Foreword

Development has been at the core of the OECD’s mandate from the very beginning; it’s what the “D” in our name stands for. The drive to reduce poverty, support and improve development perspectives and create better policies for better lives has been a consistent theme of the Organisation’s work for over half a century.

There have been some notable successes, and across the world millions of people have been lifted out of poverty. However, today we are faced with a new reality. The global economic landscape has changed beyond recognition since the OECD was established. Half a century ago, the focus was on co-ordinating aid efforts by the world’s wealthiest countries to help people in the world’s poorest regions. But since then, the global development landscape has been shaped by some key trends:

- **The world’s centre of economic gravity is changing**, and developing and emerging economies are among the key drivers of global economic growth. Their dynamism is also leading to historical shifts in global governance, as reflected in the emergence of the G20 as the premier forum for global policy co-ordination.

- **There is a growing diversity of growth and development models**, which underscores the fact that there is no one-size-fits-all solution and ultimately the people who know best what a country needs to break the pernicious cycle of poverty and deprivation are the people in that country itself.

- **The nature of development financing is changing**. Many developing economies are becoming important actors in international finance, trade, investment and development co-operation. However, it remains critical that the Least Developed Countries continue...
to benefit from effective, predictable and sustainable development financing.

- **The geography and nature of poverty are changing** with a growing proportion of the world’s poor living in middle-income countries and urban areas. At the same time, inequality is increasing in advanced and developing countries alike, potentially undermining further growth, social cohesion and development.

- **Development challenges are global challenges.** In a highly interconnected world, issues such as climate change, natural resource scarcity, and food and energy insecurity have implications for all, and call for collective and co-ordinated global action.

As much of the world struggles to recover from the worst economic crisis in 50 years, we are called upon to rethink our approach to the challenges of economic development. The time has come for a new approach and a renewed impetus for development, based on a real partnership between developed and developing countries.

As the international community approaches the target date for the Millennium Development Goals (MDGs) in 2015, this latest book in the OECD Insights series looks at the way development and aid have evolved, how the development landscape is changing, and how a new era of development partnerships can be built on the new commitments established at the Busan High-Level Forum in December 2011, and the new OECD Development Strategy.

Together we must do our utmost to reduce poverty and inequality and deliver better policies for better, more prosperous and equitable lives throughout the world.

Angel Gurría
OECD Secretary-General
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Currency Note
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