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Department of Economic and Social Affairs
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INTERNATIONAL FORUM FOR SOCIAL DEVELOPMENT

FINANCING GLOBAL SOCIAL DEVELOPMENT

New York, 7 February 2002

BACKGROUND NOTES

Apart from a few clarifications on the meaning given to terms used in the agenda, these notes provide extracts from United Nations and related documents relevant to the themes under discussion at this Forum.

Among the expressions used in the Agenda for the Symposium of 7 February, a few require some clarification, notably *social development, international/global, global public good,* and *common good.*

Social Development

Social development, in the Agenda for this Forum, is presented as an encompassing term. It includes in particular the objectives of provision of economic opportunities for all and reduction of poverty. It refers to the well being of individuals and to the harmonious functioning of societies. It is the equivalent of social progress. And it refers to both objectives and processes. According to this logic, economic growth is one of the means to social development, as it is a means to economic development. Also, in this Forum, a strong emphasis is put on the use of a "social perspective" to consider issues of development and their financing.

This approach, which corresponds to the spirit of the Copenhagen Declaration and Programme of Action, departs from the treatment of the "social" as a facet, or mere consequence of, or as an obstacle to economic development. It differs from "human development" by its emphasis on communities and societies, their cultures, structures and diversity. It is compatible with the keeping of "development" as the overall concept, with social, economic and environmental branches. It is also compatible with "sustainable development" being the overall concept, with social development, economic development, and the protection of the environment as the three avenues to pursue this goal.

In the intergovernmental structure of the United Nations, a Social Commission was established in 1946, as a functional body of the Economic and Social Council, together with a Population Commission and a Statistical Commission. No "Economic Commission" was created, as the Council itself was treating issues of economic cooperation. The Social Commission was renamed in the 1960s the Commission for Social Development. It currently coexists, in related domains, with the Commission on Sustainable Development, the Commission on the Status of Women, the Commission on Human Settlements, the Commission on Narcotics Drugs, and the Commission on Population and Development. The Commission for Social Development is responsible for the follow-up of the World Summit for Social Development.

International/Global

Social development is a national objective and process as national governments and other actors think and act within national borders. It is also an international objective and process as national governments cooperate with each other, primarily through international organizations, to foster national policies in a variety of ways including transfer of resources from rich to poor nations through multilateral channels. Further, social development is a global issue when global actors –for example transnational corporations, organizations of the civil society with a global reach- play a role in its implementation. It is a global concern when organizations of the United Nations system put one of its critical aspects, for example the reduction of poverty, or the prevention and cure of HIV-AIDS, on their agenda and design measures going beyond aid and assistance to address it. And the financing of social development which would come from any type of global transaction, or from a tax on personal wealth across national borders, and which would be administered by an international or global organization, would also be global in nature, notwithstanding the specific nationalities of the beneficiaries.

Global Public Good

The notion that certain national goods have to be provided by public authorities, with modes of delivery different from market practices, has a long and highly respectable history. Adam Smith considered national defence, the administration of justice, and also the protection of property rights, the maintenance of competitive markets and the control of money supply as public goods. Particularly after World War II, governments of many societies included among public goods education, health, social security, public transportation, the provision of energy to households and private enterprises, as well as the provision of parks and natural reserves.

This list has shrunk in a number of countries with the privatisation movement since the beginning of the 1980s, but at the same time the concept of global public good has emerged, first with the consciousness that many aspects of the natural environment were being damaged beyond local or national sources. Global public goods generally cannot be produced, controlled, or appropriated by a single nation, entity or person. Their production or protection is costly, but their benefits are normally “indivisible” and free of charge. Amid much hesitation and controversy, this observation that some goods are both public and global is finding some degree of acceptance in international circles. A book entitled *Global Public Goods* was published by the UNDP in1999. It proposes a comprehensive understanding and list of global public goods, including market efficiency, financial stability, equity (and therefore the elimination of poverty), health, environmental sustainability and peace.

The Report of the High-Level Panel on Financing for Development (commissioned by the Secretary-General of the United Nations and transmitted to the fifty-fifth session of the General Assembly), assigns to international development cooperation four vital roles, one of which being “providing or preserving the supply of global public goods”. It defines these goods in the following way: “Goods that fall in this category include peacekeeping; prevention of contagious diseases; research into tropical medicines, vaccines, and agricultural crops; the prevention of CFC emissions; limitation of carbon emissions; and preservation of biodiversity. No individual country has an incentive to pay for these goods and thus collective action is needed if they are to be supplied in sufficient quantity”.

Common Good

The notion of common good has political, philosophical and religious connotations. It has a larger and less precise meaning than the economically rooted concept of global public good. It assumes that peoples of the world share a common humanity, have common basic values, and a future in common. It assumes also that the preservation and promotion of cultural diversity and richness implies the parallel search for the common good, and is not simply “compatible” with this search. More demanding and more ambitious than the “common interest”, the common good has strong moral and spiritual dimensions. It finds expression in all main religious and philosophical traditions. It is an active concept, requiring human thinking and human action. It cannot be the inadvertent by-product of human activity.

The expression “common good” is more and more frequently used in the discourse at the periphery of intergovernmental negotiations in the United Nations. The Charter mentions the “common interest” and “common ends”. The Copenhagen Declaration refers to “common pursuit”, “common cause” and “common future”. The expression “common good” is mentioned once in the Programme of Action. The Millennium Declaration talks of the creation of “a shared future based upon our common humanity”, and of “universal aspirations for peace, cooperation and development” translated into “common objectives”.

RELEVANT EXTRACTS FROM UNITED NATIONS AND RELATED DOCUMENTS

I. On the responsibility of the international community for social development and its rationale

Copenhagen Declaration on Social Development (A/CONF.166/9):

"We launch a global drive for social progress and development".

"We recognize that social development is central to the needs and aspirations of people throughout the world and to the responsibilities of Governments and all sectors of civil society."

"We commit ourselves to the goal of eradicating poverty in the world (…) as an ethical, social, political and economic imperative of humankind."

"We recognize that, while social development is a national responsibility, it cannot be successfully achieved without the collective commitment and efforts of the international community;" (…) The international community, the United Nations, the multilateral financial institutions, all regional organizations and local authorities, and all actors of civil society need to positively contribute their own share of efforts and resources in order to reduce inequalities among people and narrow the gap between developed and developing countries in a global effort to reduce social tensions, and to create greater social and economic stability and security."

"Such cooperation is particularly crucial to ensure that countries in need of assistance, such as those in Africa and the least developed countries, can benefit from the process of globalization."

"At all levels of implementation, the crucial and essential requirements are: (…) Solidarity, extending the concept of partnership and a moral imperative of mutual respect and concern among individuals, communities and nations."

Further Initiatives for Social Development (Copenhagen + 5)(A/Res/S-24/2):

"Determined to give new momentum to our collective efforts to improve the human condition (…)"

"At the dawn of the new millennium, aware of our responsibilities towards future generations, we are strongly committed to social development, including social justice, for all in a globalizing world."

“We invite all people (…) to join in renewed dedication to our shared vision for a more, just and equitable world.”

Secretary-General’s Millennium Report: “We the peoples: the role of the United Nations in the 21st Century” (A/54/2000):

“Extreme poverty is an affront to our common humanity. It also makes many other problems worse. For example, poor countries — especially those with significant inequality between ethnic and religious communities — are far more likely to be embroiled in conflicts than rich ones.”

“In short, experience confirms some fundamental truths: growth is a necessary, though not sufficient, condition for reducing poverty and income inequality. The surest route to growth is through successfully engaging in the global economy. But that must be combined with effective social policies: advances in education for all, health for all and gender equality. Success rests on a strong foundation in governance. And it requires external support.”

United Nations Millennium Declaration (A/RES/55/2):

“We recognize that, in addition to our separate responsibilities to our individual societies, we have a collective responsibility to uphold the principles of human dignity, equality and equity at the global level. As leaders we have a duty therefore to all the world’s people, especially the most vulnerable and, in particular, the children of the world, to whom the future belongs.”

The Declaration then lists six “fundamental values essential to international relations in the twenty-first century.” These are freedom, equality, solidarity, tolerance, respect for nature, and shared responsibility. The latter is defined as follows: “Responsibility for managing worldwide economic and social development, as well as threats to international peace and security, must be shared among the nations of the world and should be exercised multilaterally. As the most universal and most representative organization in the world, the United Nations must play the central role.”

Report of the High-Level Panel on Financing for Development (A/55/1000):

“Foreign assistance gets far too little public and political support in all but a handful of the industrial countries. In most industrial countries, and prominently in the United States of America, the public has little awareness of the moral issues or the dictates of self-interest in alleviating poverty elsewhere in the world. For half a century, populations in many of the industrial countries have lived with a stark inconsistency, between the calling of their ethical beliefs to have compassion for others and their indifference to the conditions of the poor in poor countries. They still believe that poverty outside their own borders will have scant consequences for their own countries and their own well-being; and they have little idea of how meagre is the actual record of foreign aid giving. In the

United States, for example, polls show that the public greatly overestimates what that country contributes in aid."

II. Globalization and social development

Copenhagen Declaration on Social Development (A/CONF.166/9):

"Globalization, which is a consequence of increased human mobility, enhanced communications, greatly increased trade and capital flows, and technological developments, opens new opportunities (…) Globalization also permits countries to share experiences and to learn from one another's achievements and difficulties, and promotes a cross-fertilization of ideals, cultural values and aspirations. At the same time, the rapid processes of change and adjustment have been accompanied by intensified poverty, unemployment and social disintegration. (…) The challenge is how to manage these processes and threats so as to enhance their benefits and mitigate their negative effects upon people."

Further Initiatives for Social Development (Copenhagen + 5) (A/Res/S-24/2):

"Globalization and continuing rapid technological advances offer unprecedented opportunities for social and economic development. At the same time, they continue to present serious challenges, including widespread financial crises, insecurity, poverty, exclusion and inequality within and among societies. (…) Unless the benefits of social and economic development are extended to all countries, a growing number of people in all countries and even entire regions will remain marginalized from the global economy."

"… There is wide recognition of the need for collective action to anticipate and offset the negative social and economic consequences of globalization and to maximize its benefits for all members of society. (…) Inappropriate design of structural adjustment programmes has weakened the management capacity of public institutions as well as the ability of Governments to respond to the social development needs of the weak and vulnerable in society and to provide adequate social services."

Secretary-General's Millennium Report (A/54/2000):

"Creating an inclusive global market is one of humanity's central challenges in the twenty-first century. We are all impoverished if the poor are denied opportunities to make a living. And it is within our power to extend these opportunities to all. The rich countries have an indispensable role to play by further opening their markets, by providing deeper and faster debt relief, and by giving more and better-focused development assistance."

"As a result of globalization, the world's commitment to the poor is slowly coming to be seen, not only as a moral imperative but also as a common interest. Each country must still take primary responsibility for its own programmes of economic growth and poverty reduction. But ridding the world of the scourge of extreme poverty is a challenge to every one of us. It is one that we must not fail to meet."

United Nations Millennium Declaration (A/RES/55/2)

"We believe that the central challenge we face today is to ensure that globalization becomes a positive force for all the world's people. (…) Thus, only through broad and sustained efforts to create a shared future, based upon our common humanity in all its diversity, can globalization be made fully inclusive and equitable."

Report of the High-Level Panel on Financing for Development (A/55/1000)

"(…) The challenges of globalization today cannot be adequately handled by a system that was largely designed for the world of 50 years ago. Changes in international economic governance have not kept pace with the growth of international interdependence.

III. The financing of social development

Copenhagen Declaration for Social Development (A/CONF.166/9):

"We commit ourselves to increasing significantly and/or utilizing more efficiently the resources allocated to social development in order to achieve the goals of the Summit through national action and regional and international cooperation."

"To this end, at the national level, we will (…) develop economic policies to promote and mobilize domestic savings and attract external resources for productive investment, and seek innovative sources of funding, both public and private, for social programmes, while ensuring their effective utilization;"

"At the international level, we will (…) seek to mobilize new and additional financial resources that are both adequate and predictable and are mobilized in a way that maximizes the availability of such resources and uses all available funding sources and mechanisms, *inter alia*, multilateral, bilateral and private sources, including on concessional and grant terms;"

"In addition to augmenting the flow of resources through established channels, relevant United Nations bodies, in particular the Economic and Social Council, should be requested to consider new and innovative ideas for generating funds and, for this purpose, to offer any useful suggestions."

Further Initiatives for Social Development (Copenhagen + 5)(A/RES/S-24/2):

"Full and effective implementation of the Copenhagen Declaration and Programme of Action is necessary at all levels. (…) This in turn requires not only renewed political will but also the mobilization and allocation of additional resources at both the national and international levels."

The resolution then lists a number of measures for the mobilization of domestic resources for social development and actions to be taken at the international level including on tax matters, tax shelters, tax havens and the prevention of tax avoidance, on ways to increase and widen flows of public and private financial resources to developing countries, on "conducting a rigorous analysis of advantages, disadvantages and other implications of proposals for developing new and innovative sources of funding, both public and private, for dedication to social development an d poverty eradiation programmes," on the debt issues, on ODA and on "concessional financing for social development."

United Nations Millennium Declaration (A/RES/55/2):

"Success in meeting these objectives (development and poverty eradication) depends, *inter alia*, on good governance within each country. It also depends on good governance at the international level, and on transparency in the financial, monetary and trading systems. We are committed to an open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial system."

"We are concerned about the obstacles developing countries face in mobilizing the resources needed to finance their sustained development."

Roadmap towards the implementation of the United Nations Millennium Declaration (Report of the Secretary-General) (A/56/326):

"In the Millennium Declaration, industrialized countries reaffirmed long-standing commitments to much higher levels of development assistance, much more generous debt relief, and duty- and quota-free access for exports from the least developed countries. Those that fail to honour these commitments must realize that they are failing also in the responsibility, which they have solemnly recognized, 'to uphold the principles of human dignity, equality and equity at the global level'."

"The mobilization of domestic resources is the foundation for self-sustaining development. Domestic resources play the main role in financing domestic investment and social programmes, which are essential for economic growth and making permanent gains in eradicating poverty. (…) "

"Foreign capital can provide a valuable supplement to the domestic resources that a country can generate."

"While private capital cannot alleviate poverty by itself, it can play a significant role in promoting growth. However, its provision needs to be organized in such a way that reduces vulnerability to crises."

“Official development assistance (ODA) is still a key source of finance, especially for least developed countries that lack the infrastructure necessary to attract private capital flows.”

“Since ODA is necessary to build the infrastructure necessary to attract foreign capital, direct or otherwise, if Governments are to achieve the goals for 2015 and if sustained and sustainable economic growth is to become the norm in all developing countries, substantially larger amounts of ODA will be needed.”

Report of the High-Level Panel on the Financing for Development (A/55/1000):

Among the recommendations of the Panel are:

“Developing countries should create an attractive environment for foreign investment, especially FDI”;

“The Panel urges the Financing for Development Conference to obtain a commitment by the industrial countries to implement the target of providing ODA equal to 0.7 per cent of their GNP;’’

”The inescapable bottom line is that much more funding is needed for official development assistance. Almost half a century ago the international community accepted that rich countries have a responsibility for helping poor countries get development off the ground. In 1969 the Pearson Commission formalized this by calling on donor countries to give 0.7 per cent of their gross national product in ODA — a target that was endorsed by the United Nations and by many donors. In practice, in 1999, ODA stood at a mere 0.24 per cent of GNP for the aggregate of the 22 members of the OECD Development Assistance Committee (DAC).

If the DAC members actually delivered ODA according to the 0.7 per cent target, aid would increase by about $100 billion per year. With this amount available for international development cooperation, it would be possible to pay for global public goods, to provide sufficient humanitarian relief, and not only achieve the International Development Goals but also provide much more satisfactory levels of official development assistance for the take-off of developing countries.”

“Donors should distribute ODA across countries according to two criteria: the depth of poverty in a country, and their assessment of the extent to which the country’s policy is effectively directed to reducing poverty;”

“Aid should be voluntarily and prudently shifted to a common pool basis that would finance the recipient’s announced development strategy;”

“The Panel endorses the proposal of the Commission on Global Governance to create a global council at the highest political level to provide leadership on issues of global governance;”

"The WTO should be better funded and its governance should be reformed to enable small countries to play a more effective role in decision making. The ILO should be given teeth and should be prepared to use them. The sundry organizations that currently share responsibility for environmental issues should be consolidated into a Global Environmental Organization;"

"The Financing for Development Conference should explore the desirability of securing an adequate international tax source to finance the supply of global public goods; (…) in particular, a currency transaction tax (otherwise known as the Tobin Tax) has often been proposed as a new source of finance. The Panel believes that further rigorous technical study is needed before any definitive conclusion is reached on the convenience and feasibility of the Tobin Tax. There is likely to be more promise in *carbon tax* – a tax on the consumption of fossil fuels, at rates that reflect the contribution of these fuels to CO2 emissions."

"The IMF should re-commence SDR allocation;"

"The Panel proposes that the international community should consider the potential benefits of an International Tax Organization. This could address many needs that have arisen as globalization has progressively undermined the territoriality principle on which traditional tax codes are based. Developing countries would stand to benefit especially from technical assistance in tax administration, tax information sharing that permits the taxation of flight capital, unitary taxation to thwart the misuse of transfer pricing, and taxation of emigrant income."

IV. Estimates of costs and some data

Report of the High-Level Panel on Financing for Development (A/55/1000):

A. Estimates of additional annual costs for achieving the 2015 International Development Goals

The High-Level Panel on Financing for Development presented an estimate of the costs of achieving the Millennium Development Goals, which is reflected in the table below:

	Billions of dollars
Halving poverty and hunger	20
Halving population without access to safe drinking water	0
Achieving universal primary education	9
Achieving gender equality in primary education	3
Achieving three-fourths decline in maternal mortality	No estimate
Achieving two-thirds decline in under-five mortality	No estimate
Halting and reversing HIV/AIDS	7-10
Providing special assistance to AIDS orphans	No estimate
Improving lives of 100 million slum-dwellers	4
Total (approximate)	**50**

Source: Annex to A/55/1000.

The estimate of the Panel of US$ 50 billion is based on a number of assumptions:

- The cost of achieving the goal of halving poverty, US$ 20 billion, builds on two studies: "The first is an UNCTAD study[1] which suggests that such a goal would require additional aid of about $10 billion a year to increase economic growth in Africa to 6 per cent a year, on the assumption that all countries make themselves eligible by adopting policies that merit support. That figure would need to be at least doubled to allow for a parallel effort in the lower-income countries outside of Africa…. …The second study is a recent World Bank study that examined the feasibility of achieving the goal of halving world poverty by 2015 (using the headcount measure of poverty and a poverty line of $2 per day in 1993 purchasing

[1] UNCTAD, *Capital Flows and Growth in Africa* (New York and Geneva, 2000). The estimate in the text departs from the UNCTAD estimate in not assuming that a part of increased aid would leak into capital flight and reserve build-up.

power parity dollars).[2] It concluded that, in the aggregate, this target could well be achieved, because even on present trends Asia looks likely to more than halve its poverty by that date. But the study also concluded that the outlook for halving poverty is poor in all other regions, and that poverty in Sub-Saharan Africa could be expected to decline only modestly, from 72 per cent in 1996 to 64 per cent in 2015 (again using the $2 a day poverty line).“

- “Estimates of the cost of achieving universal primary education by 2015 and achieving gender equality are based on the simple assumption that increased public spending on a given social service translates into proportionately increased provision of that service, or, in other words, that marginal cost is equal to average cost. That may not be an inappropriate assumption for education, but it would be a terrible assumption if used to estimate the cost of cutting infant mortality by two thirds and maternal mortality by three quarters (it would imply that less than $3 billion a year would suffice). The problem is that the main variables impacting mortality rates are not public health expenditures. At present there is no reasonable basis for costing these goals.”

- “The Secretary-General has presented an estimate that the cost of halting and reversing the spread of HIV/AIDS is on the order of $7 billion to $10 billion a year. It appears that no one has yet attempted to quantify the cost of providing special assistance to AIDS orphans.“

- “It is clear that our present knowledge does not suffice to put a convincing price tag, even a rough one, on the cost of meeting the human development goals. Individual countries have not yet started to estimate the costs of meeting the goals, as they need to do if credible worldwide estimates are to be made available. The partial figures presented above suggest that such a sum is bound to be large; a best guess might be that it would be on the order of $30 billion. Not all of this would necessarily be in addition to the extra $20 billion needed to halve world poverty. For example, an efficient programme to achieve the poverty reduction target would probably include much of the extra spending in the $12 billion needed to achieve the education goals. And faster growth is likely in itself to help reach the human development goals. On the other hand, this estimate does not allow for the fact that the marginal cost of supplying some services to more scattered populations will probably exceed the average cost of those already supplied. There is also the problem posed by the loose relationship between public spending and service delivery, which reflects the fact that achievement of the 2015 human development goals depends crucially on the efficiency of service delivery as well as the availability of money. Thus the figure used in the text of this report, a total of $50 billion a year, should be interpreted only as indicating an order of magnitude; but there is no doubt that the magnitude is substantial.”

[2] Paul Collier and David Dollar, *Can the World Cut Poverty in Half?* (Washington, D.C., World Bank, 2000).

B. Estimate for the financing of global public goods

With the list of public goods it identified (please see page 3 of this note), the Panel suggested that "desirable spending on global public goods is certainly substantially greater than $10 billion a year. A best estimate is that it may be of the order of $20 billion a year."

Secretary-General's Millennium Report (A/54/2000):

"While more of us enjoy better standards of living than ever before, many others remain desperately poor. Nearly half the world's population still has to make do on less than $2 per day. Approximately 1.2 billion people —500 million in South Asia and 300 million in Africa — struggle on less than $1 (see fig.1; for other measures of poverty, see fig. 2). People living in Africa south of the Sahara are almost as poor today as they were 20 years ago. With that kind of deprivation comes pain, powerlessness, despair and lack of fundamental freedom — all of which, in turn, perpetuate poverty. Of a total world labour force of some 3 billion, 140 million workers are out of work altogether, and a quarter to a third are underemployed.

The persistence of income inequality over the past decade is also troubling. Globally, the 1 billion people living in developed countries earn 60 per cent of the world's income, while the 3.5 billion people in low-income countries earn less than 20 per cent. Many countries have experienced growing internal inequality, including some of those in transition from communism. In the developing world, income gaps are most pronounced in Latin America, followed closely by sub-Saharan Africa."

"The latest poverty figures illustrate the challenge. They show a decrease in the overall number of people living on $1 a day. A closer look reveals that this is due almost entirely to progress in East Asia, notably China, where poverty reduction is closely associated with strong rates of growth. Indeed, recent studies show an almost perfect correlation between growth and poverty reduction in poor countries — a 1 per cent increase in GDP brings a corresponding increase in the incomes of the poorest 20 per cent of the population. Only in the societies with the greatest inequalities does growth fail to benefit the poor."

Roadmap towards the implementation of the United Nations Millennium Declaration (Report of the Secretary-General)(A/56/326):

"Large sums of capital cross national borders in the form of foreign direct investment (FDI), both long-term flows and short-term flows (portfolio flows). The international capital markets constitute a further vast pool of funds from which countries can draw. FDI is now the largest form of private capital inflow to developing countries. World flows of FDI increased fourfold between 1990 and 1999, from $200 billion to $884 billion, and its ratio to GDP is generally rising in developing countries. (…) 15 emerging economies, mainly in East Asia, Latin America and Europe, accounted for 83% of all net long-term private capital flows to developing countries in 1997. Sub-Saharan Africa received only 5% of the total."

Secretary-General's Millennium Report (A/54/2000):

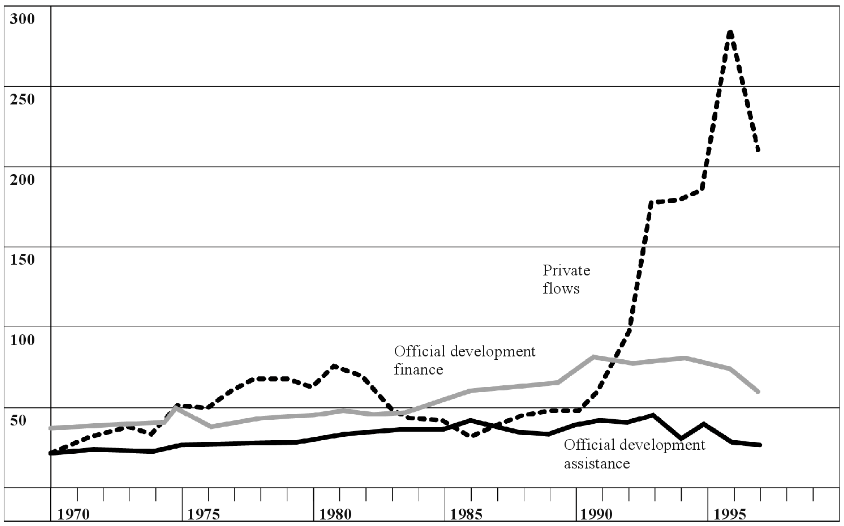

Figure 5

Financial flows to Developing countries

(Billions of United States dollars - constant 1995 dollars)

Source: World Bank, *Global Development Finance*, 1998.

World Economic and Social Survey 2001 (E/2001/50/Rev.1,ST/ESA/276):

Table II.3

NET TRANSFER OF FINANCIAL RESOURCES TO DEVELOPING COUNTRIES, 1993-2000

Billions of dollars

	1993	1994	1995	1996	1997	1998	1999	2000[a]
Developing countries	66.2	34.3	39.9	18.5	-5.7	-35.2	-111.2	-169.8
Africa	2.5	5.1	6.0	-5.1	-3.3	17.0	6.3	-14.5
Sub-Saharan (excluding Nigeria and South Africa)	19.2	3.7	10.1	12.2	12.9	13.1	16.4	15.8
Eastern and Southern Asia	10.0	1.9	22.9	24.6	-28.1	-127.7	-125.8	-102.9
Latin America	14.7	18.1	-1.6	-1.3	20.8	42.0	7.9	-1.6
Western Asia	39.0	9.2	12.6	0.2	4.9	33.5	0.4	-50.8
Memorandum item: Heavily Indebted Poor Countries (HIPC):	13.0	10.7	11.8	11.9	13.6	16.5	12.8	9.2

Source: UN/DESA, based on International Monetary Fund (IMF), *World Economic Outlook, May 2001*, and IMF, *Balance of Payments Statistics*, various issues.

[a] Preliminary estimate.

Table II.4

OFFICIAL DEVELOPMENT ASSISTANCE (ODA) OF THE MEMBER COUNTRIES OF THE DEVELOPMENT ASSISTANCE COMMITTEE (DAC), 2000

	ODA (millions of United States dollars)	ODA/GNP[a] (percentage)	Real change, 1999 to 2000[b] (percentage)
Australia	995	0.27	9.3
Austria	461	0.25	-0.1
Belgium	812	0.36	21.7
Canada	1 722	0.25	-2.2
Denmark	1 664	1.06	7.3
Finland	371	0.31	0.1
France	4 221	0.33	-13.9
Germany	5 034	0.27	5.9
Greece	216	0.19	28.7
Ireland	239	0.30	7.3
Italy	1 368	0.13	-14.3
Japan	13 062	0.27	-17.9
Luxembourg	116	0.70	9.1
Netherlands	3 075	0.82	10
New Zealand	116	0.26	-0.4
Norway	1 264	0.80	-9.6
Portugal	261	0.26	6.7
Spain	1 321	0.24	8.3
Sweden	1 813	0.81	22.3
Switzerland	888	0.34	0.1
United Kingdom	4 458	0.31	35.6
United States	9 581	0.10	2.7
Total DAC	53 058	0.22	-1.6
Average country effort (unweighted)	..	0.39	-
Memorandum items:			
EU countries combined	25 431	0.33	6.4
European Commission	4 876	-	12.6

Source: Organisation for Economic Cooperation and Development, news release, OECD On-line, Paris, 23 April 2001.

[a] DAC members are progressively introducing the new System of National Accounts. This is leading to slight upward revisions of gross national product (GNP) and corresponding falls in reported ODA/GNP ratios.

[b] Taking account of both inflation and exchange-rate movements.