KFW

One Pager

International development cooperation at a turning point

No. 1, 25 January 2024

Author: Joachim Heidebecht, Editor: Heide Kühlken

The basic narrative of international development cooperation (DC) - 'The rich Global North shows the poor Global South the right way to permanently overcome extreme poverty' - is being put to the test. Criticism is coming simultaneously from very different directions: scientists, politicians and development practitioners from the North and South.

Growing doubts about the 'good' advice of Western development economists

For decades, development policy debates were primarily shaped by development economists in the North, who (based on the experiences of developed countries) primarily relied on growth and industrialisation as the key to greater prosperity. However, it is now clear that these strategies are reaching planetary limits (resource consumption, pollution, climate change, etc.) and cannot simply be copied by the poorer countries without disrupting the Earth system. The search for new strategies to increase welfare - without selfdestructive growth - is in full swing. The Global North has partially lost its 'perceived' knowledge advantage and its authority as an undisputed 'role model'.

Western 'democracy model' as the core of DC under increasing scrutiny

At the same time, a second pillar in Western development policy is also under pressure: The belief in 'democracy' as a superior political problem-solving mechanism. With the current framework conditions, which are very rapidly changing, democracy is increasingly seen as a very sluggish mechanism in the search for quick and good solutions. In addition, many former flagship democracies (United Kingdom, USA, India) are experiencing significant functional deficits and problems (fake

news, growing inequality and discrimination, burgeoning autocratic forces, shrinking civil space, etc.). This impacts the long undisputed persuasive power of the 'good governance' concept as the 'core' of Western development strategies. Other political models are gaining in attractiveness again in several partner countries. The global political system competition, which was already thought to have been determined, has been reignited.

For some countries, the classic DC approach is no longer up to date

Many former developing countries have evolved very favourably over the last 75 years. Today, Brazil, India, China and South Africa are themselves important economic and political powers, while other countries are ready to follow (Colombia, Indonesia, Nigeria, Morocco, etc.). They now often have well-trained specialists, access to international financial markets and their own effective internal structures and institutions. Equipped with solid self-confidence, they no longer want to be perceived as recipients of development aid, but as equal partners on an equal footing. The established DC structures (with intergovernmental negotiations, audit reports, progress missions, reporting obligations on the part of the 'donors') no longer appear appropriate here.

Accusation of post-colonialism and growing criticism of DC effectiveness

The same idea can also be found in a clearly exacerbated and generalised form in the criticism of the postcolonialists, according to whom the structures and procedures of the international "development bureaucracy" manifest a continuation of colonial power structures. A new cooperation model is called for in which different values and

standards can coexist. They were given

Different global challenges and budgetary constraints shift priorities in DC

For a long time, fighting extreme poverty in the world was considered the biggest global challenge. But the situation and perception of the problem have changed significantly since the turn of the millennium: While global poverty is on the decline, the threats posed by crises, climate change, pandemics and biodiversity loss are increasingly coming to the forefront of public awareness. The protection of 'global public goods' is a DC objective in addition to alleviating poverty. And in view of increasing budget constraints in the north as well, the call in political discourse to use DC more as a strategic instrument for pursuing national interests (security, foreign and economic policy, access to natural resources) is becoming ever louder.

Conclusion: No end to DC, but start of a huge structural change

DC is currently at a turning point: In view of the delays and partial setbacks in achieving the SDGs (in some African countries and fragile contexts, even growing extreme poverty!), a continuation of the classic 'hands-on' development cooperation with the poorest countries is urgently needed politically. On the other hand, there are new challenges in the area of protecting global public goods, which require a different type of cooperation (between equal partners and with simplified structures and procedures). The change is already in full swing and the direction is clear: Moving away from 'post-colonial' DC structures towards new bilateral partnerships of mutual benefit.

tailwind by a newly sparked debate on 'Aid Effectiveness'/criticism of DC.