



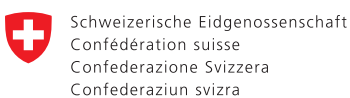
Millennium Development Goal 1 (Poverty Reduction) and the Swiss Debate on Development Assistance

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Contents

1	The Millennium Development Goals and Switzerland's Official Development Assistance (ODA)	7
1.1	Switzerland's adaptation to the MDGs	7
1.1.1	The MDGs: a twofold challenge	7
1.1.2	Swiss ODA since 2000	8
1.2	The Federal Council's mid-term reports 2005 and 2010	11
1.2.1	Global MDG assessment	11
1.2.2	Switzerland's contribution towards MDG-1, May 2005	13
1.2.3	Switzerland's contribution towards MDG-1, June 2010	14
1.2.4	Thematic priorities until 2015 and beyond	16
2	Public Debates in Switzerland on the MDG Process	17
2.1	Main actors in the Swiss public MDG debate	17
2.2	The Debates on ODA financing (0.7% debate)	20
2.2.1	Supporters of an ODA increase	20
2.2.2	Opponents of an ODA increase	22
2.2.3	A Swiss compromise: adjusting the goal to 0.5%	23
2.3	Debates on policy coherence for development	23
2.3.1	Early critique	24
2.3.2	The DAC Report 2009	25
2.3.3	Recent critique prior to the MDG+10 summit	26
2.3.4	Selected aspects of policy coherence for development	27
3	Underlying Perceptions of Poverty and Poverty Alleviation	33
3.1	Aid optimism and unconditional MDG support	33
3.2	Limited aid optimism and differentiated MDG critique	34
3.2.1	Federal government and administration (FDFA, SDC)	34
3.2.2	Non-governmental organizations	35
3.3	Aid pessimism and indirect MDG critique	35
4	Conclusions and Research Needs	37
4.1	Simplicity versus complexity	37
4.2	Key issues	37
5	References	41
	Working Paper Series, SRP 4 "MDGs"	43
	About the Author	45

Figures

Figure 1: Swiss net ODA 1992-2008, constant USD billions and % of GNI. (Source: OECD 2010, reproduced with kind permission of OECD)	9
Figure 2: Share of SDC programmes and projects by MDGs (in %). Average 2005 to 2009 (Source: Swiss Federal Council 2010, 10)	15
Figure 3: “0.7%. It doesn’t take much. But that’s what it takes.” Campaign poster by Alliance Sud, 2007. (Source: Alliance Sud)	21
Figure 4: Contribution of different Federal Offices to Swiss total ODA; ODA disbursements, preliminary figures for 2008. (Source: OECD 2010, reproduced with kind permission of OECD)	26

Tables

Table 1: SDC and SECO focus countries and regions, 2009 (in million CHF).	10
Table 2: Main actors in public debates regarding the MDGs in Switzerland.	18

1 The Millennium Development Goals and Switzerland's Official Development Assistance (ODA)

Although Switzerland only joined the United Nations as a full member state in 2002, the Swiss government participated in the UN Millennium Summit, held on 6 to 8 September 2000 in New York and signed the UN Millennium Declaration and committed itself to working towards the achievement of the eight Millennium Development Goals (MDGs). Since then, the Swiss Federal Council ('Bundesrat')¹ has issued two progress reports on Switzerland's achievements regarding MDGs; the first one was published in May 2005 (Swiss Federal Council 2005), the second in June 2010 (Swiss Federal Council 2010).

1.1 Switzerland's adaptation to the MDGs

Since 2000, the Swiss government, as well as representatives of the federal administration, have repeatedly confirmed Switzerland's commitment to the MDGs, and have reaffirmed the significance of the MDGs as an important and useful frame of reference for Swiss ODA up to 2015 (Dahinden 2010; Stadler 2010). Consequently, the Federal Council's 'Message on the continuation of technical cooperation and financial aid for developing countries' lists the MDGs as one of three strategic foci for Swiss bilateral and multilateral ODA (Swiss Federal Council 2010, 9):

- Achieving the MDGs – alleviate poverty
- Foster human security and reduce security risks
- Make globalization development-friendly

1.1.1 The MDGs: a twofold challenge

The Swiss government describes the Millennium Declaration and the MDGs as a twofold challenge: First, Switzerland must align its overall policies to the MDGs and global poverty reduction, i.e. work towards policy coherence for development. Second, it must raise more funds for ODA than ever before (Swiss Federal Council 2005, 10).

Regarding the first, *qualitative* challenge, the government's signature under the Millennium Declaration and the MDGs have not led to a fundamental reorientation of Switzerland's ODA. As a matter of fact, the overall objective of the MDGs is highly congruent with what the Swiss constitution of 1999 defines as the main task of Swiss development cooperation, that is to engage in the global reduction of poverty and conflicts, to respect human rights, to promote democracy and to protect the environment²

¹ ODA is a federal responsibility in Switzerland.

² "Der Bund setzt sich ein für die Wahrung der Unabhängigkeit der Schweiz und für ihre Wohlfahrt; er trägt namentlich bei zur Linderung von Not und Armut in der Welt, zur Achtung der Menschenrechte und zur Förderung der Demokratie, zu einem friedlichen Zusammenleben der Völker sowie zur Erhaltung der natürlichen Lebensgrundlagen." (Swiss Constitution 1999, Article 54/2)

(Swiss Federal Council 2010, 9). The constitution thus reflects the traditional orientation of Swiss ODA, which has focused on poverty alleviation and the Least Developed Countries (LDCs) even before the MDGs were formulated (Stadler 2010). Thus, the real qualitative challenge emerged in terms of policy coherence regarding development, i.e. to streamline Swiss trade, finance, agriculture and other policies according to the MDG objectives. This challenge has led to intense debates about Swiss domestic and foreign policies which are discussed in chapter 2 of this report

The second, *quantitative* challenge resulted from the UN International Conference on Financing for Development in Monterrey, Mexico (18-22 March 2002), where the Swiss government, along with other industrialized countries, committed itself to mobilize more domestic financial resources for its ODA. In the so-called Monterrey Consensus (signed 22 March 2002), industrialized countries reaffirmed their promise to spend 0.7% of their GNP on ODA – a promise originally stemming from the UN General Assembly in 1970. Three years later, this commitment was again confirmed during the 31st G8 summit of 2005 (Gleneagles Summit, 6 to 8 July 2005).

1.1.2 Swiss ODA since 2000

Responding to this twofold challenge, Switzerland continued or even increased its ODA-related activities at the multilateral, bilateral and domestic level after the year 2000 (Figure 1).

At the *multilateral level*, the Swiss government mainly engaged in institutional reforms and worked towards agreements aimed at improving international donor harmonization and thus global aid effectiveness. The most important agreements include the 2003 Rome Declaration on Harmonization (concluded 25 February 2003) as well as the 2005 Paris Declaration on Aid Effectiveness (concluded 2 March 2005). In terms of humanitarian aid, Switzerland also committed to the ‘Good Humanitarian Donorship Principles’ (Stockholm 2003) in order to harmonize donor activities in various fields (Swiss Federal Council 2005, 11). In addition, Switzerland has pursued a progressive debt relief policy within the scope of the Highly Indebted Poor Countries Initiative (HIPC, established 1996) for multilateral debt relief, and up to date has made repeated and considerable financial contributions.³ Starting from 1996, these contributions replaced the bilateral debt relief programme endorsed by the Federal Assembly in 1991 already (Kaufmann and Germann 2001; Schmidtchen 2001).

At the *bilateral level*, Switzerland increasingly acknowledged the important role of Poverty Reduction Strategy Papers (PRSPs) as the main tool of MDG-oriented poverty reduction. This also included the adaptation of sectoral programmes and projects according to national PRSP priorities, if possible (Swiss Federal Council 2005, 10). At the same time, however, the government reduced the number of bilateral development partnerships by cutting down the number of so-called ‘focus countries’ (Schwerpunktländer). By 2009, the Swiss Agency for Development and Cooperation (SDC) listed 17 focus countries and regions in the South plus seven in the East. In addition,

³ http://portal.unesco.org/en/ev.php-URL_ID=32998&URL_DO=DO_TOPIC&URL_SECTION=201.html; accessed 5 Oct 2010.

there were nine special programmes in fragile regions. While SDC concentrates mostly on LDCs, the State Secretariat for Economic Affairs (SECO) focuses on emerging economies, listing seven partner countries in the South plus eight in the East (compare Table 1.1).⁴

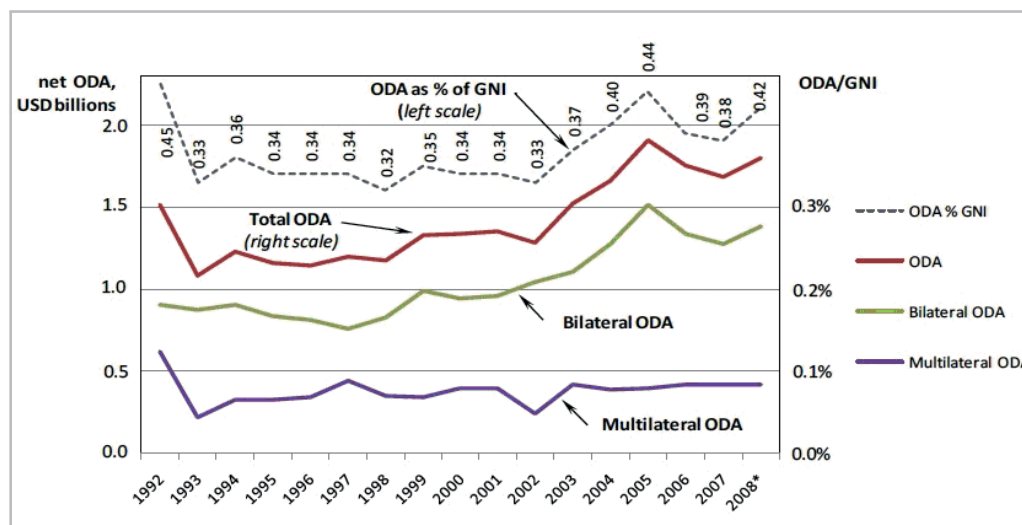


Figure 1: Swiss net ODA 1992-2008, constant USD billions and % of GNI. (Source: OECD 2010, reproduced with kind permission of OECD)

At the *domestic level*, endorsing the MDGs and the related financial responsibilities resulted in increased pressure on the government to raise its financial ODA contribution in order to comply with its long-standing 0.7% promise. In its first MDG review report, the Federal Council promised to raise Swiss ODA to 0.4% GNP until 2010 but did not give any further commitment beyond that date (Swiss Federal Council 2005, 60). Until 2009, the government then raised official ODA from 0.34% of GNP in 2000 to 0.47% of GNP (equal to 2.5 billion CHF) (Swiss Federal Council 2010, 9). However, a considerable share of this increase was the result of a simple financial re-assessment conducted in agreement with a large number of other OECD/DAC countries in 2005 (agreement dated 18 May 2005). Consequently, the re-assessment became subject of fierce debates, when a number of parliamentarians and NGOs criticized the inclusion of debt relief and public expenditures on refugees living in Switzerland as part of Swiss ODA as mere window-dressing (see 2.2 for a detailed analysis of this ongoing debate).

On 17 September 2010, the Federal Council approved a new dispatch to the Federal Assembly on how to increase ODA to 0.5% of GNP by 2015. By doing so, the Federal Council complied with a December 2008 mandate of the Federal Assembly to submit a draft bill for increasing funds earmarked for development cooperation. The relevant parliamentary debates were scheduled for the 2010 winter session and/or the 2011 spring session.⁵

4 In addition to these focus countries, the Swiss Humanitarian Aid kept its focus on regions in crisis. Recent examples include Pakistan (flood), Haiti (earthquake) or Russia (forest fires) (Swiss Federal Council 2010, 14).

5 http://www.deza.admin.ch/en/Home/News/Close_up?itemID=195262; accessed 5 Oct 2010.

Table 1: SDC and SECO focus countries and regions, 2009 (in million CHF).

SDC Focus Countries and –Regions South 2009			SDC Focus Countries and –Regions East 2009	
Africa	Tanzania	18.8	Central Asia	20.8
	Mozambique	14.4	Bosnia and Herzegovina	10.3
	Chad	12.6	South Caucasus	8.8
	Burkina Faso	11.9	Albania	8.4
	Mali	11.2	Serbia	8.3
	Benin	10.6	Macedonia	6.9
	Niger	9.4	Ukraine	6.8
Latin America	Nicaragua/Central America	19.2		
	Bolivia	17.5		
	Peru	12.0		
	Ecuador	4.2		
Asia	Vietnam/Mekong	27.3		
	Nepal	22.9		
	Bangladesh	21.5		
	Pakistan	13.2		
	India	10.3		
	Bhutan	4.3		
SDC Special Programmes South 2009			SDC Special Programmes East 2009	
Africa	Ruanda/Great Lakes	13.1	Kosovo	10.9
	South Africa/Southern Africa	11.0	Republic of Moldova	6.9
Latin America	Cuba	3.6		
Asia	Afghanistan	17.1		
	Mongolia	11.1		
	Gaza / West Bank	10.8		
	North Korea	3.3		
SECO Focus Countries and –Regions South 2009			SECO Focus Countries and –Regions East 2009	
Africa	Ghana	12.4	Central Asia	21.1
	Egypt	8.3	Macedonia	4.6
	South Africa	1.9	Albania	4.5
Latin America	Colombia	10.2	Azerbaijan	3.6
	Peru	7.0	Bosnia and Herzegovina	2.1
Asia	Vietnam	11.8	Ukraine	1.9
	Indonesia	5.2	Serbia	1.8
			Kosovo	1.0

Source: DEZA/SECO 2009, 6

Although struggling to comply with the 0.7% goal, the Swiss government repeatedly rejected proposals for new and innovative mechanisms to finance official ODA. In its 2005 MDG report, the Federal Council not only categorically rejected the idea of a global taxation on financial transactions (Financial Transaction Tax, FTT), on kerosene or weapons trade, but also disapproved of establishing an International Finance Facility (IFF) to help meet the MDGs, a proposal brought forward by the UK Treasury in 2004.⁶

1.2 The Federal Council's mid-term reports 2005 and 2010

1.2.1 Global MDG assessment

The Federal Council's first MDG report of 2005 (Swiss Federal Council 2005) did not contain a critical assessment of global MDG performance, most probably because the necessary data did not exist at that time. Therefore, the report mainly focussed on Switzerland's MDG-related achievements (see below).

By contrast, the second mid-term report published in June 2010 (Swiss Federal Council 2010) – as well as related speeches and documents (cf. Calmy-Rey 2009 and 2010; Dahinden 2010) – reflects at least some of the internationally raised critique concerning the MDG process.⁷ Overall, the report concludes that the results after two-thirds of the MDG time frame are mixed. On the one hand, it highlights some of the widely known improvements in terms of primary education, gender equality and access to water. On the other hand, the report emphasizes that according to the World Bank's poverty line of 1.25 USD/day, still more than 1.4 billion people live in poverty, while the number of people suffering from hunger even reached a new historical peak with more than 1 billion people⁸ (Swiss Federal Council 2010, 13). In addition, the report highlights the increasing disparities between rich and poor countries and regions as well as between rich and poor people within countries and regions. Regional disparities would be especially large between Southeast Asia, which made considerable progress, and Sub-Saharan Africa, where today 30% of the global poor live (as compared to 19% in 1990). These disparities would additionally be complemented by disparities in terms of global and regional progress on each of the eight MDGs (Calmy-Rey 2009, 5; Swiss Federal Council 2010, 1). All in all, the government concludes that from today's point of view, halving global poverty until 2015 seems anything but realistic (DEZA/SECO 2009, 4).

6 http://webarchive.nationalarchives.gov.uk/+http://www.hm-treasury.gov.uk/documents/international_issues/int_gnd_intfinance.cfm; accessed 5 Oct 2010

7 However, according to Markus Brun from Alliance Sud, the first draft of the report was striking for its lack of critical reflection on the MDG process and on Switzerland's role in it. Critical issues would only have been added after intense debates with civil society representatives (personal communication, 6 October 2010; see chapter 2 for details).

8 http://www.deza.admin.ch/de/Home/Aktivitaeten/Entwicklungspolitik/Die_Millenniumsentwicklungsziele/Stand_der_8_Millenniumsentwicklungsziele/Millenniumsziel_1_Beseitigung_der_extremen_Armut_und_des_Hungers; accessed 10 Nov 2010.

The report identifies six major reasons for these apparent shortcomings. First, it mentions the recent *economic and financial crisis* which aggravated the already detrimental effects of the *global food crisis* and undid most of the economic growth which was observed from 2000 to 2007. Many advances regarding global development, including better governance practices and more effective ODA, thus suffered a serious setback, and the crisis drew millions of vulnerable people back into extreme poverty and hunger.⁹ In economic terms, the financial and economic crisis resulted in low market prices for raw materials, which decreased state incomes of export-oriented developing countries. In addition, prices for agricultural goods decreased after the peak in June 2008, having a detrimental effect on agrarian economies (Swiss Federal Council 2010, 13).

Second, the Swiss government complains of *insufficient efforts and a lack of responsibility* by governments of developing countries. The report suggests that international institutions like the IMF, World Bank and UNDP, as well as bilateral donors, exert more pressure upon national governments of developing countries in terms of good governance, improved domestic taxation and other development-related issues (ibid., 47).

Third, the report identifies a persisting *lack of development coherence in donor countries* as another reason for the current MDG shortcomings. Many donor countries would still invest in strategically important regions rather than in LDCs, although the latter would deserve priority from an MDG perspective. While this critique is mainly directed towards large donor countries, the government praises its own focus on LDCs which according to the DAC Report 2009 would be highly congruent with the MDGs (ibid., 47f; see 2.3 for the Swiss coherence debate).

Fourth, the Federal Council notes that *measuring the success of development interventions can be difficult and problematic*, and that due to the many influencing factors, observed development and the MDGs can often not directly be related to one another (ibid., 48).

Fifth, the report acknowledges (once again) that *in quantitative terms, Swiss ODA is still insufficient* if compared to other European countries such as the Netherlands or most Scandinavian countries. It is noted that Switzerland, as a rich country, has a moral obligation to help which is why the Federal Council reaffirms its already earlier made commitment to raise the contribution to 0.5% of GNP until 2015 (compare above; Swiss Federal Council 2010, 48f).

Sixth, the government emphasizes that today, *climate change poses new threats and potential setbacks*, especially for those countries who already struggle most to meet the MDGs, such as Sub-Saharan Africa (Calmy-Rey 2009, 5).

By and large, the official government position is that in order to overcome the current shortcomings of the MDG process, global poverty reduction efforts would need a more holistic focus on 'development' instead of on 'poverty reduction' alone. Relevant is-

9 ibid.

sues would include human security, determined promotion of human rights standards, a renewed focus on economic growth, public acceptance of societal change, and a stronger focus on environmental protection. In addition, the Federal Council highlights the need for better resource mobilization in developing countries, e.g. through improved domestic taxation. At the domestic level, it acknowledges the need for more development coherence in Swiss politics, and for a better involvement of the private economy in the MDG process (Swiss Federal Council 2010, 2f).

1.2.2 Switzerland's contribution towards MDG-1, May 2005

In its 2005 report, the Federal Council assesses Switzerland's contribution to MDG-1 by focussing on Swiss ODA activities relevant to the two MDG-1 targets of poverty and food security.

Target 1 (poverty): Poverty reduction is a core task of Switzerland's bilateral and multilateral development cooperation. Instruments include projects, programmes as well as general and sectoral budget support. According to the report, Swiss ODA tries to address the structural causes of poverty rather than its symptoms, by focussing on access to resources and services, pro-poor growth and the mobilization of domestic resources (including taxation and strengthening the private economy) in developing countries (Swiss Federal Council 2005, 18).

Target 2 (food security): Switzerland's ODA focusses on rural areas, since 70% of all people suffering from hunger live from agriculture. This engagement includes support for small peasants and herders, income creation in rural areas, support for agricultural research and technology, market access and issues of local organization. At the multilateral level, Switzerland mainly acts through the World Food Programme. In addition, it actively supported the formulation of the Food and Agriculture Organization's (FAO) "Voluntary guidelines to support the progressive realization of the right to adequate food in the context of national food security" (November 2004), and signed the "International treaty on plant genetic resources for food and agriculture", including support for the 'Global Crop Diversity Trust' (ibid., 19).

Overall, the Swiss government in 2005 identified five strategic priorities for keeping the MDG process on track. First, to *foster development coherence of national and global policies*. This includes more development-oriented trade policies; a coherent multilateral environmental regime in order to address environmental problems at a global level; more attention towards health issues; less strict rules on the protection of intellectual property rights (under the WTO's Trade Related Aspects of Intellectual Property Rights (TRIPS) agreement)¹⁰; and the acknowledgement of migration and remittances as important aspects of development (Switzerland initiated the 'Berne Initiative' and participates in the 'Global Commission on International Migration'). A second priority mentioned is *improving ODA financing*. This is not only about more Swiss ODA (the 0.7% of GNP debate mentioned above), but also about innovative financing mechanisms, continued debt relief as well as the acknowledgement of

¹⁰ Although the report indicates the government's willingness to act regarding property rights on pharmaceutical products, very little has happened since then.

other ways to finance development, i.e. remittances, direct investments (highlighting the role of the private economy) and private donations. *Improving the effectiveness of ODA* is seen as a third priority. In particular, this means to further improve donor coordination by carrying on institutional reforms kicked off by the Rome Conference 2003 and the Paris Conference 2005. The fourth priority is to *foster democracy and human rights*. This requires coordinated donor action, particularly in failed and conflict-ridden states.

The fifth priority is about *strengthening global governance and multilateralism*. The Federal Council emphasized that global problems should be solved by global institutions, which need to be strengthened to this end. The report does not further specify whether this means the UN, G20 or G8, yet the call for adequate participation of developing countries indicates that it is first and foremost about an institutional strengthening of the UN (Swiss Federal Council 2005, 59ff).

Consequently, the Federal Council identified four main areas of the Millennium Declaration to be of particular relevance for Switzerland's ODA, considering them as priorities of Swiss foreign policy (Swiss Federal Council 2005, 13):

- Advancement of human rights and good governance, including the strengthening of multilateral human rights institutions
- Advancement of gender equality and empowerment of women; gender-sensitive measures for peace promotion
- Peace promotion and human security, including the non-proliferation of small arms
- Environmental protection and sustainable development

All in all, the report emphasizes that the main task of industrialized countries regarding the Millennium Development Goals was to engage through the OECD for MDG-8, i.e. at the multilateral level, and thus to support developing countries in achieving MDGs 1 to 7 (Swiss Federal Council 2005, 8).

1.2.3 Switzerland's contribution towards MDG-1, June 2010

Despite this priority setting, the majority of Swiss ODA spending seems to have been directed at MDG-1: In its second mid-term report, the Federal Council details how much SDC spent on which MDG from 2005 to 2009 (Figure 2)¹¹. Thus, nearly 50% of the money was allocated for poverty alleviation (MDG-1), while another 25% went into MDG-7 and 8. The latter two are also the main focus of SECO.

¹¹ However, from a methodological point of view it remains unclear how the statistical allocation of expenses to a particular MDG was calculated.

Concerning its 'traditional' development cooperation, Switzerland retained its *focus on fostering agricultural growth*, since investments in agriculture would be most effective in terms of poverty reduction (most of the global poor live in rural areas and depend on agricultural production). In addition, considerable progress is reported regarding access to water, irrigation and gender equality in primary education (Dahinden 2010).

In terms of bilateral economic cooperation, Switzerland seeks to *foster inclusive economic growth* which does not exclude the poor. In order to foster their integration into the global economy, partner countries are supported in improving their overall economic framework, fostering competitiveness, diversifying trade and mobilizing domestic and external resources. At the same time, the private economy receives support e.g. through the Small Enterprise Assistance Fund (SEAF) (Swiss Federal Council 2010, 15).

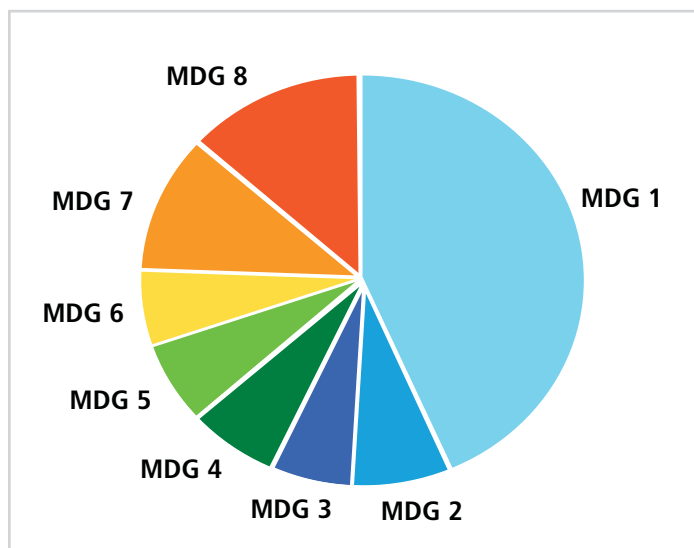


Figure 2: Share of SDC programmes and projects by MDGs (in %). Average 2005 to 2009 (Source: Swiss Federal Council 2010, 10)

However, the second report also focusses on other aspects than official ODA, emphasizing the importance of the private economy and the multilateral level for global development. In terms of the private economy, *remittances* sent by migrants from Switzerland to their respective home countries would have accounted for approximately 19 billion CHF in 2008, most of it going to Eastern Europe and the Balkans. At the same time, *direct investments* by Swiss enterprises (of which many take part in the UN Global Compact, at least the large ones) would have amounted to 808.6 billion CHF by 2009. Of this, about 121 billion CHF (15%) went into developing and emerging economies, while only about 2 billion CHF (0.24%) went into LDCs (ibid., 10)¹².

¹² The large amount of 808.6 billion CHF is somewhat misleading, since it accounts for the accumulated direct investments abroad by the end of each year. It seems worthwhile to mention, therefore, that annual Swiss direct investments abroad decreased considerably from 95.1 billion CHF in 2006 to 28.8 billion CHF in 2009 (Swiss National Bank 2010, 138).

At the *multilateral level*, Switzerland strongly supported international cooperation and coherence, e.g. by supporting the idea of a ‘Global Partnership for Agriculture, Food Security and Nutrition’, first presented at the FAO High Level Conference on Food Security in Rome, June 2008. In addition, the government says to have made use of its member status in the World Bank, in regional development banks and in UNDP to make sure these multilateral institutions keep or increase their focus on poverty reduction. Other important multilateral partners regarding food security include the International Fund for Agricultural Development (IFAD) as well as the Consultative Group on International Agricultural Research (CGIAR; including IRRI, CIP and ILRI) (ibid., 13f).

1.2.4 Thematic priorities until 2015 and beyond

As in the 2005 report, the Federal Council again lists a number of thematic priorities on which Switzerland should focus until 2015 and beyond (not exclusively related to MDG-1):

- Adaptation measures to climate change
- Making use of migration for development
- Low-CO2 development in urban areas
- Energy- and resource efficient development pathways
- Improving the overall economic framework for industrialization
- Financing and insurance services in developing countries
- Securing property rights over land and agricultural growth

At the *multilateral level*, Switzerland also plans to focus on reforming the Committee on World Food Security (Swiss Federal Council 2010, 16). At the *domestic level*, the report mentions the importance of a dialogue with Swiss investors to sensitize them for sustainable agro-investment in developing countries (ibid., 14f). The report also refers to the need for improving development coherence in Swiss foreign and trade politics, but does not provide further details on how this could be achieved (ibid., 2).

2 Public Debates in Switzerland on the MDG Process

The MDG+10 summit in September 2010 received rather broad coverage in national media, including some leading newspapers and national radio channels. Before that, however, the MDGs were only sometimes mentioned in the Federal Assembly in the course of ODA debates, and their relevance for this debate seems to have remained rather limited.

By and large, the Swiss public has very little knowledge of the MDGs and of development-related issues in general. According to Remo Gysin, former executive secretary of the Centre for the Millennium Development Goals (CMDG), only about 10% of all Swiss citizens would know about the MDGs at all (Düblin 2008). According to a SDC/SECO study, public awareness of and interest in problems of the global South even decreased between 2004 and 2009 (DEZA/SECO 2009, 5)¹³. Therefore, a moderate public debate on the Millennium Development Goals and Switzerland's role in the MDG process has come up only around the Federal Council's two mid-term review reports in 2005 and 2010, and the respective UN mid-term summits. Additional momentum was gained through a public campaign launched by Alliance Sud and other Swiss NGOs in 2007 to increase the share of ODA in Swiss GNP (see below).

2.1 Main actors in the Swiss public MDG debate

Without claiming to be exhaustive, Table 2.1 lists the main government and non-government actors who so far have participated in Swiss public MDG debates.

Overall, the *federal government and administration* acknowledge the MDGs as a historical consensus which has mobilized political will and ODA financing worldwide. In addition, the goals are (officially) considered a useful and necessary frame of reference and valuable monitoring instrument for Swiss ODA (Dahinden 2010; Calmy-Rey 2010). Despite that, however, the Swiss government and administration takes a rather conservative position on development-related innovations and ODA financing. While the Swiss Agency for Development and Cooperation, which belongs to the Ministry of Foreign Affairs, sometimes seeks the dialogue with civil society organizations and academia and adopts partly critical positions on the MDGs, other departments and ministries are at best indifferent to the MDGs.

In terms of ODA, the *federal assembly* has acted rather cautious and conservative in recent years, mostly due to the fact that the generally ODA-averse, right-wing Swiss People's Party (Schweizerische Volkspartei, SVP) has increased its number of seats in the National Council from 29 in 1995 to 62 in 2007 (31% of all seats). At the same time the rather ODA-friendly Social Democratic Party lost eleven seats (from 54 to

¹³ The same study states that development issues are more and more being discussed in view of domestic economic interests (DEZA/SECO 2009, 5).

43)¹⁴. The State Council is still dominated by liberal parties, whose position regarding Swiss ODA is at best ambivalent.

Table 2: Main actors in public debates regarding the MDGs in Switzerland.

Organisation / Institution	Main standpoint	Position on Swiss MDG contribution
Government Organizations / Political Institutions		
Swiss Federal Council	Conservative; defending SDCs role as the leading agency for ODA; preferring official, state-led ODA to new financing mechanisms (except proposed global CO2 tax); very reluctant to raise Swiss ODA to the promised 0.7% GNP.	MDGs useful as guiding principle and monitoring tool, as well as for rallying funds at the global level; but MDGs inappropriate for sustainable development, too narrow poverty approach, lack of human rights, climate, equity issues
Federal Assembly	Rather ODA-averse. Ranging from strong support (mainly left wing) to strict rejection (right wing) of Swiss ODA.	Variable. Lack of development coherence in Swiss politics; financing Swiss ODA through innovative financing mechanisms; financing of climate policies versus ODA
SDC (Swiss Agency for Development and Cooperation)	Leading federal agency for development cooperation, under the Ministry of Foreign Affairs; strong LDC and poverty focus	Officially supportive, but carefully critical (compare Federal Council above); internal debates ongoing
SECO (State Secretariat for Economic Affairs)	Leading federal agency for economic cooperation, under the Ministry of Economic Affairs; strong focus on MICs and emerging economies	Officially supportive, but carefully critical
DAC (OECD Development Assistance Committee)	Regularly assessing OECD countries' contributions to the MDG process	Striking lack of development coherence in Swiss politics
Non-Governmental Organizations		
Alliance Sud (Consortium of Swiss NGOs including Swissaid, Fastenopfer, Brot für alle, Helvetas, Caritas, and Heks)	Very critical about official Swiss ODA; main critique directed towards Swiss government, parliament and the private economy	Achieve the promised 0.7% of GNI for ODA; ensure policy coherence for development, human rights and low-CO2 development; end protection of intellectual property rights; seek innovative ODA financing mechanisms

¹⁴ <http://www.parlament.ch/d/dokumentation/statistiken/Seiten/zusammensetzung-nr-nach-wahlen.aspx>; accessed 29 Nov 2010.

Fastenopfer (Lenten Fund)	Member of Alliance Sud but taking strong political position via its own website. Engagement for innovative financing mechanisms, especially FTT	More ODA funding through innovative financing mechanisms; lack of development coherence
Amnesty International Switzerland	Human rights advocates	MDGs do not sufficiently take into account the human rights perspective; rights-based approach is needed
CMDG (Centre for the Millennium Development Goals; public trust)	Trying to improve public awareness and engagement for the MDGs through public events and promotion activities in public schools; trying to establish an MDG exchange forum for Swiss NGOs	Rather uncritical about the MDGs as such; further increase of Swiss ODA needed; lack of policy coherence for development
Economiesuisse (Alliance of Swiss Entrepreneurs)	Strong neoliberal standpoint: Economic growth through liberalized trade and trickle-down effects foster development and alleviate poverty; main responsibility rests with developing countries; little adaptation by Swiss government required	Concluding Doha Round necessary; no further increase of Swiss ODA needed; bureaucratization of ODA has damaged people's belief in liberal policies in developing countries

Source: own compilation

Non-governmental organizations with an interest in development issues are mainly represented by Alliance Sud, a consortium of several Swiss NGOs. Just as the government, Alliance Sud recognizes that the MDGs forced numerous large donor countries to adjust their budget and to focus more on LDCs, and that the international co-ordination of means has improved since 2000 (Niggli, 2010). However, Alliance Sud remains very critical about Swiss ODA and exerts considerable influence on the public debate by organizing public events and campaigns, publishing books and reports, as well as through political lobbying.

Amnesty International Switzerland is not part of Alliance Sud but shows considerable engagement in the Swiss MDG debate, mainly promoting a rights-based development approach. The Centre for the Millennium Development Goals (CMDG) is a private trust which since 2006 has campaigned for raising public awareness and personal engagement for the MDGs. Up to now, this has been done through the organization of a 'National Day of the MDGs', held on 28 November every year in the city of Basel, and financially supported by the SDC. Starting from 2011, the CMDG plans to extend its activities through closer collaboration with public schools and the establishment of an MDG-related NGO forum.

By contrast, Economiesuisse, the politically influential alliance of Swiss entrepreneurs, hardly ever comments on the MDGs directly, but engages for strictly neoliberal trade policies at the global and the domestic level. Thus, Economiesuisse stands for aid pessimism and a very critical stance about Swiss ODA in general.

Interestingly, though, *academia* has not yet played an active role the public MDG debate in Switzerland. Although there is a considerable amount of development-related research programmes and projects (including the NCCR North-South), only a few scientists have voiced their opinion through statements in public events or through the media.

2.2 The Debates on ODA financing (0.7% debate)

Discussions about ODA financing and especially about the share of Swiss ODA in GNP have dominated the public debate on Swiss development cooperation in recent years: The reason for that is that the Federal Assembly and the Federal Council have repeatedly refused to live up to the 0.7% commitment made at various international summits and conferences. As a response to that, civil society organizations in 2007 launched a public campaign to achieve the 0.7% goal.

Thus, there are two basic positions regarding the Swiss share of ODA in GNP. On the one hand, Alliance Sud, Amnesty International and other NGOs, left-wing parties, a number of individual parliamentarians from center parties as well as voices from within SDC call on the Federal Council to live up to the 0.7% promise and to massively increase public ODA spending. On the other hand, more conservative circles argue that increasing ODA spending is of little or no use – if they notice the topic at all.

2.2.1 Supporters of an ODA increase

Alliance Sud has continuously criticized the Federal Council for its “stubborn denial” (Alliance Sud et al. 2005, 1). Much critique has been directed at the ODA re-calculation of 2005, when the Federal Council decided to consider debt relief and expenditures on refugees living in Switzerland as part of Switzerland’s official ODA (compare 1.1). In a recent appraisal, Alliance Sud (2010, 168) therefore termed much of the Swiss ODA pure “phantom aid”, while others even called it “a big shame” (Gysin in: Döblin 2008) or “pure bricolage”.¹⁵

In May 2007 – half time between 2000 and 2015 – more than 60 civil society organizations launched a public campaign called “0.7% – Together against poverty”. The campaign, which was coordinated by Alliance Sud and gathered not only development organizations, but also women and human rights organizations, youth associations, environmental groups, plus a number of Swiss celebrities, called on the Federal Council and the Federal Assembly to strengthen Switzerland’s engagement in the MDG process. A core piece of the campaign, which included large public events and broad media coverage including posters and advertisements, was a petition handed over to the Federal Assembly and the Federal Council on 26 May 2008, in which 201,679 subscribers demanded to raise official ODA to 0.7% of GNP until 2015.¹⁶

¹⁵ Daniel Bolomey, General Secretary of Amnesty International Switzerland, final remarks at the conference entitled “New momentum for the Millennium Development Goals”, 22 June 2010, Bern.

¹⁶ http://www.gruene.ch/web/gruene/de/positionen/internationales/entwicklungszusammenarbeit/medienmitteilungen/fuer_mehr_solidaritaet_03-06-08.html; accessed 12 Oct 2010.

While the campaign very much focused on the quantitative aspect of ODA, civil society organizations also repeatedly linked their 0.7% demand with a call for new and innovative mechanisms for ODA financing, not only at the domestic, but also at the global level. Ideas included a global kerosene tax (Alliance Sud et al. 2005, 4) or a global Financial Transaction Tax (FTT; Fastenopfer 2005, 2). Concerning the latter, Fastenopfer (2009) argued that such a tax would not only help to raise the required funds to fulfil the 0.7% promise, but would also be an excellent instrument to tackle systemic weaknesses of the global capital market. The idea gained new momentum with the 2010 MDG Summit, when French president Sarkozy signalled his support for the introduction of a global FTT (Sarkozy 2010).¹⁷ Yet civil society organizations have also repeatedly emphasized that a simple increase of funds may have a detrimental effect by increasing developing countries' indebtedness and their vulnerability towards global economic shocks. Therefore, so their argument, more ODA spending must always go along with better policy coherence for development at all levels, including for instance reforms of global trade relations (see below; Fastenopfer 2005, 1f).



Figure 3: “0.7%. It doesn’t take much. But that’s what it takes.” Campaign poster by Alliance Sud, 2007. (Source: Alliance Sud)

The NGOs’ demand gained new momentum in 2009 when the OECD’s DAC Report requested the Swiss government to at least adopt the 0.5% of GNP by 2015 and then “to consider setting as a new target the UN 0.7% goal” (DAC 2009, 16).

Critique has also been raised by political parties and individual parliamentarians. Already before the 0.7% petition was handed in, parliamentarians repeatedly blamed the Federal Council for having no clear strategy to raise ODA to the promised 0.7% of GNP and for its reluctance to consider alternative financing models.¹⁸ Others noticed that Switzerland would not even fulfil the UN principle to spend at least 0.2% of GNP on LDCs.¹⁹ Again, debates about the ODA share were sometimes linked to discussions

¹⁷ Personal communication with Markus Brun, Fastenopfer / Brot für alle, 6 Oct 2010.

¹⁸ Motion 05.3325, dated 16.6.2005; response dated 7.9.2005.

¹⁹ Interpellation 10.3532, dated 17.6.2010; response pending.

about innovative financing mechanisms, such as FTT or the establishment of an ‘International Finance Facility’ for development.²⁰

Within the federal administration, SDC raised concerns regarding the comparably meagre financial contribution. Edita Vokral, then SDC vice director, noted in June 2010 that Switzerland with its 0.47% of GNP was far behind other European governments, and that increasing official Swiss ODA was a mere necessity for a country so much embedded in the global economy (Vokral 2010). Anton Stadler, head of SDC’s analysis and policy section, also noted that despite an increased focus on structural (i.e. governance) reforms, continued financial support to developing countries was indispensable in order to keep initiated processes on track.²¹ However, in terms of financing mechanisms, SDC makes an official stand against the call for an FTT. Instead, it proposes the introduction of a CO2 tax.²²

The Federal Council, although officially committed to raising ODA to 0.7%, already earlier stated that formal development cooperation should be financed from the federal budget, whose stability would always be the first priority, and made a clear stand against innovative financing models. In addition, the Federal Council also emphasized that a mere increase of ODA spending would be of little use if recipient countries would not push forward structural reforms.²³

2.2.2 Opponents of an ODA increase

Most arguments against an increase of Swiss ODA spending come from conservative circles such as center and right wing parties, who dominate the Swiss parliament. While parliamentarians of the Swiss People’s Party (SVP) usually vote in phalanx against all bilateral and multilateral ODA, the Liberal Party (FDP) is often divided. Critical views also become reflected by conservative media such as *Neue Zürcher Zeitung* and *Weltwoche*, as well as lobby organizations such as *Economiesuisse*. Rudolf Walser, former member of the board of *Economiesuisse*, argued in 2006 that the financial input into ODA was of little relevance for poverty alleviation and the MDGs. Instead, improving the quality of economic policies by liberalizing global trade, securing property rights over resources and fighting corruption within the administration of developing countries would be much more important (Walser 2006). In the course of the MDG debate in autumn 2010, the influential, conservative newspaper, *Neue Zürcher Zeitung* in a commentary supported this outright aid pessimism, arguing that official ODA was practically ineffective if compared to the poverty alleviation effects of liberalized trade, direct investments in developing countries and policies oriented along the Washington Consensus (Aiolfi 2010).

20 Motion 05.3325, dated 16.6.2005; response dated 7.9.2005.

21 http://www.deza.admin.ch/de/Home/Aktivitaeten/Entwicklungspolitik/Die_Millenniums_entwicklungsziele/Interview_zum_Zwischenbericht; accessed 11 Oct 2010.

22 Martin Dahinden, executive director of SDC in *swissinfo*, 23 Sept 2010.

23 Motion 05.3325, dated 16.6.2005; response dated 7.9.2005.

2.2.3 A Swiss compromise: adjusting the goal to 0.5%

Despite the Federal Assembly's rather conservative attitude towards development cooperation, the pressure of the public 0.7% petition and the ongoing debates resulted in a parliamentary mandate to the Federal Council dated December 2008 to submit a draft bill for increasing funds earmarked for development cooperation. The bill was finally submitted to the Federal Assembly and its commissions in September 2010. In October 2010, the finance commission of the Council of States recommended to reject the bill, arguing that the federal budget would not allow a further increase of ODA spending. Instead, the commission even proposed to fix ODA spending at 0.45% of GNP, i.e. 0.02% below the current share.²⁴ On November 15, the finance commission of the National Council assented to this proposal.²⁵ Despite these renunciative recommendations, however, the Council of States approved the bill in December 2010. On 28 February 2011, the National Council reinforced the decision, thus increasing Swiss ODA by an additional 640 million CHF for the years 2011 and 2012. Until 2012, Swiss ODA will thus reach 0.46% of GNP; after that, the two Councils will decide on another restocking in order to achieve the 0.5% target by 2015. This means, however, that Switzerland definitely refrained from envisaging 0.7% of GNP until 2015.

Given the commissions negative attitude, the National Council's explicit consent in February 2011 (109 to 75) came rather surprisingly. While some observers assumed that the actual humanitarian crises in Northern Africa may have played a decisive role, others emphasized the Social Democrats' tactical threat to overthrow Switzerland's envisaged new credits to the IMF, should the ODA increase become rejected.²⁶ However, proponents of an increase also repeatedly referred to the MDGs and to Switzerland's initial promise to raise ODA up to 0.7% until 2015. By contrast, opponents of an increase did not mention the MDGs at all. Instead, they questioned the general usefulness of ODA, argued that there was no money left to pay for the envisaged increase, or even accused NGO representatives of personal enrichment.²⁷

2.3 Debates on policy coherence for development

Besides the 0.7% debate, policy coherence for development is the other major topic dominating MDG-related debates in Switzerland. In principle, it is about the power to formulate development policies, as well as about the importance development-related issues should have vis-à-vis other sectoral policies, such as financial, trade, agricultural or migration policies. While the debate mostly concentrates on Swiss politics, it sometimes also touches upon global policy issues.

In the early 1990s already, the Federal Council and the Federal Assembly have begun to emphasize the need for policy coherence for development. In 1994, they passed the

²⁴ Neue Zürcher Zeitung, 19 Oct 2010, 12.

²⁵ Neue Zürcher Zeitung, 16 Nov 2010, 15.

²⁶ Neue Zürcher Zeitung, 1 March 2011, 13; and SR DRS, 28 Feb 2011 (<http://www.drs.ch/www/de/drs/nachrichten/schweiz/246930.schweiz-erhoeht-entwicklungshilfe.html>).

²⁷ Verbatim transcripts of the debate, www.parlament.ch (accessed 2 Mar 2011)

‘Guidelines North-South’ (Leitlinien Nord-Süd), setting out a holistic development vision that encompassed all political, social and economic relations with developing countries (Cornaz 1997, 37; DAC 2009, 13). From an institutional point of view, three currently existing elements provide opportunities to foster policy coherence for development (DAC 2009, 13). First, the drafting of bills by the Federal Council requires a formal consultation process which includes the public and the private sector as well as SDC and SECO. Second, SDC and SECO belong to two different federal

departments which means that at least two of the seven Federal Councillors defend development interests. Third, there is an interdepartmental committee for development and cooperation (IKEZ; Interdepartementales Komitee für Entwicklung und Zusammenarbeit), endowed with a legal mandate to secure policy coherence for development within the Swiss aid programme.

2.3.1 Early critique

However, institutional shortcomings remained and political priorities shifted, so that the 1997 vision never really materialized. Consequently, and probably also due to the new momentum for development caused by the MDGs, the embeddedness of Switzerland’s ODA into its general political setting increasingly became criticized after 2000. In conjunction with the Federal Council’s first MDG mid-term review report, Ruth Genner, a national parliamentarian of the Green Party, asked the Federal Council to what degree the MDGs had become incorporated within the administration, and whether the Council shared the all-encompassing development approach of the MDGs.²⁸ In its response to the postulate, the Federal Council responded that orienting Switzerland’s ODA toward the MDGs was one of the Ministry of Foreign Affairs’ main objectives for 2004. Apparently the Federal Council only referred to the internal coherence of development cooperation but missed out potential MDG implications for other political spheres, thus neglecting the broader concept of policy coherence for development – an omission which became criticized by the OECD a few years later (see below).

Prior to the first MDG review summit in New York, Alliance Sud together with other NGOs demanded in September 2005 that all of the government’s future political and economic decisions be consequently oriented towards poverty reduction and sustainable development, and in addition be checked against their compatibility with human rights standards (Alliance Sud et al. 2005, 1f). The demand resulted from the insight that legislative and executive politics still very much reflected the interests of the Swiss economy, and that social and ecological concerns had been repeatedly repelled (Gysin in: Düblin 2008). Particular critique was directed at the lack of official juridical assistance in case of tax evasion from developing countries as well as at the protection of patent laws for pharmaceuticals and agricultural innovations. In conjunction with the latter, the authors also emphasized the important role of the private economy for the achievement of the MDGs (Alliance Sud et al. 2005, 2f).

²⁸ Postulat 03.3670, dated 19.12.2003; response dated 18.2.2004.

2.3.2 The DAC Report 2009

In 2009, these arguments received strong support from the OECD's Development Assistance Committee (DAC). In its 2009 peer review paper, the DAC stated that:

*Switzerland should promote a better understanding of the concept of policy coherence for development - including within the Swiss administration. Switzerland should translate its vision of policy coherence for development into **a framework common to all federal offices**. This should include a **clearly-prioritised and time-bound agenda**, and it **should be compulsory** for policies such as migration, trade, banking and environment to be **assessed for their effect on development**. Switzerland should explore ways to ensure that development concerns are heard in government decision-making and in the drafting process of law, and that best use is made of inter-departmental agreements to **promote development through domestic and foreign policies**. If necessary, it should identify or establish a high-level institutional mechanism for this purpose. Switzerland should make efforts to better measure, monitor, and report on the impacts of its domestic and foreign policies on its development efforts and results. It should use the expertise of its field-based staff and external entities more systematically for this purpose, **and learn from the good practice of other donors**. (DAC 2009, 43; emphasis mine)*

A fundamental critique of the DAC report concerned the government's and the administration's concept of coherence, which was much more focussing on internal coherence of development cooperation than on general policy coherence for development: "(...) the concept of policy coherence for development is not yet widely understood (even within the administration)" (DAC 2009, 13). In particular, the report criticized IKEZ's weak mandate, which concerned only internal policy coherence, while there was no high-level institutional mechanism to secure overall policy coherence for development beyond the immediate realm of SDC and SECO (DAC 2009, 13f). The DAC Report also detailed how much different Federal Offices contributed to Swiss ODA in 2008, illustrating that SDC is by far the largest contributor (Figure 4).

The OECD's prominent rebuke additionally encouraged domestic critics. During recent debates prior to the MDG+10 summit in September 2010, Alliance Sud and its allies repeatedly referred to the DAC Report to underline their demands for more policy coherence for development.

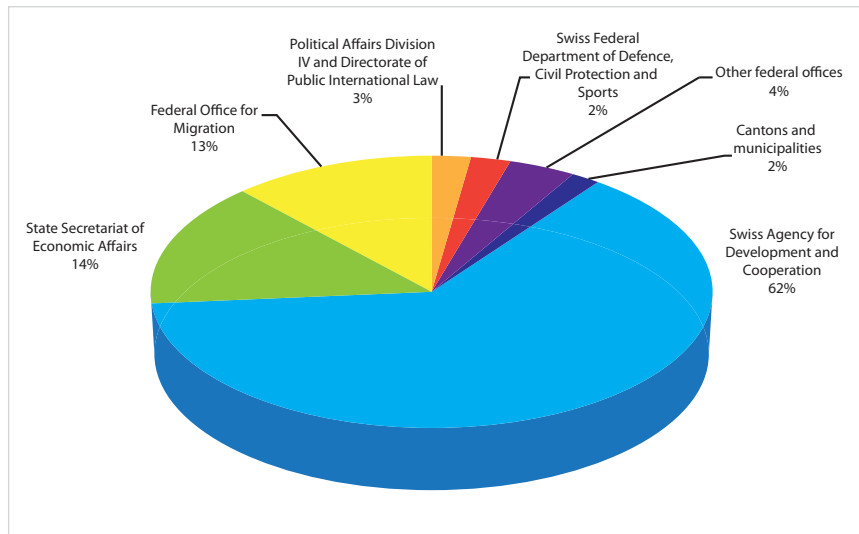


Figure 4: Contribution of different Federal Offices to Swiss total ODA; ODA disbursements, preliminary figures for 2008. (Source: OECD 2010, reproduced with kind permission of OECD)

2.3.3 Recent critique prior to the MDG+10 summit

By and large, Alliance Sud today not only criticizes the general lack of policy coherence towards the global south in terms of financial, trade and migration politics, but also the lack of internal coherence within Swiss ODA (Alliance Sud 2010, 168). According to Peter Niggli of Alliance Sud, SDC was comparably critical towards trade liberalization and privatization, while the Federal Department of Economy (of which SECO is part) would continue to promote neoliberal development policies. Consequently, policy coherence for development was still dominated by attitudes such as ‘You take care of human rights, and we conclude bilateral agreements’. But even SDC itself would never have systematically thought about how to implement the MDGs in its different country portfolios (Niggli 2010). To this end, Alliance Sud emphasizes the urgent need to institutionalize policy coherence for development within the Federal administration. According to Markus Brun of Alliance Sud, this could easily be done by following the example of several Scandinavian countries, which established a Federal coherence commission to check all political decisions towards their coherence for development.²⁹

In June 2010, Carlo Sommaruga, representative of the Social Democratic Party in the National Council, brought forward a similar proposal³⁰ demanding the Federal Council to at least assess possible ways to institutionalize policy coherence for development within the Federal administration. Referring to the DAC Report 2009, he also argued that IKEZ’s mandate was insufficient to ensure coherence throughout all departments. According to Sommaruga, Norway, the Netherlands and Sweden already successfully introduced such mechanisms in recent years, ranging from special divisions and commissions to binding laws. In its response, the Federal Council basically

²⁹ Personal communication with Markus Brun, Fastenopfer / Brot für alle, 6 Oct 2010.

³⁰ Postulat 10.3488, dated 17.6.2010; response dated 1.9.2010.

agreed with the postulate and recommended the Federal Assembly to debate it (which has not happened yet). The government however stated that it regarded the mandate of IKEZ as strong enough to ensure policy coherence for development throughout all Federal departments.

2.3.4 Selected aspects of policy coherence for development

Looked at in more detail, the domestic debate on policy coherence touches upon several thematical aspects, including trade, finance, environment, human rights, and migration. In most cases, the critique concerns both bilateral agreements as well as multilateral organizations such as the World Bank, IMF or WTO, and Switzerland's role as a member of these organizations.

Trade

Regarding multilateral aspects, Alliance Sud (2007, 14) remarked that ODA would never be able to compensate the detrimental effects of the global trade regime which was strongly biased against developing countries. Therefore, trade policies would need to be reformed both at the multilateral and the bilateral level. Fastenopfer (2005, 2) identified the Uruguay Round and the establishment of the WTO in 1995 as a major cause for global power imbalances, with particularly bad effects for African development. The Doha Round for Development would clearly illustrate that the WTO would not care about the effects of its policies, but would mainly seek to protect the interests of industrialized countries. Taking up these arguments, Louis Schelbert, representative of the Green Party in the National Council, asked the Federal Council in May 2008³¹ to effect a moratorium within the WTO on all agricultural negotiations (Doha round) in order to redefine the negotiations' goals along the basic human right for food. Schelbert argued that the WTO's policy to foster global free agrarian trade and Switzerland's role in it would run counter to the objective of global food security. A few months later, the Federal Council rejected Schelbert's motion, arguing that Switzerland would already do enough to defend the interests of developing countries in the Doha negotiations.

Concerning bilateral trade agreements, Remo Gysin, representative of the Social Democratic Party in the National Council and former executive secretary of the CMDG, asked the Federal Council in June 2007³² whether he intended to include an explicit reference to the MDGs in any future bilateral trade agreements with developing countries. He additionally suggested to institutionalize an internal evaluation process to check the agreements' compliance with the objective of sustainable development, an evaluation already practiced by the European Commission. In its response, the Federal Council rejected both ideas. In respect of bilateral trade agreements, the Council argued that Switzerland's main engagement towards MDG-8 was at the multilateral level. The Council also rejected the idea of a compulsory sustainability check of trade agreements, saying that "a systemic evaluation (...) ex ante would reveal no decisive

31 Motion 08.3248, dated 27 May 2008; response dated 27.8.2008.

32 Anfrage 07.1066, dated 21.6.2007; response dated 5.9.2007.

additional aspects which would need to be considered in the course of negotiations”, and that “the involved Swiss delegations have the necessary knowledge in the realm of sustainable economic development” (author’s translation).

However, fierce critique of Switzerland’s free trade agreements with developing countries did not cease. In 2010, Alliance Sud complained that although Switzerland had granted free market access to LDCs, hidden tariffs for LDCs would remain, in the form of compulsory so-called ‘guarantee fund contributions’ (Alliance Sud 2010, 168f). Thus, Swiss bilateral trade agreements with developing countries would often apply much stricter standards than proposed by the WTO, not least regarding the protection of patent laws for Swiss pharmaceuticals.³³ In addition, bilateral free trade agreements such as the one concluded recently with Colombia would show that Switzerland’s trade policy would completely ignore serious human rights and environmental concerns (Alliance Sud 2010, 169; Cardona 2010). In comparison to such agreements, many actors from the private economy would have proceeded much further by signing the UN Global Compact, which committed them to act in accordance with the MDGs, Peter Niggli from Alliance Sud said during a public event in June 2010.³⁴

Finance

In 2004, Switzerland signed a bilateral agreement with the EU on the taxation of savings income, thus supporting the EU system of taxing cross-border payments of interest on savings to natural persons. This withholding tax, of which three quarters goes as tax revenue to the country of domicile of the recipient of the interest and one quarter remains in Switzerland, will reach 35 per cent by July 2011.³⁵ Alliance Sud criticizes that such an agreement has been signed with the EU only, but not with other (developing) countries. According to Markus Brun of Alliance Sud, “this is a classical issue of coherence. It is obvious that some get treated in a better way than others. (...) The taxation of savings income is Switzerland’s entry ticket for further bilateral negotiations with the EU. (...) But Nigeria or DRC do not have these possibilities, they cannot build pressure.”³⁶

In recent years, Switzerland has increasingly come under pressure by the OECD to abolish its banking secret. As a result, the Swiss government since 2009 awards administrative and mutual assistance in tax matters with OECD countries as well as with Kazakhstan, but continues to uphold its banking secret towards others countries, including all developing countries. For Alliance Sud, this protection of tax evaders stands in stark contrast with the MDGs and formerly made commitments by the Swiss government to help developing countries improve their taxation system and thus increase domestic revenues. Therefore, they demand the Federal Council to award the same form of information exchange with all developing countries (Alliance Sud 2010, 169). On 13 September 2010, the Federal Assembly at least passed the so-called ‘Lex

33 Personal communication with Markus Brun, Fastenopfer / Brot für alle, 6 Oct 2010.

34 “New momentum for the Millennium Development Goals”; Conference organized by Alliance Sud and Amnesty International Switzerland, 22.6.2010, Bern.

35 <http://www.europa.admin.ch/themen/00500/00506/00511/index.html?lang=en>; access 19.10.2010.

36 Personal communication, 6 Oct 2010 (author’s translation).

Duvalier', a new law regulating the restitution of money deposited by former dictators on Swiss bank accounts to the democratic governments of the respective countries. According to the law, the objective of every such restitution should be to foster good governance in the recipient country.³⁷

Environment

Regarding the multilateral level, Alliance Sud and other NGOs already in 2005 demanded that in order to institutionalize global policy coherence for sustainable development, the United Nations should establish a new UN council for global development and environment, vested with discretionary power towards the World Bank, IMF and other multilateral organizations (Alliance Sud et al. 2005, 3). Domestic critique mainly refers to agreements and concessions formerly made at the multilateral level, such as the summits of Rio 1992 or Copenhagen 2009. Prior to the MDG+5 summit, Cécile Bühlmann, representative of the Green Party in the National Council, asked the Federal Council in June 2005³⁸ to live up to its promises made at the 1992 Rio summit by lobbying for a better integration of poverty reduction and environmental protection, and by strengthening the environmental dimension of the MDGs. According to her, there was a striking lack of policy coherence for development and environment at the multilateral level, resulting in a neglect of environmental concerns by the MDGs. In its response, the Federal Council emphasized the government's ongoing engagement for the United Nations Environment Programme (UNEP), and said it intended to lobby for the Programme's upgrading to a formal UN organization (which has not happened since then). Felix Gutzwiller, representative of the Liberal Party in the State Council, referred to the 2009 Copenhagen summit when asking the Federal Council in June 2010³⁹ to confirm that the 150 million CHF allotted for climate protection would not be deducted from official ODA. By doing so, he referred to a „longstanding global consensus“ that measures related to climate change should be funded in addition to, and not at the expense of, official ODA. In conjunction with this, he critically remarked that both SDC and SECO would finance their climate-related activities from the official ODA budget (21 and 20 million CHF respectively).

Human rights

In June 2005, councillor Bühlmann asked the Federal Council⁴⁰ to explain its strategy to ensure that credits awarded by the World Bank and the IMF would not violate basic human rights. In addition, she wanted to know how the Swiss government made sure that its own human rights policies would not be undone by the neoliberal trade policies promoted by the World Bank and the IMF. In its response, the Federal Council admitted that both multilateral organizations had no official mandate for the promotion of human rights, and that these issues were of secondary importance only in multilateral trade negotiations. Nevertheless, Switzerland would make use of internal mechanisms to engage for better social and ecological standards. The Council also stated that most

37 <http://www.drs.ch/www/de/drs/nachrichten/schweiz/212089.lex-duvalier-passiert-den-nationalrat.html>; accessed 19.10.2010.

38 Interpellation 05.3289, dated 15.6.2005; response dated 31.8.2005.

39 Interpellation 10.3520, dated 17.6.2010; response pending.

40 Interpellation 05.3290, dated 15.6.2005; response dated 31.8.2005.

SDC and SECO partner countries would implement WB and IMF liberalization and privatization programmes, and that the results of these programmes were „mixed (...) and depend on various factors“ (author’s translation). Regarding domestic policy coherence, the Federal Council simply stated that human rights would be considered whenever possible when deciding about economic and trade policies, but did not mention any institutional mechanisms to ensure policy coherence.

The response was obviously nonsatisfying, and the parliamentary discussion was resumed a few years later. In June 2010, Josef Lang, representative of the Green Party in the National Council asked the Federal Council to explain what influence human rights and gender equity would have upon the government’s trade, agriculture, migration, patent rights and tax policy.⁴¹ Lang particularly inquired whether there was any institutional mechanism to ensure policy coherence for human rights and gender issues. He also asked the Federal Council to explain its stance regarding human rights and gender equity in negotiations at the multilateral level, namely within the OECD, WTO and others. The response is still pending.

The absence of an institutional mechanism to strengthen the role of human rights was also criticized during a public event held by Alliance Sud prior to the MDG+10 summit.⁴² Peter Niggli of Alliance Sud said that policy coherence for human rights would not only lack throughout the federal administration, but was not even achieved within the Swiss ODA sector. According to Niggli, SECO would consider human rights only *ex post*, but would not treat them as an integral part of their strategies. By contrast, SDC assures to work towards the achievement of basic human rights in development countries (cf. Federal Council 2005). A parliamentary report dated April 2006 even states that SDC’s competence regarding human rights was internationally acknowledged (Parlamentarische Verwaltungskontrolle 2006, 49).

To some extent, though, the role and relevance of human rights for Swiss ODA seems to be a subject of internal debates at SDC. According to an unnamed SDC official, demanding human rights in the first place in a non-democratic, legally uncertain context was often perilous (particularly so for local project staff) and would generally help little to improve people’s well-being. Instead of pushing for immediate democratization and holding elections at any cost, donors would therefore do better to ensure good governance and economic growth. The official added, however, that an open discussion about these issues had become very difficult over the last 20 years, since officially prioritizing economic growth over human rights had become absolutely politically incorrect.

Migration

The DAC Report 2009 raised particular concerns in terms of Switzerland’s migration policy, where the lack of policy coherence was most apparent. On the one hand, development-oriented circles would finally have begun to recognize migration as an

41 Interpellation 10.3556, dated 18.6.2010; response pending.

42 “New momentum for the Millennium Development Goals”; Conference organized by Alliance Sud and Amnesty International Switzerland, 22.6.2010, Bern.

opportunity, e.g. through migration-linked cooperation with developing countries. On the other hand, however, a new restrictive law on foreigners from non-EU/EFTA states would have put an end to the once large intake of unskilled workers: “Clearly, the opportunity was not seized to incorporate development goals within the law.” (DAC 2009, 42).

Just like the DAC Report 2009, Alliance Sud also strongly criticizes Switzerland’s restrictive migration policy towards non-EU/EFTA citizens, which would curtail remittances to developing countries as a highly effective form of ODA, and would force many migrants into illegality (Alliance Sud 2010, 169). With reference to the uprisings in Northern Africa and the expected increase of refugees to Switzerland, migration also became a key argument in the recent debates surrounding the parliamentary decision to raise Swiss ODA to 0.5% until 2015 (see above). While proponents of an increase argued that ODA was a strong means to mitigate migration from developing countries, opponents of an increase said that the only way to deal with migration was to better guard the national borders.⁴³

By and large, both the government and its critics acknowledge that policy coherence for development and the MDGs could be improved. However, they do not agree in terms of the level at which the need of action is most acute. On the one hand, civil society organizations and concerned parliamentarians think that the Federal Council should do much more to improve policy coherence for development throughout all spheres of federal policy, i.e. through the institutionalization of coherence mechanisms. This opinion is also officially shared by SDC.⁴⁴ In addition, critics demand the government to take a more critical stance in multilateral organizations. The Federal Council, on the other hand, argues that coherence for development was guaranteed at the domestic level, but basically agrees that there is a need for making multilateral organizations more democratic and accountable. Thus, Micheline Calmy-Rey, head of the Federal Department of Foreign Affairs (FDFA), said that one of the main weaknesses of the MDG agenda was that it did not define how exactly the international community should cooperate to achieve the MDGs and how it should deal with global threats and problems (Calmy-Rey 2009, 7). Similar statements were given during the MDG+10 summit in New York (Calmy-Rey 2010). However, other departments do not necessarily share or even notice the view of the FDFA, as Markus Brun of Fastenopfer explains:

“From my point of view, Calmy-Rey held a very nice speech there [in New York] (...), but hardly anyone in Switzerland, not even from the government, takes notice of that. They often talk nicely at the UN, but when it comes to implementation, the struggles between the Finance Department and SECO start again.”⁴⁵

43 20 Minuten, 28 Feb 2011, 6f.

44 http://www.sdc.admin.ch/de/Home/Aktivitaeten/Entwicklungspolitik/Die_Millenniums_entwicklungsziele/Interview_zum_Zwischenbericht; accessed 21.10.2010.

45 Personal communication, 6 Oct 2010 (author’s translation).

In the same sense, Thomas Greminger of the Federal Department of Foreign Affairs said during a public event in June 2010 that there were many different forms of policy coherence, including financial coherence. Therefore, *realpolitik* would always be confronted with numerous conflicts of interest requiring a trade off.⁴⁶ Being aware of these constraints, Alliance Sud also stated in a position paper published in 2007 that the current absence of policy coherence for development in industrialized countries would reflect “the dominating interests in our societies and thus, despite all rhetorics, possesses great inertia.” Therefore, ‘coherence’ would remain but some sort of platform on which existing policy contradictions could become debated and at best be reduced (Alliance Sud 2007, 15).

⁴⁶ New momentum for the Millennium Development Goals'; Conference organized by Alliance Sud and Amnesty International Switzerland, 22.6.2010, Bern.

3 Underlying Perceptions of Poverty and Poverty Alleviation

The actors examined for this report represent different positions regarding the Millennium Development Goals. These range from more or less unconditional support to differentiated critique, while fundamental critique and rejection of the MDGs hardly exists, at least not in public. These positions usually go along with the actors' wider perception of poverty and poverty alleviation. Consequently, their visions for a post-2015 framework differ as well.

3.1 Aid optimism and unconditional MDG support

The Centre for the Millennium Development Goals (CMDG) is a good example for exceptional aid optimism. According to Sabine Schmelzer, the trust's current executive secretary, unconditional help – ,really doing something for the MDGs' – is the first priority:

“From my point of view, aid at all is much more important than to say ,if we help, then only there and there’. First of all, we should help. And then, maybe, in a second step we can try to direct this aid to the right places.”⁴⁷

Consequently, the CMDG promotes the MDGs in a rather uncritical manner. Remo Gysin, the Centre's first executive secretary, stated in 2008 that the MDGs represented the various aspects of poverty very well, including income, health and education as well as ecological issues (Düblin 2008). Thus, the private trust uses the Goals as an appropriate means to rally public support for development aid and cooperation in general, but bypasses a critical discussion of the causes of poverty and the wider structural and political constraints for effective ODA. Asked for her opinion regarding current MDG critique, Schmelzer added that

“Sometimes I think that people seek for arguments in order to avoid personal engagement, and to delay the discussion. My impression at the moment is that all these discussions like ,they [the MDGs] can't be achieved anyway, it's the wrong approach and it should be done differently' – that these discussions just prevent us from really doing something.”

This is also why the trust has not (yet) developed a comprehensive post-2015 vision, i.e. what should come after the MDGs. According to Schmelzer, the international community may need to consider narrowing their future focus on LDCs and particularly African countries, while leaving aside more advanced economies. Consequently, the CMDG also rejects ideas uttered e.g. by Alliance Sud to strengthen future development goals by making them binding for industrialized countries, too.

⁴⁷ Personal communication, 8 Nov 2010 (author's translation).

3.2 Limited aid optimism and differentiated MDG critique

Alliance Sud and other NGOs engaged in development cooperation as well as SDC are less enthusiastic about the MDGs as an appropriate means to combat poverty. Nevertheless, their public critique of the MDGs remains rather cautious, largely because they do not want to undermine the Goals' function for the mobilization of ODA means: In order to keep the 0.7% and coherence debates on track, Alliance Sud and others repeatedly remind the Federal Council of the commitments made at the 2000 Millennium Summit and during follow-up conferences. Although internally criticized, the MDGs thus serve as a welcomed political tool to lobby for more and better ODA. This also explains why the Swiss public development debate is more about MDG-8 (global partnership for development), i.e. official ODA spending and the government's policy coherence for development, rather than about the MDGs as such. While the ongoing 0.7% debate shows that both Alliance Sud and SDC are basically optimistic about aid (more funds would allow better ODA), the coherence debate shows that their perceptions of poverty and of meaningful poverty alleviation go way beyond aid and the MDG approach, but instead acknowledge issues of governance and trade regimes at the global and the domestic level.

3.2.1 Federal government and administration (FDFA, SDC)

In principle, SDC conceptualizes poverty as a multi-dimensional phenomena, which does not only concern economic, but also social, political and institutional aspects. This differentiated concept has already been substantiated in the Federal Council's first MDG mid-term report (Swiss Federal Council 2005, 18), where people's access to various resources including education, pro-poor growth and the mobilization of domestic resources were mentioned as crucial for poverty alleviation (compare 1.2). During the MDG+10 summit, the FDFA and SDC both confirmed these thematic priorities, saying that Switzerland considered them crucial for achieving the MDGs⁴⁸ (cf. Calmy-Rey 2010).

Consequently, Swiss minister of foreign affairs Micheline Calmy-Rey demanded the international community at the MDG+10 summit to focus more on the multi-dimensional causes rather than the economic symptoms of poverty, i.e. to focus on 'development' rather than on 'poverty alleviation'. To do so, she suggested to increasingly orient global development policies towards issues of peace and rule of law, climate change, human rights as well as justice and equity (Calmy-Rey 2010). In the same sense, SDC director Martin Dahinden proposed to think about a post-2015 global development programme organized around issues such as conflict, fragile states, discrimination, low productivity, lack of domestic resource mobilization (taxation), quality of governance, and investments in education and health care.⁴⁹

48 http://www.swissinfo.ch/ger/politik_schweiz/Gipfel_ueber_UNO-Millenniumsziele:_Gemischte_Bilanz.html?cid=28393116; accessed 20.10.2010.

49 http://www.sdc.admin.ch/de/Home/Aktivitaeten/Entwicklungspolitik/Die_Millenniums_entwicklungsziele/Die_Schweiz_und_die_Millenniumsentwicklungsziele; accessed 20.10.2010.

Yet although the Federal Council repeatedly stressed its important role as a broker for the interests of developing countries in multilateral organizations such as the World Bank, the IMF or the WTO (compare the parliamentary debates summarized above), programmatic statements about the impact of global trade regimes and agreements (e.g. the Doha Round) upon the alleviation or reproduction of global poverty remain often cautious. Instead, the recent official Swiss discourse puts more emphasis on the role of developing countries and their own domestic potential to eradicate poverty.

3.2.2 Non-governmental organizations

Interestingly, Alliance Sud and SDC share more or less the same ideas about the causes of poverty and meaningful poverty alleviation. Regarding his cooperation with SDC, Markus Brun of Fastenopfer / Alliance Sud said that

“We talk quite a lot to each other, and we basically share the same opinions. We have no fundamental dissensions with SDC. Although there’s a difference between what they think and what they say [in public] – that’s the political game.”⁵⁰

Just like SDC, Alliance Sud considers poverty a multi-dimensional problem, arguing that ecological and social development are mutually dependent (Alliance Sud et al. 2005, 2f). They also go along with the government’s critique that the current MDG policy would focus too much on the symptoms rather than the causes of global poverty (Morel 2010). However, and together with Amnesty International Switzerland, Alliance Sud puts much more emphasis on the role of human rights, gender equity and participation for poverty alleviation, demanding that any post-2015 development framework must rest upon the Universal Declaration of Human Rights.⁵¹ Regarding the linkages between global economy and global poverty, their view deviates from the administration’s standpoint, too. They argue that a fundamental reform of the global trade regime is an indispensable prerequisite for global poverty reduction. This means to reverse the ongoing trend of continued market liberalization and to introduce better safeguard mechanisms for developing economies (Fastenopfer 2005).

3.3 Aid pessimism and indirect MDG critique

The harshest yet still indirect MDG critique stems from the right-wing Swiss People’s Party (SVP), whose parliamentarians consequently vote against all ODA-related expenditures. This behaviour builds on a radical rejection of nearly every form of bilateral and multilateral engagement for global development.

By contrast, a considerable part of the Liberal Party (FDP), who shares such aid pessimism in principle and usually votes against most bilateral ODA expenditures, supports

⁵⁰ Personal communication, 6 Oct 2010 (author’s translation).

⁵¹ Daniel Bolomey, General Secretary of Amnesty International Switzerland, final remarks at the conference entitled ‘New momentum for the Millennium Development Goals’, 22 June 2010, Bern.

the government's multilateral engagement for global development, namely through IMF credits and other payments to multilateral institutions.⁵² This position builds on a strong belief in market forces and trade-related measures as the main means of global development; a position that is also shared by Economiesuisse, which adopts a predominantly economic perspective on poverty. Firmly rooted in neoliberal thinking and based on aid pessimism, the organization believes in (post-)Washington consensus reforms as the means to achieve rapid economic growth, and consequently, poverty reduction through trickle-down effects. Thus, Economiesuisse, which defends the interests of most large private entrepreneurs in political and social debates, argues that a further liberalization of global markets was the only viable way for developing countries, since low trade barriers would foster economic growth and thus help poor people worldwide. Consequently, poverty alleviation should concentrate on securing property rights over resources, building strong institutions and improving education programmes in developing countries (Walser 2006, 2ff). These arguments are much in line with the World Bank, the IMF and other IFIs (Tujan 2004). Another indirect critique of the MDGs concerns the allegedly increased bureaucratization of ODA – an issue also bemoaned by some development-oriented NGOs – since the concomitant inefficiency would damage the recipients' hitherto positive perception of industrialized countries and thus of liberal political and economic ideals (Walser 2006, 3).

⁵² NZZ am Sonntag, 27 Feb 2011, 14.

4 Conclusions and Research Needs

The different positions outlined above regarding the MDGs and global poverty alleviation in general point towards a number of issues relevant for a post-2015 discussion. At the same time, however, they seem to unveil a fundamental paradox inherent to global development goals.

4.1 Simplicity versus complexity

On the one hand, the CMDG's activities illustrate how essential a set of easily understandable goals can be in order to successfully raise public awareness and private funding for global development and poverty issues. This rallying effect is also acknowledged by SDC, Alliance Sud and others who hence back off with too much public criticism about the MDGs. This is not only true for the domestic context, but also for the global level, where the MDGs succeeded to mobilize more financial ODA resources than ever before

On the other hand, more critical stances rightfully question the Goals' simplified conceptualization of poverty and its alleviation. One major point of critique is that the MDGs would be indifferent about the wider economic context, i.e. global trade regimes, and would ignore issues of global and national governance, including aspects of power, representation and democracy in multilateral organizations such as the World Bank, the IMF and the UN. The critique is thus mainly directed at MDG-8 and its hitherto insufficient implementation. In connection with that, the governments' general lack of obligation and accountability towards the MDGs is also bemoaned. In Switzerland, this critique has mainly substantiated through debates about policy coherence for development, questioning the MDGs' binding character for Swiss realpolitik.

Another major point of critique that has repeatedly been raised in Swiss debates concerns the MDGs' too simplistic conceptualization of poverty, in particular MDG-1 with the 1.25 USD/day poverty line. For instance, Amnesty International Switzerland and other Swiss NGOs argue that the MDGs would not sufficiently take into account basic human rights. Therefore they demand to follow a rights-based approach in future, i.e. to strongly link any post-2015 framework with the UN Universal Declaration of Human Rights. Also SDC and the Federal Council have repeatedly criticized the simplistic MDG approach, demanding that any future framework shall shift its focus towards the multiple causes of poverty rather than its economic symptoms. However, SDC seems less enthusiastic about a rights-based approach, but instead would like to include a stronger focus on conflict prevention and responses to climate change.

4.2 Key issues

The Swiss debate thus highlights several issues which may need more reflection in view of the upcoming post-2015 discussions, and which may be discussed in view of existing NCCR North-South poverty research.

1. **The paradox of too much simplicity versus too much complexity.** Both SDC and Alliance Sud agree – at least internally – that the MDGs are of little use for long-term poverty alleviation, but that they can do a great job to mobilize resources at the global and the domestic level. Obviously, the post-2015 framework should retain this ‘catchiness’ i.e. a strong mobilizing function, while at the same time providing a better approach to poverty alleviation at the national, regional and local level. Thus, any post-2015 framework faces the immense challenge to remain a) as simple and understandable to politicians and the wider (paying) public as the current MDGs; b) more holistic than the current MDGs in its conceptualization of poverty; and c) more differentiated and regionally and locally specific so as to allow customized poverty alleviation at the national, regional and local level.
2. **Global goals – global relevance?** Another key question is whether future global development goals should become more encompassing, i.e. relevant for industrialized countries as well. This would mean to actively adapt poverty goals at the national and the regional level and to translate them for the respective context, including also industrialized countries. Obviously, this would require a holistic conceptualization of poverty based on qualitative indicators rather than on a global quantitative poverty line. Adapting future MDGs also in the global north may help to move beyond the usual donor-recipient dichotomy, to make the MDGs better known throughout the industrialized world, and to force Western governments to seriously think about their domestic policy coherence for development.
3. **Rights-based approach.** Given the strong lobbying for a rights-based development approach at the global and the national level (such as in Switzerland), it seems probable that a post-2015 framework will come up with a more explicit link to basic human rights. From a critical research perspective, the question arises whether and how the assertion of basic human rights can effectively alleviate poverty, what role they play in local perceptions of development and well-being, and how they can effectively be ensured in a fragile, legally insecure context.
4. **Policy coherence for development.** The Swiss government has repeatedly been criticized for its lack of commitment towards MDG-8. Thus, MDG-8 confronts governments – both in the global north and south – with the immense (yet often theoretical) challenge to streamline all political decisions along the MDGs, and to make all their policies work for poverty alleviation. Yet realizing such policy coherence for development requires concrete institutional reforms, which may not work everywhere in the same way. In addition, coherence must also be ensured in decentralized states, where provincial and district administrations direct certain resources and programmes. Existing NCCR North-South research on the politics of aid and the local realities of development interventions may add to these debates.

5. **The importance of locally defined poverty goals.** The above mentioned idea to make future Goals more relevant for industrialized countries also relates to the critique raised in global MDG debates that the current Goals would too often be simply adopted rather than adapted to national, regional and local requirements. Here, critical development research may be able to show why poverty goals which are firmly rooted in a particular context and driven by local needs may be more effective than all-encompassing goals defined in far-away New York.
6. **Strengthening qualitative aspects of poverty.** Most critics agree that a mere quantitative approach to poverty, based on the 1.25 USD/day poverty line, falls short of the multiple aspects of poverty, of which many cannot easily be measured in monetary terms. Thus, NCCR North-South research findings may help to understand how other, qualitative aspects of poverty and deprivation can become part of a more comprehensive approach to poverty and poverty alleviation after 2015, and how they can be operationalized for monitoring and evaluation. Strengthening the qualitative perspective may thus also help to highlight some of the pitfalls related to measuring poverty and the impact of aid and cooperation in absolute terms.
7. **Secure property rights as a means to alleviate poverty.** The Federal Council and Economiesuisse alike emphasized the important role of secured property rights over resources for overcoming poverty. At least in the case of Economiesuisse, this mainly means the promotion of private property at the expense of state or common property regimes. Here, critical development research may not only help to better understand why secured property rights over resources are essential for escaping poverty, but also why privatization is not necessarily the best way for securing these rights.
8. **Disentangling economic growth and poverty.** Although the once strong belief in trickle-down effects has weakened in recent years, many actors still regard overall economic growth as the only way to effectively alleviate poverty. This often leads governments to favor liberal trade policies over other, more pro-poor policies. Since much of the NCCR North-South research focused on the links between global, national and local processes, existing empirical evidence from various contexts may help to better illustrate the limited scope of economic growth for the poor.

Other issues that may need increased attention for the post-2015 discussion include aspects of migration and multilocality, which present another strong argument against the usual North-South dichotomy still inherent to the MDGs; or aspects of climate change and resulting new forms of vulnerability, which may require a completely new approach to global poverty alleviation after 2015.

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Working Paper Series, SRP 4 “MDGs”

The present study is part of the Working Paper Series for the Special Research Project on “Poverty-oriented development policy beyond the Millennium Development Goals”

With 2015 fast approaching, a sense of disenchantment is growing in some circles as many working towards the high-profile Millennium Development Goals realise how far out of reach they remain. Disillusionment is already giving way to critical reflection, however, and the contours of a new critical discourse on global poverty and development are beginning to emerge. Many have begun questioning implicit norms and assumptions that underpin the MDGs. Critics see the first goal in particular – to “reduce by half the proportion of people living on less than a dollar a day” – as subtly re-enforcing a mainstream view of poverty couched in ideals of global capitalism and market growth.

An NCCR North-South working group is examining the emerging critical debates, which are likely to shape development policy and interventions for years to come. The working group is seeking to generate an overview of the debates within a range of specific countries, i.e. India, Nepal, Pakistan, Ethiopia, Ivory Coast, Costa Rica, Bolivia, and Switzerland.

The overviews will define core dimensions that characterise these debates, and critically assess them in light of NCCR North-South research findings. This will help formulate recommendations for a post-2015 development agenda based on differentiated experiences and understandings – globally and locally – of poverty, poverty alleviation, and well-being. Please follow the project at <http://www.north-south.unibe.ch/content.php/page/id/320>

The present Working Paper by Bernd Steimann provides the working group with an overview of related debates in Switzerland. Responsibility for its content rests with the author.

Zurich / Bern, May 2011, Urs Geiser and Didier Péclard, Project Coordinators

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30 *Millenium Development Goal 1 (Poverty Reduction) and the Swiss Debate on Development Assistance.* Bernd Steimann. 2011

In 2000, along with 188 other national governments, Switzerland signed the United Nation's Millennium Declaration and committed to working towards achievement of the eight Millennium Development Goals (MDGs). Despite their comprehensive character, however, the MDGs have received only limited attention since then and have remained widely unknown among the Swiss public. Based on a review of official reports, an analysis of parliamentary debates over the last ten years, and interviews with government and NGO representatives, this report examines how the MDGs – particularly MDG-1 (poverty reduction) – have influenced Switzerland's Official Development Assistance (ODA), and what role they played in public and political debates regarding Switzerland's engagement for global poverty alleviation.

The paper shows how the Swiss government has adjusted its ODA-related policies, and what concrete steps it has undertaken to work towards MDG-1 at the multilateral, bilateral, and domestic levels. It then examines whether and how the MDGs have influenced recent parliamentary and public debates regarding Switzerland's ODA, with particular emphasis on debates concerning an increase of ODA (the '0.7% debate') and the coherence of Switzerland's development policy. Based on this, the report identifies a number of underlying perceptions of poverty and poverty alleviation informing current debates in Switzerland, showing that in between the two extremes of sweeping aid optimism and pessimism, many government agencies and NGOs alike deal with MDG-1 in a rather critical but differentiated manner.

The NCCR North-South Dialogue Series presents reflections on research topics of concern to programme members throughout the world.

dialogue