

Global Public Investment: how a radical vision became reality

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Illustrator: [Hansel Obando](#)

It is 3am in the morning of Saturday 28 September 2030. I am writing this article in a meeting room somewhere in that tall UN building in New York. The heads of state have long since retired to comfortable hotel suites, but their representatives slog on into the early hours, tired but upbeat. Half empty coffee cups vie for space on tables covered with reams of draft documents.

Tensions are high, as details and formulas are battled over, but there is a palpable sentiment in the night air that something momentous is happening. The content of the new global objectives, the post-SDGs, was agreed months ago—it wasn't a hard negotiation, as it was pretty much a continuation of the Sustainable Development Goals, unmet and more urgent than ever.

But now the discussion is about something much harder to agree on—the money to pay for them. And it looks like something special is about to happen. After a decade of concerted campaigning and gradual implementation, the whole structure of international public finance is minutes away from the kind of transformation that many have been campaigning for since the 1960s. Country after country is signing up to a new approach to funding global public goods and other global objectives, known as Global Public Investment.

"If only we had had this way of working at the beginning of this decade," people are saying in the corridors, "we might have been able to handle the 2020s a whole lot better, avoiding many tragedies and planetary own goals."

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A press release from the UN Secretary General, still in draft form, reads: "As we enter a new decade, we are finally bringing international public finance into the 21st century. No

more “us and them”. Now it’s just “us”. No more “private money will save us”. Global Public Investment will be one of the fundamental building blocks of a more organised, better financed global response to all of our challenges and dreams.”

Meanwhile, multilateral and government officials, activists and thinktankers, are scattered throughout the building (and throughout the world) contemplating, at this moment of victory, how the hell they did it!

An idea whose time had come

The Global Public Investment (GPI) proposal started to get major traction in the early 2020s, as the Covid crisis (remember that?!) ravaged the world and the impacts of climate crisis became evermore clear. It built on the best of the traditional understanding of aid, as well as the main critiques of it, and responded to new global realities, integrating thinking from South South Cooperation and climate finance. Rather than a world in which some countries were “donors” while others were “recipients”, with all the power imbalances that implies, GPI was centred on the idea that all contribute to global public spending, all benefit from it in different ways and, crucially, all decide on priorities, transforming accountability for a modern era.

Back then, it suggested five major evolutions (or paradigm shifts) to underpin the next fifty years of financial development cooperation, and they have all to some extent been brought about, providing the basis for today’s historic agreement.

The ambition of development cooperation

Foreign aid has been primarily intended to reduce poverty (both individual and of whole countries) but this focus, while important, had led to an incredibly stingy understanding of human obligations, as if the job of international solidarity is done when minimum (very low) welfare standards are met. The early backers of the GPI approach argued that, to the contrary, tackling inequality and enabling all countries to converge with relatively high living standards, as set out in the Sustainable Development Goals (SDGs), should be the bolder bolder aim of global cooperation, and that global and regional public goods also needed much more public money. Calls a decade ago for a Global Green New Deal to combat climate chaos and ecosystem destruction, were finally (if gradually) met with huge increases in spending, and the realisation that the world needed an internationalist approach to public health also galvanised vast new sums of public money internationally. The limited understanding of small bits of “aid” to help in crises, was overtaken by this holistic new approach to securing public goods at the global level.

The function of global public money

When the SDGs were adopted there was a feeling among development experts that public money at the global level was kind of on its way out. Sure, we needed to find more money, but wouldn’t private money do? And couldn’t poorer countries pay with their own tax take?

And couldn't billionaires help out with philanthropy? Foreign aid was traditionally considered nothing more than a stop-gap, necessary only in exceptional circumstances to fill a gap in a country's finances; as other types of finance become available, this temporary support comes to an end. But by the early 2020s it was becoming clear that such an approach just wasn't working. While a relatively small part of the global financial pie, public finance was finally seen as having a unique set of characteristics, prodding societies in the right direction and promoting global benefits. And people began to see that this special kind of money can play a role in all country types, not just the poorest, as well as help deal with global public goods and other cross-border challenges. While international public money was an afterthought in 2015, it is a central part of the financing plan today in 2030.

The geography of contributions and benefits

Changes in global wealth and power have been shaking up international development practice for the better throughout this whole century, with emerging economies contributing more than ever to global objectives, even as they continue to receive financial support. This never made sense in the old "aid" paradigm which split the world into rich "donors" and poor "recipients". The approach GPI's advocates proposed was that all countries, even the very poorest, should contribute funds for global sustainable development according to their ability to do so, and all countries, even the very richest, should receive according to their need. In the early 2020s, the GPI proposal was not only a call to action, it was also simply a better description of reality. Over the course of the decade, more and more countries have seen the wisdom of this approach, and the poorer countries have been convinced that, with appropriate safeguards in place, the contributions they make will be handsomely outdone by their receipts. Even the controversial idea that richer countries might receive financial support gained traction as people understood that such a paradigm shift could underpin even bigger shifts in the way countries treat each other.

Governance of global public spending

This was the trickiest bit. And it has taken all the technical expertise of pointy-headed policy wonks, and all the persuasive power of swathes of campaigners to get us to a situation where, today, radically new governance arrangements are being signed into place, just as they were in the Bretton Woods meetings almost a century ago. It's one thing to be inspired by visionary principles, quite another to put that all into a system that works politically. The problem which most of the 2020s has been spent tackling is this: an improved system of GPI would require more democratic decision-making about the size, purpose and accountability of contributions, moving away from a donor-recipient mentality and towards more horizontal partnerships with all countries and other stakeholders (including civil society) sat at the decision-making table. But how do you get wealthy countries to agree to reduce the power they wield over the contributions they make, and build a more inclusive decision-making system? The answer, it turned out, was by persuading them that it is in their interests to do so for two reasons.

First, the countries of the world have become convinced that a GPI approach could push new types of partnership which will be the difference between an era of global progress and one in which we are unable to curtail the constant jostling of nation states for supremacy, to the detriment of marginalised communities and our planet as a whole. And second, while aid has often been a force for good, it has also been misused and wasted, in part due to the institutions and processes through which it is managed. More inclusive governance will, it is hoped, lead to better decisions being taken and more effective use of limited resources.

Aid governance had been stuck in the 20th century, with a handful of countries taking the major decisions and contributions fluctuating depending on “donor” circumstances. Global Public Investment now moves us beyond a system where we pay for these things via limited, fragmented and often bilateral (even private) assistance to a system based upon sustained co-responsibility.

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According to the governance arrangements still being hammered out on the tables and sofas beside me (some groups are actually sitting on the floor) by a dedicated but bleary-eyed gang of suited country reps, rich and poor countries will now work together via intermittent, high-level priority-setting meetings and more regular technical follow up. All countries will contribute on a fractional, fair and ongoing or committed basis, with all having a say in how those monies were allocated. Some of the monies will be allocated to local investments with a wider (global) public return, others would flow into regional and multilateral initiatives. By bringing more countries to the table as contributors and decision-makers alike, GPI will not only raise more money, it will ensure that those funds went to where they can make the most difference.

Global Public Investment

Global Public Investment builds upon some of the most important lessons we have learned about international financing in recent decades and takes inspiration from ground-breaking international institutions such as the Global Fund and Gavi. These lessons are encapsulated in the four pillars which define how Global Public Investment operates [1]:

1. Universal Contributions. Global Public Investment moves us beyond the current international order of “donor” and “recipient” countries. Global Public Investment means all countries contributing, according to their ability, and all countries receiving according to their needs.

2. Ongoing Commitments. Global Public Investment moves us away from the assumption that countries “graduate” after achieving a relatively low level of income per capita and thereafter should receive no further concessional international finance. It is more akin to a global micro-tax for essential items. Global Public Investment means an ongoing commitment to investing in public returns.
3. Co-Responsibility. Global Public Investment moves us away from entrenched and unjust power relations. It means a more democratic and accountable approach to the way that international public finance is governed.
4. Co-Creation. Global Public Investment moves us beyond a fixed and ready-made financing process into a more organic and dynamic process where rich and poor countries co-design, consult and co-produce impactful solutions relevant to their needs locally as well as globally.

The one final paradigm that GPI advocates have helped to shift over the past decade is the narrative. Words matter. They can convey respect or condescension—and too often in the world of “aid” it was the latter. The commonly-used language of the aid sector had been outdated for decades.

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The the critique of colonialism began at least as far back as Franz Fanon, but it took the vicious police killing of a black man in the USA in 2020 for worldwide revulsion of continuing racism to finally push the “decolonisation” of aid. Enough was enough. Building on the rejection of “development” led by Arturo Escobar and others, there followed a sector-wide rejection of language that was misleading the public, patronising recipients and entrenching an embarrassing saviour complex. Spending on global goods and services is not a question of charity, but of sensible investment in mutually beneficial objectives (just like public sector spending at the national level). It will now be an obligation, not a voluntary gift, and while it expects a return, that return is not a financial one, but rather social and environmental impact for our global common good.

Efforts to move things forward

Leaders, thinkers and campaigners, especially in the Global South, have been calling for changes in the way aid and other international grants and loans are managed ever since the end of the Second World War, when most of today’s global institutions were set up. For example, in 1974 the UN General Assembly adopted the *Declaration for the Establishment of a New International Economic Order* as part of attempts led by countries in the Global South to establish fairer rules to govern trade and finance. But it was derailed by the opposition of wealthy countries, most notably the US.

In the late 1990s and early 2000s, there were concerted attempts to modernise the World Bank with calls for, among other things, fairer voting formulas. But somehow the old ways always clung on, with the world's leading global lender still dominated by the United States and its ability to veto anything it dislikes and appoint a US citizen as its President.

There are many more examples. So what combination of factors has meant that this time, in September 2030, a transformational new piece of international institutionality is being written into history?

First—and perhaps most importantly—wealth and economic power have gradually been shifting South and East over the past couple of decades and that has reset global politics. It is not just China that is now a serious counterweight to Western power. Other Asian countries, part of Latin America and even African heavyweights are now able to pursue stronger bargaining positions than in previous eras.

Just look at the SDG negotiations themselves, when there were essentially two camps: those who preferred a kind of MDG-plus set of goals, still closely focused on extreme poverty objectives (mainly the “donor” countries in the global North and their campaign partners); and those who were arguing for something more expansive, a holistic vision for a fairer world (generally including Southern governments). There is no doubt which side won. The traditional donors' lost, in part, because their more limited vision was no longer compatible with the new context of international relations in which Southern countries voice their opinions and perspectives much more powerfully.

Sure, winning the battle on money was harder than a vague set of objectives. But that kind of dynamic was a pre-cursor to bigger things to come.

As well as the long term shifts in wealth and power there were more sudden shocks to the system. While the climate crisis has continued to worsen in the past decade, sparking moments of angst and frustration, it was undoubtedly the Covid-19 pandemic that struck from early 2020 that did most to coalesce disparate actors into an ever more coherent coalition for radical change.

Southern leaders, from academics to presidents, were justified in their rage at seeing stark global inequalities through an even clearer lens, as vaccines were hoarded by wealthy countries, leaving poorer countries to fend for themselves, with the help only of reimbursable loans to salvage wrecked economies and human lives.

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As the Covid-19 disease changed the landscape of global campaigning, the GPI idea

morphed from a critique of the aid system to an off-the-shelf solution to the problems now so obvious. And while Covid-19 made the case with the greatest force, on its coattails came arguments for more concessional international public finance for research and technology, urgent response to loss and damage, reparations for past wrongs, and a general effort towards convergence of global living standards, not just the tragically limited ambition of “poverty eradication”. The idea that private finance would plug the huge gaps was proven false—it is important but does different things to public money.

Snowball from the South

All these ideas emerged in the Global South, and there is no question that the most important political pressure for GPI leading to this moment came from leaders in the Global South spying an opportunity to convert decades of unrequited pressure into some concrete change. Covid changed the calculus of many countries of the Global South who decided that they had to avoid ever being in the position of weakness in which they found themselves. The calls for structural transformation of global public finance grew, and ideas that would previously have been considered unrealistic gained momentum.

Latin American countries were among the first to put GPI formally on the agenda, building on the theories and practical experience of their well-established regional network of cooperation agencies. Africa wasn't far behind, boldly backing its own interests after the Covid debacle, and insisting that both Western and Eastern powers collaborate to solve global problems, rather than reverting to using the continent for their proxy wars.

Crucially, also, major social movements and NGO networks began to back GPI as they saw the possibility of structural change. From its beginnings as a somewhat ambitious initiative, GPI became a social cause, which helped get it over the finishing line—however democratic they are nominally, governments tend to respond to pushes from their publics.

While the 2030 moment is the global moment concretising GPI, it is the culmination of years' of gradual adoption, as governments and organisations have sought to integrate the GPI principles into their work. The context in the Global North was inauspicious, as economies struggled with long- and short-term challenges, but the momentum proved unstoppable. And it is largely considered to have been the successful pilots of the GPI idea that finally did enough to neutralise the expected opposition from the US, which finally agreed to the proposal at a crucial meeting with China earlier this week.

The shift in approach now being adopted for global public concessional finance can also be applied to other areas of international cooperation, heralding a new era of internationalism. This new concept of Global Public Investment could lead to a better, more modern, more respectful narrative around international development and cooperation. Rather than continuing the old myth of charity, we are now finally using the more powerful language of solidarity, partnership, investment and mutual benefit. And rather than seeing global problems as foreign, “over there”, we are making further strides forward in our understanding of our one common home—the Earth. China, the US and Europe inevitably

wield the power either to help or to hinder this growing demand for change. It is up to them—their governments and publics—to consider that working together to support global public goods and common objectives globally is the best bet for them as major power. If they do so, the world could avoid conflict in the 21st century and continue to coalesce as one humanity.

Right, time for another cup of heavily-sugared coffee.

REFERENCES

- 1 — More information on the advances of the GPI Working Group of Experts [available online](#) and also in Glennie, J. (2021). *The Future of Aid: Global Public Investment*. Londres: Routledge.



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Jonathan Glennie is a writer, researcher and campaigner on global cooperation. Over a decade ago he proposed a radical new idea in his *Guardian* column: that the Sustainable Development Goals (SDGs) should be universal, applying to all countries. He is now working in [Global Public Investment](#) expert working group on a complementary evolution in the way these objectives are funded, shifting from an us-and-them "aid" mentality to Global Public Investment, whereby all countries contribute, all benefit and all decide. He is the author of several books, including *The Future of Aid: Global Public Investment* (2020).