.

The first issue was the conference's main theme - summed up by the World Bank's ubiquitous and clever slogan "from billions to trillions", meaning you only get billions if you focus on public money i.e. ODA, but we need trillions to solve our global problems, and that means looking for private money.

The second issue was the conference's main point of consensus - yes, there definitely needs to be bigger and better domestic revenue raising. It was also the cause of its main sticking point as the final night of negotiations approached. The fight was over the establishment of a fair process for deciding on global tax matters.

On the one hand you had civil society and governments from the Global South insisting that the UN was the appropriate place to discuss tax matters. On the other, a handful of Western powers preferring to keep things tidily handled by the OECD (the club of the world's richest countries) where their interests would be best served. Seldom had there been a more obvious battle of power between a new 21st century approach to global governance and an exclusionary 20th century one.

Annoyingly, the rich countries won on both issues in Ethiopia. Their main theme became commonly accepted over the following few years i.e. that we shouldn't spend so much effort raising public money for global objectives because hey, "from billions to trillions", public money is just a drop in the private ocean. And they blocked the UN tax body.

Nine years on, however, it has become even clearer that we (civil society and the governments of the Global South) were right on both counts. On the UN tax body, 2024 saw the inauguration, finally, after years of campaigning, of just such a body, a huge step forward for the cause of global public investment. And on the role of public money at the international level more generally, even the cheerleaders for private money now accept that it simply hasn't arrived on the scale needed, and anyway is often the wrong type of money (profit-seeking rather than public-interest).

Ok, so what lessons do I take from all this for governments, experts and campaigners?

What are my (FF)Dos and (FF)Don'ts for the next 12 months?

(FF)DO...

1... work on a narrative that centres the public (not just the private)

The point of the FFD process is not just to agree negotiated responses to the crises of the day, but to set the terms of debate for years to come. FFD3 in Addis Ababa in 2015 certainly managed to set a new narrative - its elevation of private finance as the main response to the so-called "financing gap" has been influential over these last 9 years, becoming the common denominator in official development finance discussions.

This time we need to rebalance that unbalanced position. Yes, of course we need private investment as part of the financing mix, and yes it will always be a bigger player at a global scale than public money can ever be. But the importance of public money in the international mix has become ever clearer in the past decade - it is a first resort rather than a last resort, to borrow Mariana Mazzucato's language.

Mariana is a good example, by the way, of someone who focuses as much on narrative (e.g. the story that has us all believing public spending to be inefficient and the public sector be useless and stuffed with grey bureaucrats) as on policy proposals for new ways to manage the economy.

Shifting the narrative that makes those proposals more likely to be adopted.

The era of international public finance is not coming to an end, as was implied at FFD3 – it is only just getting going, and we need much more of it. This FFD conference is the perfect opportunity to capitalise on the post-neoliberal moment and embed public money and the public sector at the heart of any solution to our world's challenges.

2... emphasise process (which is about voice, accountability and decision-making)

Urgent is urgent. And many countries are certainly living through crisis at the moment, not just in the Global South but in the North as well. It is inevitable that our thoughts are most focused on the challenges we face today and the months to come. Few organisations feel they have the time to focus on process, because everything is so urgent.

But everything will always be urgent! We don't get a world where things become easy, and where we suddenly have time for the structural stuff.

I remember discussing this with Tove Maria Ryding of Eurodad all those years ago at Addis. Why are you putting so much emphasis on a process demand – the UN tax body – rather than something more concrete?, I asked her.

Because, she said, it is by establishing fair and effective processes that we get to the bottom of our problems, dealing with urgent crises, yes, but also with underlying structural barriers. How right she was – and it was gratifying to see her and so many other tax campaigners speaking at the inauguration of the UN tax convention earlier this year.

People will tell you, in the lead up to the conference and in Madrid itself, that there isn't space for structural issues, because there are so many urgent things to deal with. Tell them that a better process is a concrete outcome. If we don't transform the way we make decisions we won't be ready for even graver crises that may be around the corner. We need to work on transforming structures and processes even in times of crisis.

(FF)DON'T...

3...forget about national interests (and regional ones)

There was a leak recently of a paper drafted by the European Union outlining how its development policies could further its own regional interests. Cue shock and outrage from civil society and the media. But governments always look after their own interests, as people who work in government will happily tell you. This leaked document simply set out in black and white something that is pretty obvious.

Yes, there may be some exceptional moments in which governments act out of simple altruism – in my lifetime the best example I can think of is the period in the first few years of this century when growth was strong in G8 countries (back then it was still 8!) and they went ahead and cancelled debt, raised aid and incorporated substantive aid effectiveness principles. Countries get generous when they are doing well economically – and even then their own interests are always present (in the case of the UK and US, for example, trying to rebuild in the aftermath of the disastrous war in Iraq).

Of course campaigners and many in government will make the moral case, and there are times when moral advocacy does persuade powerful decision makers to do the right thing regardless of national interest – one example is the massively successful fundraising for the Global Fund for Aids, Tuberculosis and Malaria in the 2000s which relied heavily on presidential-level diplomacy using simple (often visual) messages about the effectiveness of higher spending.

But don't let examples like this cloud the overall simple truth – governments are going to be pursuing their interests, so campaigners need to either a) argue successfully that their demands are in those interests or b) produce such political momentum that even powerful governments feel unable to block or postpone. Either way, a deep analysis of particular governments and their interests is crucial.

That is one of the reasons the Global Public Investment approach is gaining ground – it frames greater global spending as in the interests of rich countries rather than as a charitable gift. This is persuasive to the publics of the Global North, to whom political decision-makers ultimately need to respond. International spending not to “aid” a faraway other but to deliver goals that matter to the spending country – and of course to everyone else. While messaging around charity and reparations can complement, only an appeal to interests will lead to the kind of largescale and sustainable international public finance the world now needs.

4... self-censor your analysis (even if you are being uber-realist on strategy)

Finally, you will come under pressure to censor your analyses. “You are too radical”, you will be told. “Be reasonable!” The reality, of course, is that a radically new approach is the only reasonable response to the planet's current predicament. While there is certainly a role to be played advising government negotiators on strategy, don't allow patronising appeals to ‘reasonableness’ dilute your public positioning or your overall narrative.

Take the call for vastly more grants, for example. We will be told that it is unreasonable to ask for more grants, and it is true that there are financial constraints in many wealthy countries.

But it is also unreasonable to expect low- and middle-income countries to further indebt themselves to deliver global objectives, especially in the post-Covid economic depression.

How to square this? Well, in the absence of money on the table, the FFD outcome document needs to at least set out an aspiration towards largescale grant increases as soon as possible. Much as political parties commit to increasing public spending as the context allows, even if it can't be done immediately, so the direction of travel towards 2030 and 2040 should not be restricted because of the political or economic limits being faced in 2025.

Reframing narratives may not solve today's constraints but it does allow for gradual movement towards a new approach. If rich countries claim not to have the financial leeway to significantly increase grants right now, that is on them – it shouldn't affect the clear recognition that more grant funding is indeed required.

The tax justice campaign is one example of a campaign that started many years ago and is only now really beginning to score campaign wins – I remember in the early days when we were advised to avoid the word "tax" itself because the common media narrative was so opposed to tax hikes – well, today we are winning the narrative and now we need to win the policy detail.

If people don't like what you are saying, let

them edit their own work – don't do it for them. Having said that, you need to have a politically realistic strategy, recognising barriers to progress, even as you remain steadfast on fundamental analysis. Having politically realistic objectives is the only way to stay sane as a campaigner – otherwise life just becomes one long series of disappointing episodes.

Those are my top four lessons – others will have their own. It would be great to hear your thoughts in the comments or via email to hello@globalnation.world

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