



The Four Corners

The quarterly Alumni Association newsletter

Issue 46: December 2018

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EDITORIAL

Message from the chairman



I hope you all had a good holiday break. It was a pleasure to see a number of you at the Christmas party.

In this edition of Four Corners, Minouche Shafik gives her reflections on why there is such a sense of anger and resentment around the world against the liberal values and rules-based systems that have dominated the global landscape since the collapse of the Soviet Union nearly 30 years ago. How do we address the real concerns over inequality and insecurity? How do we regain political support for open economies and societies? She calls for a new social contract to create a sense of security in a globalising and rapidly changing world. Members views on the article and the issues raised are welcome.

The spread and severity of humanitarian challenges around the world has sadly not lessened. From his perspective in the UN, Mark Lowcock assesses in this edition the humanitarian challenges faced by the UN and the international community in 2019. We report DFID's plans for supporting effective humanitarian assistance, along with a range of other initiatives and pledges that the UK Government has made. And we include the latest on the Association and plans for 2019.

The call for editorial help with Four Corners may be familiar but is now pressing. We call on anyone with the time and experience to step forward to help Marc. In the meantime thanks to him again for this latest edition.

As always we welcome views on what you would like from the Association.

Kind regards,

Simon Ray
Chair

NEWS IN BRIEF

Working with the EU on international development

On 8 January 2019 DFID announced that the Political Declaration commits the UK and the EU to continue dialogue on international development, including how the UK could contribute to EU programmes.

It makes sense for the UK and EU to continue working together to alleviate poverty and to tackle shared global challenges. Until it exits the EU, the UK will continue to participate as a Member State in EU decision-making and during the implementation period will continue to uphold the financial commitments it made as a Member State.

In the future, the UK is open to contributing to the EU's development programmes where it is in the UK and EU's mutual interest and meets joint objectives. A condition of any future UK contribution would be that UK organisations must be eligible to implement programmes the UK chooses to fund. DFID said that negotiations with the Commission on the future partnership are ongoing.

DIARY

EVENTS AND MEETINGS

25 January – DFID Alumni seminar on disability and development

17 June - AGM and London summer party

TBC - event with St James's Place

EDITOR NEEDED!

Could you help to edit The Four Corners?

Marc Taylor has been its editor since 2013. After five years, it is time for a change.

We need a new editor who can bring new ideas and new interests to keep the Association's quarterly newsletter relevant to alumni around the world.

Please contact Marc (c.marc.taylor@gmail.com) or another member of the DFID Alumni Committee to find out more.

In this edition:

- DFID Alumni Christmas party
- Seminar on social inclusion and disability
- Safeguarding summit 2018
- Pledges to CERF, and Mark Lowcock on the UN's response to humanitarian challenges
- Minouche Shafik: A New Social Contract
- Tamsyn Barton: ICAI
- Sad news: Eve Henrick
- December committee meeting

And in The Back Pages

- Penny Mordaunt on Aid after Brexit
- House of Lords inquiry into international development cooperation after Brexit
- Fighting antimicrobial resistance
- UK aid for children in Cameroon
- Aid statistics 2017

UK aid to Palestinian refugees in Gaza

The UK is providing emergency food including rice, sugar and chickpeas to 62,000 Palestinian refugees in Gaza who are at risk of going hungry. Refugees in Gaza are extremely vulnerable following recurrent bouts of conflict, restrictions on access and movement, high poverty rates, high unemployment levels and rising costs of living.

According to the UN, around 80 per cent of Gazan households are dependent on food aid. To meet their emergency and basic needs UK aid is providing essentials to counter food supply problems affecting refugees who are unable to afford rising food prices in Gaza.

ANNOUNCEMENTS FROM DFID IN OCTOBER TO DECEMBER 2018

October

- The UK sent humanitarian experts to Indonesia to help respond to the earthquake and tsunami; and matched £2 million raised by the public for Indonesia
- DFID appointed two new Non-executive Directors, Marc Bolland and Alan Johnson, to its Departmental Board
- International Development Secretary Penny Mordaunt gave a speech on UK aid post Brexit
- The UK announced an initiative to stop illegal wildlife trade ahead of the Illegal Wildlife Trade conference at which Penny Mordaunt gave a speech
- The UK announced relief for children at risk of famine in Yemen.
- At the International Safeguarding Summit in London the UK committed to further action against sexual predators.

November

- The UK obtained changes to international aid laws enabling aid to high-income countries
- The UK committed £12 million to support freedom of belief or religion worldwide
- The UK pledged to double its backing for the UN Peacekeeping Fund to avert conflicts
- The UK agreed an extra £10 million to fight antimicrobial resistance in light of increased risk.
- Penny Mordaunt announced an extra £50 million to help end FGM by 2030.

December

- The UK joined a campaign to fight HIV and AIDS
- DFID launched a Strategy for Disability Inclusive Development 2018 to 2023
- The UK pledged new emergency aid to help the children caught up in the Cameroon conflict
- UK aid is to provide emergency food for 62,000 Palestinian refugees who are at risk of starvation
- DFID announced enhanced due diligence for safeguarding issues involving its partners.
- DFID announced new procurement requirements
- Four DFID staff were recognised in the New Year's Honours list
- DFID announced its plans for humanitarian assistance in 2019

EVENTS

DFID Alumni Christmas Party

The 2018 Christmas Gathering at the Rubens Hotel in London was well attended, with many new faces joining more familiar ones. As with our two annual gatherings in the summer and at Christmas it was a good opportunity for members to interact and catch up.

The 100 Club Draw was also held, and the winners were as follows:

1st	Geoff Williams (£120)
2nd	Mike McCulloch (£80)
Joint 3rd:	Michael Pattinson and Neville Bulman (£50)

Neville kindly donated his winnings to the DFID Alumni Association.



Joint DFID Alumni/DFID Seminar on social inclusion of people with disabilities

Friday 25 January 2019 from 12:30-14:30 at DFID 22 Whitehall

A shared discussion of those working with disability issues, to share experience and ideas on how SDG commitments on disability can be turned into effective action on the ground.

The Secretary of State for International Development has publicly committed DFID to put disability at the heart of everything the Department does. A major international Disability Summit was organised by DFID on 24 July in London at which a significant number of commitments were made by governments, private sector, international organisations and civil society organisations. DFID is currently developing a new disability strategy.

Panel

Paul Spray - ICAI's review of DFID's approach to disability.

DFID representative - Follow up to Disability Summit and new disability strategy

Dom Haslam (Sightsavers), Mosharref Hussain (ADD) and Jazz Shaban (Humanity and Inclusion) - Civil society perspectives.

Tom Shakespeare (London School of Health and Tropical Medicine)

Participation: DFID staff, DFID alumni, World Bank Alumni, invited guests

Chair: Tim Unwin (UNESCO Chair in ICT4D and Emeritus Professor of Geography, Royal Holloway, University of London)

If you wish to attend, please contact the DFID Alumni Association Secretary John Stuppel: john-stuppel@dfid.gov.uk.

On 3 December 2018, DFID launched a [disability inclusion strategy](#), following the [Charter for Change](#) agreed at the Global Disability Summit.

The House of Commons' International Development Committee has launched an inquiry into DFID's work on disability. It invites **written submissions by 22 February**. See its website for the [background](#).



Safeguarding Summit 2018: Global aid community to take action against sexual predators

At a conference in October, International Development Secretary Penny Mordaunt invited more than 500 delegates from across the international aid community to commit to a “root to branch” change in the way the sector operates.

At the landmark International summit, Ms Mordaunt welcomed delegates from the United Nations, World Bank Group, international financial institutions, research organisations, survivors and NGOs who all agreed to sign up to tough global standards to stop sexual predators abusing vulnerable people around the world.

All the major international donors – covering 90 per cent of global aid - committed to worldwide standards on the prevention of sexual exploitation and abuse. These standards cover ethical behaviour, recruitment and complaints processes. They will be backed up by stronger due diligence processes, better project monitoring, and tougher language in funding agreements.

Donors will also publish relevant information about allegations and confirmed cases and will be subject to regular independent review by the Organisation for Economic Cooperation and Development. The commitments announced by different groups representing the sector focused on four key themes:

- preventing sexual exploitation and abuse and sexual harassment from happening in the first place;
- pledging to listen to those who have been affected;
- removing and addressing barriers to reporting sexual exploitation, abuse and harassment; and
- learning more quickly in future, as new evidence and opportunities emerge.

DFID committed £20 million in research funding to improve understanding of the risks people affected by conflict face, including those subjected to sexual exploitation. The research will

make a valuable contribution in helping to determine what can be done to avoid and mitigate the risks associated with exploitation and harm and what we all can do to effectively safeguard people who are trusting us to care for them.

The summit saw commitments including:

- a new Disclosure of Misconduct Scheme which will prevent known perpetrators moving around undetected – at least 15 organisations have signed up to this so far, amounting to approximately 50,000 staff worldwide;
- the Disasters Emergency Committee announcing that it will explore with members joint complaint-handling systems for communities raising concerns in future emergencies, along with a review of how they respond to community feedback, including in Cox’s Bazar, Bangladesh; and
- all donors and other participants committing to having at least one named senior level champion accountable for work on safeguarding issues and to encourage annual discussions at board level.

DFID announced a number of measures.

- An Interpol pilot to improve background checks on staff who work in the aid sector and provide advice to employers on international vetting and identifying high-risk individuals. This will also lead to better information sharing across borders and help close the net on predators who are using the aid sector as a cover to abuse and exploit.
- Support for NGOs to test a new passport for aid workers to prove an individual’s identity, provide background information and vetting status.
- DFID and the Foreign and Commonwealth Office will be supporting the development of a statement of victims’ rights. This statement will allow people to understand their rights, and to have confidence that they can find help if those rights are threatened or violated.

High-level Pledging Conference for the UN Central Emergency Relief Fund (CERF): *the number of people in need of humanitarian assistance globally will be double the UK population*

The UK is stepping up preparations for global humanitarian crises in 2019 and harnessing the power of satellite and supercomputer technology to better predict where disasters will strike. International Development Secretary Penny Mordaunt said the UK will take early action to prepare for crises where possible in 2019, not just dealing with the aftermath of dire humanitarian incidents.

The need for humanitarian aid will remain especially high in 2019, driven by conflict in countries like Cameroon and the Central African Republic. Food insecurity will also be a top concern and priority for the humanitarian community, including in Afghanistan, which this year experienced severe drought.

In an announcement in December, International Development Secretary Penny Mordaunt said:

One in every 70 people worldwide is caught up in a humanitarian crisis, and throughout 2018 UK aid has been at the heart of providing life-saving assistance to those in need: from supporting efforts to prevent and curb Ebola in the Democratic Republic of Congo to tackling the risk of catastrophic famine in Yemen. With 132 million people – almost double the population of the UK – expected to need emergency aid next year, we must act even quicker and smarter to better prepare for humanitarian crises before disaster strikes. Acting early not only helps the UK and developing countries to save money, but also saves more lives. UK aid is leading the way in being better prepared, making use of science, research and innovation to shape a global humanitarian system fit for 2019.

UK aid is harnessing technology, such as space satellites and super computers, to help improve warning systems to better predict the impact of global humanitarian crises, including:

- *using some of the most accurate weather forecasts in the world to help families, communities and governments prepare for El Nino which could affect up to 25 countries;*
- *working smartly with the Met Office, NASA and US scientists to accurately predict where and when*

cholera will spread in Yemen;

- *teaming up with the UK Space Agency to help farmers in Kenya, Ghana and Zambia to understand when pests or disease may strike, allowing preventative action to be taken more quickly.*

DFID announced on 31 December 2018 it will provide £1 million to the World Health Organisation to help enhance its Early Warning Alert and Response System (EWARS) to prevent the spread of life-threatening infectious diseases such as diphtheria and measles, as well as diarrheal illnesses, among the 800,000 Rohingya refugees in Cox's Bazar, Bangladesh.

Ms Mordaunt's comments on humanitarian aid in 2019 follow a £34 million uplift in UK aid support to the United Nations Central Emergency Relief Fund (CERF), which supports the UN to respond rapidly to crises across the world. The UK is one of CERF's leading supporters, and in 2018 is its largest donor. Throughout 2018, this fund provided time-critical life-saving assistance to millions of people in 45 countries, including Yemen, Syria, South Sudan and Nigeria.

UK aid provided life-saving assistance, including food, water, medical care and shelter to millions of people desperately in need in 2018, including:

- sending 47 tonnes of aid and a team of aid workers to Indonesia following a devastating earthquake and tsunami which is believed to have left over 2,000 people dead;
- deploying a team of 67, including 57 medics, to Bangladesh to tackle an outbreak of diphtheria in Cox's Bazar, after hundreds of thousands of displaced Rohingya had fled there;
- supporting the development of a life-saving vaccine to tackle Ebola in the Democratic Republic of Congo, which has helped to prevent it spreading to neighbouring countries;
- meeting the immediate food needs of 4 million Yemenis, and supporting aid agencies to screen and treat for malnutrition and disease.

At the High-Level Pledging Conference for the CERF at the United Nations in New York, the UK announced on 7 December it was bringing forward an additional £34 million to support UN CERF.

Humanitarian Overview 2019

By Sir Mark Lowcock, UN Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, and a member of DFID Alumni

Humanitarian agencies, including the UN, the Red Cross family and international and national NGOs will again save millions of lives of people caught up in conflict and other crises in 2019.

The biggest crises – in terms of the numbers of people needing help, and the lives directly at risk - will again be in the Middle East. Some 24 million people – 80% of the population – will need some sort of humanitarian help and protection in Yemen, which remains the world's worst humanitarian crisis. The UN will be seeking \$4 billion to provide food and other assistance to 15 million of them. The UN Secretary General will convene a pledging conference in Geneva on 26 February seeking funds for that.

There are a few glimmers of light, as the parties take the very first steps to implement the agreements they reached at peace talks in Stockholm in December. But if the people of Yemen are to see some respite to the atrocious conditions they have suffered in recent years, much more needs to be done. That includes further rounds of peace talks, removing the restrictions imposed by all sides on the operation of aid agencies, material help to prevent a further collapse in the economy and initial steps towards the rebuilding of public services and infrastructure destroyed in the war.

The crisis in Syria looks likely to enter a new phase, though what if any improvement that will bring to the lives of millions of Syrians inside and outside the country who remain reliant on humanitarian aid and protection remains to be seen. The UN will be seeking some \$9 billion in 2019, nearly two thirds of it to



support Syrians who are still refugees in neighbouring countries. It is to be hoped that conditions will improve so as to make it possible for larger numbers of refugees to return home in 2019, and for a start to be made on the colossal task of rebuilding the country after nearly 8 years of horrific war. But conditions on the ground and the behaviour of all the parties, as well as the availability of support from the international community, will determine how far that is in fact possible. The European Union has announced an intention to host a pledging conference on Syria in April.

We are increasingly concerned about the deteriorating humanitarian situation in Afghanistan, where a severe drought, together with growing insecurity, economic problems and the uncertainty created by the forthcoming Presidential elections contributed to making 2018 a very difficult year. Afghanistan will need more – and more constructive – support in 2019 if the situation for many people is not to deteriorate further.

We also project a worsening situation in a number of African crises. After a period in which the Nigerian authorities were successful in gaining ground against the Boko Haram terrorist insurgency in the north east of the country, allowing millions of displaced people to return home and start to rebuild their lives, recent reports indicate resumed clashes which seem likely to force more people to flee.

Larger scale humanitarian suffering in Cameroon and the Central African Republic is also evident following an intensification of violence in 2018. And popular protests in December in parts of Sudan against the impact of an ongoing economic crisis are also indicative of a projected deterioration in humanitarian conditions, with more people reliant on help from aid agencies merely to survive.



There are, conversely, a number of crises where we expect to see at least some improvement. Somalia has enjoyed some recovery from the drought which threatened famine in 2017. All being well, it may qualify for debt relief from the international financial institutions in the first half of 2019 – which would be a major achievement for a country ravaged by decades of conflict. Further progress is also possible in Ethiopia, not least if the peace agreement with Eritrea can start to generate economic benefits for both countries, and provided that conflict and displacement in the south of Ethiopia is brought successfully under control. We also hope to see progress sufficient for more displaced people in Iraq to return home, building on what has happened in 2018. The situation in Burkina Faso, Mauritania and Senegal has improved sufficiently that the UN is not launching humanitarian appeals for those countries in 2019.

Elsewhere, the prospects remain very uncertain. The crisis in Venezuela is taking an increasing toll, with neighbouring countries struggling to meet all the needs of millions of Venezuelans who have fled, and millions more needing urgent help with health, nutrition and other services inside the country. Hunger spread even further across South Sudan in 2018, and few of the millions who had fled fighting in previous years to seek refuge in Uganda, Kenya, Sudan, Ethiopia and elsewhere yet feel it is safe to return. The peace agreement signed in 2018 has yet to lead to any meaningful improvement in the lives of many South Sudanese.

An El Nino climate event is likely to cause stress in up to 25 countries in 2019, with food insecurity in Malawi, Madagascar and Zimbabwe one of the major concerns. And the ongoing Ebola outbreak in the eastern parts of the Democratic Republic of Congo (DRC) is proving difficult to bring under control, largely because of the conflict which continues to affect millions of people. With the UN's help, neighbouring countries are now having to prepare for the risk that the virus could spread beyond the DRC.

Many other countries will have to cope with conflict and natural disasters too – including damage caused by earthquakes, storms and floods. Most countries are now better able to cope with such events than in the past. National response agencies are more capable than they used to be. And the international agencies too – which every country might on occasion need to call on for help – are more professional, better funded, faster, more efficient and more effective than ever before. But there is still lots of room for improvement – and that will be a priority for 2019 too.



SPOTLIGHT

A New Social Contract

Overcoming fears of technology and globalization means rethinking the rights and obligations of citizenship

[Nemat Shafik, Director of the LSE](#)



We are living in an age of insecurity. Increasingly, the values of liberal democracy, liberal economies, and a rules-based international system are being repudiated—even though they have delivered progress for the vast majority of people. Discontent has been fed by fears over slowing economic progress, especially in advanced economies, flat-lining productivity and social mobility, and concerns about the future brought on by shifts in demography and technology.

We see this expressed in our politics. Popular anger and distrust of elites, compounded by the financial crisis, have led to growing support for nationalist and illiberal politicians. We see it in the mounting evidence of declining perceptions of well-being and trust in many countries. While the causes of our discontent vary, they all point to the need to revitalize our politics, economics, and social contract to provide citizens with a greater sense of security and confidence in the face of impending changes.

Why are so many people in some of the more successful countries in the world so unhappy? Inequality is a major cause, as is fear about future prospects caused by automation and aging. While the world has become more equal between countries, there have been different effects on income distribution within countries. The middle class in emerging markets and the richest 1 percent globally have benefited enormously, while the middle class in advanced economies has suffered. And parents in many countries worry about their children's prospects in the face of the high costs of education and housing,

alongside low-quality jobs with poor benefits.

Protectionist calls

Many blame globalization and technology, but I would focus more on the failure of our social contract to manage properly the consequences of both. Our social contract—by which I mean the rights and obligations of citizenship—has frayed as a result of hyper-globalization and the austerity that followed the financial crisis. The advance of automation and intensifying global competition have driven down the wages of less skilled workers. As a result, many call for more protectionism or blame immigrants. But the answer is not to deglobalize and revert to our national silos, but to rethink our social contract to heal these tensions and help people adjust.

All this has been compounded by sluggish growth since the Great Recession. A recent [study](#) of 25 advanced economies by the McKinsey Global Institute found that 65 to 70 percent of households (or 540 million to 580 million people) experienced flat or falling incomes before taxes and transfers from 2005 to 2014. When growth is slow, people become less generous and less tolerant.

To be sure, fiscal policy reduced this decline to 20 to 25 percent in terms of disposable, or after tax, incomes, according to the 2016 McKinsey study "Poorer Than Their Parents? Flat or Falling Incomes in Advanced Economies." Safety nets worked particularly well in the United States, turning a 4 percent drop in market incomes into a 1 percent gain in disposable incomes over time. This 5 percentage point change was helped by the Obama administration's stimulus plan, which transferred more than \$350 billion to households in the form of tax relief and assistance to workers affected by the downturn. In France, the safety net raised median disposable income by 3 percentage points above median market income, while in the United Kingdom, transfers fully offset the decline in *market incomes*.

Future shock

While these redistributive policies softened the blows dealt to lower-income households by the Great Recession, they also contributed to a massive accumulation of debt driven by the direct and indirect costs of the crisis. To reduce it, many countries later resorted to welfare cuts that unleashed social grievances, with communities feeling they were being left behind and individuals experiencing a loss of dignity and sense of control over their destiny. In the United Kingdom, for example, Fetzer (2018) argues that welfare cuts took the biggest toll in regions that ended up voting for the populist UK Independence

Party and in favour of Brexit. The combination of globalization, the financial crisis of 2008, and the austerity that followed meant that many people faced a massive shock with a very thin safety net to support them.

Fear of future prospects is another source of discontent. This fear is largely rooted in expectations that automation will eliminate many types of routine and repetitive work while creating more demand for highly skilled labour. Compounding the anxiety is the rise of precarious work at low wages with minimal or no benefits. While some people find advantages in these more flexible work arrangements, others experience serious economic insecurity. Precarious employment reduces both physical and mental health as individuals lose a sense of agency over their own lives.

Furthermore, there is a risk that automation will further bifurcate labour markets in favour of the highly educated. The US Bureau of Labor Statistics predicts that for every highly paid job in software development, there will be six new low-paid jobs for personal care and home health aides between 2014 and 2024.

These anxieties have found their expression in the political arena. In the United States, for example, Delsman (forthcoming) finds that 21 of the 22 states where jobs were most vulnerable to automation voted for Donald Trump in the 2016 presidential election, while all 15 least vulnerable states backed Hillary Clinton.

Division of responsibilities

The backlash highlights the need for a new social contract, one that adapts to changed economic realities and better manages the social implications of globalization. The social contract includes the payment of taxes in exchange for public goods, and the way that society looks after the old, the young, the infirm, and those who have fallen on hard times. Because the social contract is fundamentally values-driven, solutions will vary across societies.

Even so, every society will have to think of who benefits from its social safety net, which is the mechanism through which we pool risk and offset, to some extent, the impact of luck on life chances. Every society will also have to make choices about the division of responsibilities between the family, the voluntary sector, the market, and the state. This is essential since the welfare state is also the mechanism for ensuring the equal standing of all citizens so that they can participate fully in public life.

There are fundamental questions to answer, which have grown more complex in more heterogeneous and globalized societies. Whom do we feel obligations to take care of and share risks with? What responsibilities go along with those obligations? How much do obligations extend beyond families to communities or other regions? What about poor people in other parts of the world? Are we obliged to leave future generations at least an equivalent endowment of physical, social, and natural capital as we were given?

As part of the new social contract, we may need to reinstate the reciprocity and insurance element in welfare provision. There is a toxic perception that there are "hard-working people" and "welfare scroungers" when in fact, as John Hills at the London School of Economics (LSE) has shown for the United Kingdom, the vast majority take out (in the form of education, health care, and pensions) broadly as much as they put in (in taxation when they are working) over the course of their lives. The rich pay more tax but tend to live longer, so they benefit more from pensions and health care in old age.

Universal benefits?

Perhaps we need to revisit the political and social advantages of universal benefits, which are better for getting political buy-in and ensuring quality. The founder of the welfare state in the United Kingdom, the LSE's William Beveridge, intended it to be based on the concept of universal social insurance. That link was lost as the social safety net increasingly was funded through general taxation and some citizens opted out through private provision. Richard Titmuss, the pioneering British social researcher, noted that "separate discriminatory services for poor people have always tended to be poor quality services." Keeping the better-off engaged with public services sustains a sense of mutual obligation and maintains pressure to uphold standards.

How would a new social contract address inequality? In the medium term, so-called pre-distribution policies are key—education, social mobility, infrastructure investments in poorer regions, and spreading productivity improvements to the frontier. Countries with greater social mobility grow faster because they more effectively match people to the right jobs, generating higher productivity.

The best way to raise innovation and productivity may be to provide opportunity to the "lost Einsteins" who are disadvantaged by the circumstances of their birth (Van Reenen and others 2018). Greater investment in equalizing education opportunities and outcomes

would have a high payoff and enhance confidence in the fairness of the system.

Old and young

We also face huge issues of intergenerational fairness. Many aging societies now spend more on the old than the young. Data from the Organisation for Economic Co-operation and Development show that as the age of the median voter rises by a year, public spending on pensions goes up by 0.5 percent of GDP (Ebbinghaus and Naumann 2018). Older people vote and are very effective at protecting their interests—the young should do the same. But older people should care, not just about their own children and grandchildren (who can be supported through bequests), but about others' too, since they will inhabit the same society. One solution is to give young people entitlements that they can use to improve skills over the course of their lives. Under such a social contract between generations, young people would repay the investment with higher future taxes that could finance care for the elderly.

Intergenerational fairness and social mobility are issues that will take time to address; in the near term, some degree of redistribution is essential. Tax systems have become less progressive as advanced economies lowered corporate taxes and top rates on personal income in the 1980s and 1990s and raised value-added taxes. This is especially problematic given widening inequality in market incomes. And because wealth has grown even more unequal than income, we should explore taxing wealth such as inheritance, land, and real estate. Recent IMF research shows that greater equality boosts growth, so such reforms may also help revive sluggish economies (Ostry, Berg, and Tsangarides 2014).

Another way to address inequality would be to put a floor under incomes, which would help ensure that even low-wage earners can enjoy a reasonable standard of living. I am not a proponent of universal basic income except in poor countries that lack the capacity to manage a welfare state or where it would substitute for an even worse policy, such as energy subsidies. In most middle-income and advanced economies, universal basic income would be expensive and inferior to a properly functioning welfare state. It also risks undermining the widespread view that anyone who can work should, and it does not take adequate account of the importance of meaningful work to well-being. Better solutions include wage subsidies, earned income tax credits, and higher minimum wages, combined with access to services such as education and healthcare.

Labour flexibility

The spread of low-quality jobs with few benefits and the impact of automation are sources of insecurity that must be addressed. To make a successful transition to digital economies, governments must make it easier to switch jobs and guarantee workers a fair share of the benefits from this transition. Potential solutions include ensuring a level playing field in wage negotiations, profit sharing, and cooperatives. Otherwise those left behind will keep voting for policies such as restrictions on trade or labour mobility that thwart modernization of the economy.

Firms should have flexibility to hire and fire workers as the economy changes but then provide generous unemployment benefits, training, and job placement. "Flexicurity," as it is called in Denmark, is just such a system. It relies on firms' willingness to pay higher taxes and to engage with social partners on skill needs in exchange for more flexible employment rules. Unfortunately, spending on worker education and training has been declining across most countries, and firms have less incentive to spend when employee turnover is high. Investment in training and transitional support must be raised to facilitate the transition to the labour markets of the future.

As countries get richer, people work fewer hours, and automation will accelerate this trend. It will be important to use productivity gains from automation to eliminate routine and repetitive tasks and make time for more meaningful work and leisure. Giving part-time and temporary workers (who tend to be lower skilled and lower paid) more rights to pensions, paid leave, and training has been a positive reform in countries like Denmark, Germany, and the Netherlands.

Income shift

As technology advances and populations age, working lives will be longer, and people will need to retool several times in their careers. Abolishing mandatory retirement ages and removing age limits for student loan eligibility, as the United States and United Kingdom have done, are a good start. Linking eligibility for pensions to life expectancy, as the Netherlands has done, is an even better way to adjust workers' expectations.

At a global level, we also must find a way to redress the massive shift in income from labour to capital. A first step would be to remove policies that tax labour more heavily, although issues of international tax

competition make this difficult. An international effort to ensure that capital is taxed where the economic activity takes place, rather than in offshore havens and various "tax efficient" structures, would go a long way toward restoring a sense of fairness in the world economy.

In sum, we need a new social contract to create a sense of security in our globalized and fast-changing economy. The social contract is about how we pool our resources to provide the public goods we agree are needed and how we support those affected by adverse shocks. While different societies will make different choices, we have all arrived at a crossroads: we must renegotiate choices we made in the past because they no longer fit current circumstances, much less those of the future. A new social contract is essential to restoring a sense of security and sustaining political support for open economies and societies.

NEMAT SHAFIK is director of the London School of Economics and Political Science, and was previously DFID's Permanent Secretary.

This article first appeared in the IMF's Finance & Development magazine.

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Illustration: Michael Waraksa

PEOPLE

Tamsyn Barton: new Chair of ICAI

Here's a riddle. I have recently joined the DFID payroll for the third time – but I remain firmly a DFID alumna, an outsider, with not even a hot desk in 22 Whitehall. How's that possible?

Answer: because my new job is heading ICAI, the Independent Commission for Aid Impact. The clue is in the name – while ICAI is a public body sponsored by DFID (an advisory non-departmental public body, to be precise!) it operates independently from government, which is vital to ensure it fulfils its function to scrutinise UK aid. ICAI decides what to review, scopes its reviews, comes to the findings and scores of its reviews, based on its own judgement and without interference. We all, the 3 Commissioners, the 11 civil servants in ICAI's Secretariat, and our supplier consortium led by Agulhas take our independence extremely seriously, and will continue to guard it closely..

Andrew Mitchell was the Minister who set up ICAI in 2011, considering that with the commitment to spending 0.7% of GNI, a more robust, external scrutiny body than the internal Evaluation Department was needed. ICAI's independence is guaranteed by its reporting to the International Development Select Committee in Parliament. The IDC's inquiries frequently draw on ICAI's reviews and evidence, and the Parliamentary hearings into each of our reviews offer an excellent chance to ensure aid is given the robust public scrutiny taxpayers expect. Paul Scully chairs the IDC's ICAI sub-Committee, while Stephen Twigg as the IDC Chair takes a strong interest, and all Committee members use the work of ICAI.

The first phase of the Commission (2011-2015) was headed by Graham Ward, a former President of the International Federation of Accountants with decades of experience working for PwC.

Apart from the Kenyan anti-corruption campaigner, John Githongo, none of the other Commissioners would at that time have been considered experts in international development. However, when Dr Alison Evans, the former head of the ODI, succeeded, the second phase of the Commission was able to draw on considerable expertise and experience. Following a Tailored Review of ICAI, the Chief Commissioner role became full-time from January 2018. She has recently left the Commission to head up the Independent Evaluation Group at the World Bank. Alison has certainly left big boots for me to fill.

At the moment I am working with the IDC and DFID on recruitment of fellow Commissioners to start in July (the closing date is January 23, if you know someone who'd be interested!) and have been able to spend a couple of months working part time on reviews for the next phase of the Commission, avoiding the long hiatus without reviews which happened between the first and second phases. Tina Fahm and Richard Gledhill remain in post as part-time Commissioners, leading a number of reviews which were already under way on topics including the CDC, the Newton Fund and DFID's work with CSOs.

During Alison's time, the landscape has changed considerably. Since 2015, the UK Aid Strategy to increase aid spend in departments other than DFID has been implemented, so that last year, DFID spent only 72% of the total. At the same time, aid has become more politically controversial.

As I said in my pre-appointment hearing before the IDC, ICAI is needed more than ever to provide reassurance to the public, to build trust that scrutiny is robust, and that there will be accountability for any failings. As everyone tells me – I'm starting this job at an interesting time!

For more information on the ICAI Commissioner role visit the Public Appointments website before January 23:

<https://publicappointments.cabinetoffice.gov.uk/appointment/icai-commissioner/>

New Members of the Association

We welcome our new members who joined the DFID Alumni in October to December 2018.

Iain Jones

Marcus Manuel

Frances Page Pimenta

Jackie Charlton

Vardhani Ratnala

DFID staff recognised in 2019's New Year's Honours

Four people named on the New Year's Honours List were recognised for their work at DFID.

- **Chris Berry** was made a Member of the Order of the British Empire (MBE) for services to developing Sierra Leone's education services and helping young people go to and stay in school. Chris worked for DFID Sierra Leone during the 2014-16 Ebola outbreak and helped children get back to school during the recovery period.
- **Vicky Stanger** was awarded an MBE for services to International Development, with particular recognition for her role in responding within 24 hours when famine was declared in South Sudan.
- **Jeff Tudor** was made an Officer of the Most Excellent Order of the British Empire (OBE) for services to International Development, with particular recognition for supporting DFID Jordan's response to the Syrian refugee crisis and DFID's Burma's support for the Rohingya crisis.
- **Beth Cadman** was awarded an OBE for services to International Development in a succession of challenging environments, with particular recognition for her role as Chief of Staff for the UK's response to the devastating Hurricanes Maria and Irma last year.

Sad news: Eve Henrick

Eve passed away in late November 2018 at the age of 95. Robin Cain remembers her as the Review Clerk in the 'international' Registry in E529, Eland House in the mid to late 70s. She served in many departments including BDDC Barbados.

Committee members

- Simon Ray (Chairman)
- John Burton (Treasurer)
- Isobel Doig
- Jim Drummond
- Janet Grimshaw
- Pauline Hayes
- Pam Jenkins
- Jan Ketelaar
- Kathy Marshall
- John Stuppel
- Marc Taylor

Members can find previous editions of this newsletter at dgroups.org and on the DFID Alumni Association web site.

The Four Corners has appeared quarterly since 2007. Members of the DFID Alumni Association can download any of the previous editions – and other documents - from the DFID Alumni [Library on dgroups](https://dgroups.org).

Dgroups (at <https://dgroups.org>) hosts a private on-line resource for our members. Members can request a password, or ask for a new password, [here](#).

Editions of The Four Corners since December 2013 are available for anyone, whether a member or not, to download from the Association's web site at www.dfid-alumni.org.

December committee meeting

The Alumni Association Committee met on 10 December, in advance of the Christmas party. The main points were as follows.

We discussed how to strengthen cooperation with DFID, building on the provisions on the MOU signed in the summer. This included consultation on how to improve the membership database, which we will follow up in 2019.

We discussed the results of the survey of members' views on whether they wanted the Committee to continue to organise social events. The response was limited and showed little demand, besides a continuation of the summer and Christmas parties. Members organising their own social events were encouraged to report on these in the quarterly newsletter.

The 100 Club raffle raised £300 for the Association in 2018 and will be continued in 2019. A further sponsored event with St James Place is planned in 2019.

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Follow us on Twitter: @DFID_Alumni

Our Facebook page is @dfidaa.

International Development Secretary's Speech at CDC on The Future of Aid Post Brexit

Penny Mordaunt MP delivered this speech on 9 October 2018

She spoke about the possibilities of the UK's future development relationship with the EU, our common objectives and our respective offers. She made some specific announcements about thinking at UK Aid as the UK leaves the EU: how we will close the resource gap to deliver the UN Global Goals and at the same time make our nation and its citizens stronger and more financially secure.

You can read the [speech in full here](#).

UK Parliament inquiry into international development cooperation after Brexit

In November 2018 the EU External Affairs sub-committee of the House of Lords began an inquiry into the impact of Brexit on UK-EU international development cooperation. It covers:

- The reasons for and against cooperation in specific areas
- Formal and informal arrangements through which the UK could continue to cooperate with the EU
- The impact of Brexit on UK-based NGOs

The sub-committee will hold further oral evidence sessions on 17 and 24 January.

Further details on the [UK Parliament website](#).

UK aid to Indonesia October 2018

The UK sent thousands of shelter kits, solar lanterns and water purifiers on flight to disaster zone. International Development Secretary Penny Mordaunt pledged an extra £1 million of UK aid, taking direct total UK support up to £3 million. This is on top of existing UK funded support through partners on the ground.

The UK flew out shelter kits to protect people forced to flee their homes following the recent earthquake and tsunami in Indonesia, as well as solar lanterns and water purifiers. A flight left Doncaster Sheffield Airport on 4 October, transporting life-saving UK aid supplies from the DFID to the disaster zone. Over 70,000 people were left homeless as a result of the disaster in Indonesia, and the shelter kits will protect thousands of displaced families.

Ms Mordaunt announced an additional £1 million to be made available to support immediate relief efforts on the ground. This took the level of immediate direct UK support to the disaster response up to £3 million. This is on top of substantial existing UK funded support through partners on the ground, including the International Federation of Red Cross and Red Crescent Societies (IFRC), European Civil Protection and Humanitarian Aid Operations (ECHO) and UN Central Emergency Response Fund (CERF). In addition to the new UK aid money, the DFID-backed UN Central Emergency Response Fund (CERF) has allocated \$15 million to the Indonesia earthquake response. DFID provided 20% of all contributions to the Fund in 2017. The \$15m will allow UN agencies and humanitarian organisations to rapidly scale up aid operations providing shelter, clean water and health.

A team of six UK humanitarian experts left London for the region to help coordinate the humanitarian response on the ground. The UK will keep its support under constant review. The UK also offered the use of HMS Argyll, then in Singapore, to support the humanitarian relief effort. The Government of Indonesia has thanked the UK Government for this offer, but said that this is not needed at this time.

In addition to the support the UK made available in response to the disaster, the UK is supporting the response on the ground through our existing contributions to the International Federation of Red Cross and Red Crescent Societies (IFRC) and European Civil Protection and Humanitarian Aid Operations (ECHO).

The IFRC and Indonesian Red Cross has almost 300 specialist volunteers and staff carrying out search and rescue missions and providing emergency health assistance on the ground. ECHO, which DFID contributes to, has made €1.5 million available to support the relief effort.

Antimicrobial resistance

The government has agreed an extra £10 million to fight antimicrobial resistance (AMR) at home and abroad. The announcement was made at the Call to Action on AMR summit in Ghana. The UK government is co-hosting the Call to Action on AMR event with the governments of Ghana and Thailand, Wellcome Trust, World Bank and the UN Foundation. The 2-day event celebrated innovative AMR initiatives from around the world and urges the international community to work together to slow the spread of AMR. The UK was represented at the summit by the Chief Medical Officer for England, Professor Dame Sally Davies. It announced commitment, including:

- £9 million to the Foundation for Innovative New Diagnostics (FIND)
- £1.5 million funding for a fellowship programme in developing countries to build capacity for calculating and mitigating the economic cost of AMR
- £1 million to an International Reference Centre providing practical support to developing countries to improve their ability to collect data on AMR to better tackle it across human health, animal health, agriculture and the environment.

The £9 million funding for FIND will be made up of:

- £5 million to fund the development of new ways to diagnose and tackle drug-resistant 'super gonorrhoea'
- £3 million from the Department for International Development to fund an accelerator which will find new ways to diagnose AMR and ensure antibiotics are being used appropriately
- £1 million to evaluate technologies to detect poor quality and fake medicines that pose a risk to public health

AMR is a global issue. The government is developing a longer-term vision where AMR will be contained and controlled by 2040. This will be published in 2019.

Statistics on International Development: Final UK Aid Spend 2017

[Statistics on International Development: Final UK Aid Spend 2017](#)

[Statistics on International Development: Final UK Aid Spend 2017](#)

[Excel tables: Statistics on International Development Final UK Aid Spend 2017](#)

[Additional tables: Statistics on International Development Final UK Aid Spend 2017](#)

[Annexes: Statistics on International Development Final UK Aid Spend 2017](#)

[Data guide: data underlying the SID publication](#)

[Data underlying SID 2017](#)

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[Table 10: Breakdown of UK ODA: by Government Department and Other Contributors and delivery channel](#)

UK aid for children in Cameroon conflict

The UK is to supply new emergency aid to help tackle a humanitarian crisis in Cameroon, as the Minister for Africa, Harriett Baldwin calls for full humanitarian access to save thousands of children's lives.

Fighting between Anglophone separatists and Cameroon security forces has displaced almost half a million people since tensions flared more than a year ago in the North-West and South-West regions of the country. The humanitarian situation on the ground is deteriorating, food supplies are critical and thousands of children are at risk of severe acute malnutrition.

The much-needed new UK aid funding, delivered through UNICEF, will:

- treat 1,300 children who are most at risk of dying from severe acute malnutrition
- provide essential drugs to treat 5,700 children for deadly diseases such as malaria, diarrhoea, and acute respiratory infections
- deliver water and sanitation kits, non-food items and dignity kits to 10,000 people
- provide 2,000 mosquito-nets to prevent malaria
- vaccinate 3,500 children against measles
- identify and support unaccompanied children.

The new funding will go towards a \$15 million (£11.9m) emergency appeal launched earlier this year by the UN.

The Voluntary National Review

What are the Sustainable Development Goals?

The 17 Sustainable Development Goals were adopted by 193 member states attending the United Nations Sustainable Development Summit in New York in 2015. The Goals are part of the United Nations Agenda 2030 for Sustainable Development. The Sustainable Development Goals comprise a total of 169 targets, which seek to tackle a wide range of issues facing both developed and developing countries. These issues include poverty, inequality, climate change, inclusive societies and access to health and education.

What is the Voluntary National Review?

All 193 member states are expected, at least once, to review national progress towards the Sustainable Development Goals and present the report to the United Nations High Level Political Forum. This process

is called a Voluntary National Review and is part of Agenda 2030. In 2018, 47 countries presented a Voluntary National Review including Canada and Spain. The UK will be presenting its Voluntary National Review in July 2019 at the High Level Political Forum alongside 50 other countries.

Why is the Voluntary National Review important?

The Voluntary National Review will be our opportunity to use evidence from across the UK (government, civil society and the private sector) together with data on the global indicators to assess UK progress on all 17 Goals. It is a stepping stone towards achieving the Sustainable Development Goals by 2030.

What information will be in the Voluntary National Review?

The Voluntary National Review will cover all 17 Goals. It will demonstrate the UK's domestic and international activity and will be underpinned by data. The United Nations has set five focus Goals for 2019. Our report is expected to go into more depth on these Goals. The Goals are - 4 (education), 8 (work and economic growth), 10 (reduced inequalities), 13 (climate action) and 16 (peace and justice).

What are the key dates associated with the Voluntary National Review?

- Ongoing engagement to inform initial drafting between October and December.
- Sharing case studies of how people and organisations are contributing to delivering the Sustainable Development Goals through the Voluntary National Review website, if possible by 11 January 2019.
- Roundtable events with different groups of stakeholders on emerging messages and key findings 2019 (to be confirmed).
- Submission of a main messages document to the United Nations by 17 May 2019.
- Submission of the full Voluntary National Review to the United Nations by 14 June 2019.
- Presentation of the Voluntary National Review at the ministerial meeting of the United Nations High Level Political Forum from 16-18 July 2019.
- The first Head of Government-level review of the Sustainable Development Goals at the United Nations General Assembly in September 2019.

How to contribute to the Voluntary National Review

The Government is committed to ensuring the Voluntary National Review is inclusive and transparent. The Sustainable Development Goals are for everybody and we want to hear from a wide range of stakeholders either through our Voluntary National Review website or directly through a variety of events that will take place across the country. The Government encourages any group, organisation, or individual contributing to the implementation of the Sustainable Development Goals in the UK to share what they are doing.

Who is leading the Voluntary National Review?

DFID) is leading co-ordination and the overall drafting process for the Voluntary National Review. DFID is being supported by the Cabinet Office and other UK Government Departments to prepare for the Voluntary National Review. DFID is also working closely with the Devolved Administrations in Scotland, Wales and Northern Ireland to ensure the Voluntary National Review reflects activity across the whole of the UK.

Who can be contacted for more information on the Voluntary National Review?

If you have a query, please get in touch at SDGs@dfid.gov.uk.

How has the UK Government implemented the Sustainable Development Goals?

All UK Government Departments are responsible for delivering the Goals in those policy areas for which they have responsibility. Departments have highlighted how their priority programmes and activities will contribute to delivery of the Sustainable Development Goals in their Single Departmental Plans which provide the basis for the Government's planning and performance framework.

High level summaries of Single Departmental Plans were published on 23 May 2018, together with examples of how Government policies are contributing to the Sustainable Development Goals.

Which UK government departments are involved in delivering the goals in the UK?

If you have a Goal specific query on the UK's Voluntary National Review, please refer to the list below and contact SDGs@dfid.gov.uk to be put in touch with the relevant department

Goal 1: No Poverty - Department for Work and Pensions

Goal 2: Zero Hunger - Department for Environment, Food and Rural Affairs

Goal 3: Good Health - Department for Health and Social Care

Goal 4: Quality Education - Department for Education

Goal 5: Gender Equality - Government Equalities Office

Goal 6: Clean Water and Sanitation - Department for Environment, Food and Rural Affairs

Goal 7: Affordable and Clean Energy - Department for Business, Energy and Industrial Strategy

Goal 8: Decent work and Economic Growth - HM Treasury

Goal 9: Industry, Innovation and Infrastructure - Department for Business, Energy and Industrial Strategy

Goal 10: Reduced inequalities - Government Equalities Office

Goal 11: Sustainable Cities and Communities - Ministry of Housing, Communities and Local Government

Goal 12: Responsible Consumption and Production - Department for Environment, Food and Rural Affairs

Goal 13: Climate Action - Department for Business, Energy and Industrial Strategy

Goal 14: Life Below Water - Department for Environment, Food and Rural Affairs

Goal 15: Life on Land - Department for Environment, Food and Rural Affairs

Goal 16: Peace, Justice and Security - Home Office

Goal 17: Partnerships for the Goals - Department for International Development

Goals 4, 8, 10, 13, 16 and 17 are goals under review at the UN in 2019.