

## Development Cooperation in the Course of Time

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Helping people who live in poverty is a central concern of all cultures and religions and a matter of course socially and politically in today's world. The term "development cooperation" therefore has a positive connotation for most people in our societies. It conjures up images of smiling children, contented farmers, and formerly sick people who are now healed. These images are justified, too, because development aid has helped to bring about several of the biggest achievements in modern history: the eradication of smallpox, full-coverage supply of vaccines for measles and whooping cough or for preventing tuberculosis, spectacular success in curing leprosy, advances in fighting malaria that save the lives of 40,000 young children in Tanzania alone each year, and progress in agricultural research to fight pests of cassava, which is a staple food of the poor – and much, much more.

General anti-poverty programs have also been successful. They include multilateral and national aid as well as support by relief organizations and foundations over the past 40 years to promote small and medium-sized enterprises, health services for mothers and their children, wastewater regulations, and supplies of drinking and washing water. In education, for example, these programs include improvements in vocational education and training, the construction of elementary schools, the provision of teaching materials, teacher training, and special programs for girls. Verifiable progress has also been made in infrastructure projects, such as the building of roads and bridges, the expansion of communication infrastructure for, say, the use of cell phones or the Internet, and electrification. Development aid has been – and continues to be – essential for the training of experts in all disciplines and for the transfer of technology. The publications of all institutions involved in development aid confirm this fact with empirical evidence. Although more than 1 billion people still live in extreme poverty, I am nonetheless convinced that the social balance in the world would be much worse today without technical, financial, and other forms of aid – especially considering that the global population has doubled since 1960.

Interestingly enough, there are still waves of the most virulent, fundamental criticism regarding aid flowing from the North to poor people in the South. Some critics even cynically assert that development cooperation is the real problem, claiming that it creates poverty and helps to maintain corrupt and inefficient structures. They conclude that people in developing countries would be better off if development aid ceased altogether. And they can cite a few examples to support their position. Along with all its successes, development aid has unfortunately also generated a chronicle of scandals. Corrupt government representatives and some of their families and followers draw funds out of the public coffers of poor countries to finance private luxury cars and shopping trips to Western capitals and to pay for the most expensive education for their children abroad. These abuses can be seen in many countries and are as well known as the widespread practice of wasting scarce resources on armaments and prestigious buildings. All this is scandalous, but it is nowhere near as dramatic as the annihilation of money by the financial industry in the crisis of 2007 and 2008.

Spectacular or even grotesque failures in development assistance are exceptions to the rule, in my view. Nonetheless, they make hotter headlines than successes, especially if the latter were unspectacular or took a long time to materialize. Failings are usually more entertaining and generate much more publicity, so the public tends to remember failures or the misappropriation of aid monies rather than the eradication of smallpox or the reduction of the number of lepers from about 12 million in the early 1980s to fewer than 250,000 today. Even if these exceptions to the rule of otherwise good behavior are infrequent, and even if successes incontestably outweigh failures, we are well advised to be highly sensitive in each case about the quality of development aid.

Given the international financial and economic crises and the budget deficits they are triggering in rich countries, we can expect people to be even more vocal than before about the sense and effectiveness of development cooperation. No respectable expert today could rationally argue and demand that *all* development cooperation be stopped. That is certain. But it is equally certain that no serious development expert would recommend that *all* present activities be continued.

## **Historical Review**

In retrospect, the twentieth century will be associated with a wide variety of political, social, technical, and economic events – both positive and negative. Politically, the rise and fall of fascism and the development and collapse of Communism will stand in the forefront, along with the horrible wars and the use of the atom bomb associated with them. But the twentieth century will also go down as the *century of development cooperation*.

In earlier centuries, the relationship of the richer and more powerful countries with the poorer and less powerful was primarily unilateral and involved the exploitation of raw materials and the enslavement of people. That situation changed in the middle of the last century. World War II brought destruction and great human suffering all over Europe and, not least, resulted in the division of the world into two ideological blocks. Against this backdrop, a political vision arose and was incorporated in the preamble of the Charter of the United Nations on June 25, 1945. The global community committed itself as follows:

“to promote social progress and better standards of life in larger freedom ...  
[and] ... to employ international machinery for the promotion of the economic  
and social advancement of all peoples...”

These efforts all started with a European reconstruction and aid program launched by the United States and called the Marshall Plan after General George Marshall. Unlike their European allies, the United States emerged from the military actions unscathed at home and in a much better position economically at the end of the war than at the beginning. It therefore acted virtually alone in providing the financial aid required to rebuild and revive the various national economies on the continent. The bulk of this development aid went to the countries of Western Europe. The war had weakened and partially destroyed them, but their economies remained basically healthy. They also had well-trained human resources, industrial experience, and technical, organizational, and political expertise.

Of course, post-World War II Europe was not the only region on the globe facing economic and social problems. Eastern Europe had also been destroyed by the war, but the coalescing Soviet Bloc refused to cooperate with the United States on ideological grounds. In the Third World emerging at the time, India and Pakistan had just become independent. They were in an extremely difficult situation due to their separation and the burden of millions of refugees, yet they received no aid from the Marshall Plan. The majority of people in Africa and Latin America also faced great poverty, but no structured efforts to assist these continents materialized. Non-European countries were not covered by the Marshall Plan. Well-understood self-interest was one crucial motivation for the United States to provide development aid through the Marshall Plan. The United States wanted to curb the spread of Communism and, in fact, prevent it if at all possible. That is why assistance went mostly to anti-Communist governments during the Cold War. This “teething trouble” continued to characterize development aid well into the 1990s.

## **The Motives for Development Aid**

There have been a wide variety of motives for development aid over the past 50 years. The four discussed here are the most significant:

### *To make amends for injustices perpetrated in colonial times*

After decolonization, a political uneasiness arose about the precarious situation facing the newly independent countries. Scarcely any of the new states came even close to having enough skilled labor to solve existing problems; scarcely any of them had an infrastructure to fit the new needs. With their newly won independence, the states made demands on the former colonial powers. The latter have met those demands out of remorse and a need to make amends. It should be added that the majority of people in many developing countries verifiably suffer more today from nationally rooted mismanagement, despotic exploitation by their own elite, and other ramifications of failed national politics than from the consequences of their state being a former colony.

### *Geostrategic motives and motives of power politics*

A study conducted many years ago by the National Bureau of Economic Research in the United States showed that in many cases funds for social and economic development still tended to be granted for political and strategic reasons (in the Middle East, for instance, or for Mexico) rather than being based on need or the quality of the recipients. Along with the special relationships between the former colonial powers and their former colonies, other political motives and interests have always been given priority in the selection of the recipients and the definition of the projects. U.S. President Lyndon Johnson is said to have admitted that a certain South American dictator was a “bastard” because of the miserable human rights situation and corrupt practices in his country but that he received American foreign aid because he was “our bastard.” In another example, the Federal Republic of Germany supported developing countries well into the 1970s largely out of a desire to keep them from recognizing the German Democratic Republic (communist East Germany) under international law. Of course, there were always also experts in development cooperation who wanted to base aid solely on the criterion of need, but they were often in the minority.

The most important political motives up to the end of the 1980s were geopolitical – for instance, containing Communism and safeguarding sources of raw materials and strategically important seaways (such as the Suez Canal). Looking at the tragedy in the Congo and the dramas in countries such as Angola, or Sierra Leone, it becomes obvious that the safeguarding of sources of raw materials continues to play a significant role.

A new political motive has been implicitly gaining in importance in recent years – namely, warding off undesirable flows of migrants from developing countries to Western Europe and the United States. One aspect of today’s migration problem should be noted. It is usually not the poorest who arrive in Western industrialized countries as impoverished or environmental refugees. The poorest are barely mobile. They rarely speak non-indigenous languages and even more rarely have the resources to afford intercontinental mobility. Unless forced to flee to neighboring regions by war, civil strife, or natural disasters, poor people usually remain in their place of misery. Even the individuals who move from the country to the cities to populate the urban slums are elites in a relative sense. Those who take the step of migrating to Europe are social elites in any case. The poorest of the poor can pay neither the cost of international transportation nor the fees the human smugglers charge, which amount to several years of annual income.

That said, I still do not consider that people from poor regions have illegitimate motivations in trying to safeguard their economic and social future at another place on the globe. If prosperity does not go to the people in developing countries, then those people will go to wherever prosperity is. Development COOPERATION – that is, aid in close cooperation with national authorities and experts – can help, and wants to help, provide people with appealing prospects for the future in their own home countries in order to counter future migration.

Political and strategic motives for development cooperation are legitimate because they express rationality based on long-term thinking and the well-understood self-interest of people in industrialized countries. They also remain justified because development aid safeguards the future. To believe inhabitants of a small island of prosperity in an ocean of misery will fare well in the long run is inappropriately optimistic. By the same token, I seriously doubt that people in Europe and the United States will take a humane approach in dealing with a large-scale increase of poor migrants arriving on their soil.

The plights of other people affect us – and not just from a humanistic standpoint. Impoverishment, the felling of tropical rain forests, and the lack of fresh water pose as big a risk to security in our age as drug dealing and international crime do. Social disparities, political polarization, and living together peacefully are social phenomena that are neither nationally nor internationally independent of each other. International development policy will remain an indispensable part of securing international peace in the future. The economic, social, and ecological advances made by other people enhance their quality of life but they benefit us as well. What is true of individual countries is also true of the world as a whole. The fruits of a country's own economic success taste all the sweeter to beneficiaries if they are not poisoned by social injustices in other places. Development assistance is not a humanitarian luxury for times of fair financial weather. It is an investment in the future for our own children and grandchildren. At the same time, the international community must insist on good governance in the recipient country, on transparent verification that the committed funds are put to proper use, and on a fight against corruption. This too is a line of political argumentation.

#### *Economic motives: safeguarding markets*

Expanding world trade and developing future markets to improve a country's own export opportunities and safeguard economic welfare have been among the key economic motives from time immemorial. Nor is there anything repugnant about economic incentives for development aid. Products from industrialized countries contain a multitude of essential goods and services for the economic development and social welfare of developing ones and are available at internationally competitive prices unless extended as "tied aid." The spectacular successes that have been made in reducing mortality, increasing per-hectare yields of food, and putting modern communication infrastructure into place would not have been possible in most developing countries in the first place if certain goods and services had not been imported from industrialized countries. Scientific innovations and new technologies can continue in the future to contribute significantly to environmental protection as well.

Economic motives have become less important in recent years, however. They are actually only still relevant in relation to emerging countries. The international purchasing power of the poorest countries is small. In our age of globalization, many goods they once had to buy in industrialized countries are now available from other developing countries in comparable quality and usually at a lower price, as from Chinese, Indian, or Brazilian companies.

In terms of communication infrastructure and ecology, the sustainability of development depends heavily on a blend of development assistance and commercial technology transfer. The question of whether populous countries such as China or India will industrialize has long been answered in the affirmative. The question that remains at least partially unanswered is this: What consequences will this process have for the environment? It would be ecologically fatal if key developing countries were to adopt Western patterns of behavior from the 1960s and 1970s on their own road to development. Cutting-edge ecological technologies available today should be used wherever possible, and development aid should be used to transfer these technologies – and not only for environmental purposes but also for better health, more secure nutrition and better education. Besides innovative medicines and high-yielding,

robust, water-saving varieties, modern information and communication technologies are of special importance.

In light of the new challenges that globalization poses for many developing countries, different approaches will obviously have to be taken in development cooperation too. No one can seriously claim that economic globalization is “strictly a blessing” for all of Earth’s inhabitants. Along with the welcome light it sheds, globalization also casts unfortunate shadows. Complex social and economic change always gives rise to winners and losers, internationally and within individual countries. Market deregulation and the free movement of capital undoubtedly trigger significant economic growth. That growth does not benefit all classes of the population equally, however. Profits from change compensate the losses (over time). Although this may be correct on the aggregate level, it is often not the case between individual winners and losers in actual practice. Investments in education, training, and rural infrastructure can help more people to deal more successfully with the challenges of globalization.

Since the effects of development assistance and the promotion of the economy do not by definition match each other in each and every case, the two portfolios of action should truly be kept separate. If activities entail promotion of the economy, this should be clearly stated, even if they serve the purpose of making the developing countries fit for the future and if people in the southern hemisphere benefit. For some developing countries, this is a long and rocky road. Many will not achieve viable development in the foreseeable future, and some will not attain the Millennium Development Goals either. Humanitarian motives should move to the forefront again in the future, particularly for the poorest countries.

#### *Humanitarian motives and the ethical imperative*

Development cooperation from the North was also always considered to be religious missionary work: Religious in the sense of active brotherly love, and missionary in the sense of not wanting to accept a fellow human being’s state of poverty and misery. Poverty, especially in its individual form, when it makes people sick and sometimes kills them, was therefore always an essential motive for humanitarian interventions. Those with more material and other resources are obviously called upon to relieve the avertable suffering of fellow human beings wasting away in misery, illness, ignorance, and hopelessness. All these efforts to reduce poverty must clearly also be carried out in a highly professional and cost-efficient manner. Already in 1998, a World Bank study on the effectiveness of bilateral and multilateral government development assistance (*Assessing AID*) offered suggestions on how to do just that. It recommended that countries should:

- Be more selective in their commitment and put resources only in countries meeting the political requirements for success
- Make their efforts more knowledge-based – that is, systematically incorporate all available experience and expert knowledge about all issues in all commitments
- Be better coordinated in their work instead of focusing on having their own flag fly visibly over successful projects
- Be more self-critical and constantly ask themselves: Why are we doing what we are doing? What are the desired effects? What are the undesired side-effects? What could we do better? With whom could we work so that everyone involved is not reinventing the wheel time and again?

All these recommendations are as appropriate today as they were ten years ago. Another factor coming into play more than ever is the need for bilateral donors and multilateral institutions to have a coherent policy. Pursuing the Millennium Development Goals in development cooperation is one thing. But those efforts must include a trade policy

that allows poor countries to shore up their economy by increasing farm exports, for example, and a financial and migration policy that gives fair chances to the poor.

### **Development cooperation requires professionalism, time and patience**

The majority of people in industrialized countries are aware of the scale of poverty in today's world and sensitive to the tragic effects these problems have on the quality of life of those affected. They also draw the right conclusions. Three out of four Western European men and women want to help when confronted with hunger, illness, and misery in poor countries. These people expect development cooperation to help overcome poverty, empower people to solve their problems themselves and with their own resources, and lastingly increase the quality of life for recipients. This awareness is so strong that the level of donations for most aid organizations remained steady even during the recent financial and economic crisis. It goes without saying that those who work for development are accountable to tax payers and private donors to get the "biggest bang for the buck", i.e. to strive for the highest effectiveness and (cost-) efficiency. New coalitions including partners from the private sector can be instrumental to bring a "return on investment" mind-set into development cooperation – the return of course being lives saved, sicknesses cured, yields raised, children educated and incomes raised per 1'000 Dollar invested.

Outside aid is not enough to overcome poverty and achieve the Millennium Development Goals. What it can do, however, is facilitate economic, social, and political development processes in the recipient countries by supplementing local resources and injecting funds and methods required for solutions that are not available locally. Development assistance has always been only a relatively small part of the total resources a country has available to promote socio-economic development. That is truer today than ever before. Aside from isolated aid and small projects, this small role is what makes it so difficult to clearly filter out the specific effect development aid has on solving the development problems of an entire country, let alone a continent such as Africa.

The success of isolated aid and long-term aid programs is measurable, however, and there is no reason to be ashamed of the small scale of any efforts. A wise old African saying is apt in this context: "Many small people doing many small things correctly in many small places change the face of the Earth." We should also keep in mind that sustainable success in development policy requires time and patience. Corn, millet, or rice does not grow any faster if you tug at it impatiently, but its growth can be improved with "fertilizer and water."

I am certain of one thing. The way later generations judge us will depend on what we were able to do for the weakest in our global society with the resources available to us – the finances, knowledge, technology, and power to act. Never before in the history of humankind have so many resources been available. It is up to us to allocate a fair share of them to global development. Players from all social areas – international institutions from the U.N. family, national authorities, NGOs, and the private sector – should work together in these efforts.

A final thought: Even if everyone who bears responsibility in the matter today does their very best, 40 years from now – when world population tops 9 billion – there will still be more than 1 billion people living in absolute poverty. Modesty is therefore appropriate when it comes to setting objectives for development policy activities. Today's development problems are immense in complexity and daunting in scale. In his book *The Idea of Justice*, Amartya Sen advises readers not to want to create a perfect world but instead to apply all their strength and resources to eliminating obvious injustices and definite social wrongs. That is something we *can* do!

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