



## E-kursuse „EL arengukoostööpoliitika ja postkolonialism“ (P2EC.00.140) õppematerjalid

### Week 1:

## THEORETICAL MODELS OF INTERNATIONAL DEVELOPMENT COOPERATION

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There are three main questions, most often repeated during the debates by critics and citizens:

- Why should we help other states, if there are not enough finances for all our own needs?
- Why should we help other states to solve problems, what they do not prioritize themselves?
- What are our benefits as donors?

Development of ideological basis and daily practical assistance processes have been parallel processes for explaining the development cooperation. The main inputs for this process include idealist, institutionalist, neo-functional, post-colonial, imperial and conditional ideas and views. But how can these theories help us to answer abovementioned questions?

All of these theoretical models explain the motivation and rationality of development cooperation differently even when supporting the main idea in general. **Idealist model**

focuses on human values, global responsibility, common interests and values. Accordingly the main value for donors could be considered as being happy of doing good to others and monitoring their progress. Idealists do not value reciprocity, conditionality or evaluation.

On the other hand, for **institutionalists** the stability and traditions are important and they focus on the long-term stability. Development cooperation is motivated by the argument that this is a tradition and a normal behaviour in the international community. According to the ideas of institutionalists the level of donorship increases to the same extent as their own development increases, which often creates critics as nowadays the development cooperation is often considered as an inertial follow-up of the partnership already started earlier, which is not motivated by practical needs.

The principal model of European integration – **neo-functionalism** – highlights practical benefits of the development cooperation. Societies with lower level of development offer faster potential growth of profits and more beneficial deals in terms of labor and natural resources, but in generally neo-functionalists consider both sides to benefit from the cooperation.

**Realist thinkers** consider development cooperation as a possibility to strengthen their own states' interests. Respectively, only this kind of development cooperation is valuable which offers profit for the imposing side.

**Radical groups** rather suggest do not help developing states, as it reduces their own willingness to solve their problems independently. Weakness of the target states allows them to grab easily the resources.

Most of the models described above have been used in different historical periods by European actors. In recent years, idealist and institutional motives together with post-colonial ideas seem to have the strongest influence in the EU policy making process regards the development countries.

Different theoretical models make the evaluation of the success and efficiency of practical development cooperation complicated. Usually the main criteria for the evaluation are following:

- Cost-efficiency: how to fulfill the goals with the lowest possible costs.
- Goal-efficiency: how to achieve the goals as successful as possible with existing resources.
- Sustainability: ability to continue the partnership as long as possible.
- Efficiency: ability to achieve the goals without making compromises in methods and principles.
- Comparative success: achieving the goals more efficiently than other competitors.

## Imperial model as an explanation to development cooperation:

### From traditional imperialism to neo-liberal imperialism

Imperialism is a concept or method to explain the logic, structure and dynamics of empires (Latin *imperium*) and imperial ambitions, and to describe some of the policies an imperialist, an empire or somebody who wants to create the empire, needs. Imperialism is a dynamic process aimed to influence and conquer new territories.

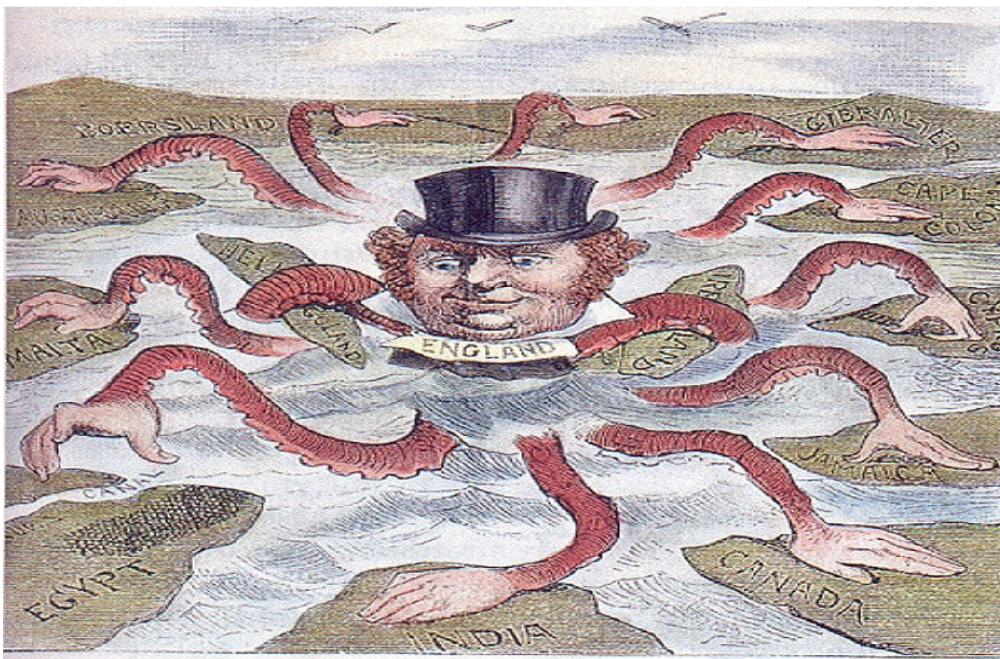
Popular misconceptions related to imperialism are that imperialism also covers nations' aim to increase its influence abroad or any growth in power of aggressive great powers, or to maintain the parts of a former empire. Abusing the term "imperialism" which started by Lenin and developed by Anglophobes and Russophobes in the 20<sup>th</sup> century has led to a situation where imperialism has lost all its concrete meanings in non-academic field (Morgenthau 1993:56). In some sense imperialism has become a negative symbol of any foreign policy action that does not support the interest of the evaluator.

**Highlighting the main principles and components of imperialism is complicated as there are several different and competing sub-concepts of imperialism: the conservative model, the Marxist model, the realist model and the liberal model are most dominating.**

The difference of models is mainly related to the reasoning. **Conservative reasoning** focuses on the idea that imperialism is necessary to keep the contemporary social order. Firstly, it allows the centre to access resources needed with a low cost and sustainable growth. Secondly, it channels internal social conflicts outside the traditional area. Last but not least,

conservatives see that this could be considered as an evolutionary and logical development that some units dominate over the others.

The **Marxist explanation** of imperialism is that imperialism is the final stage of capitalism that represents purely the interests of the capital holders and serves the most profitable allocation of capital. Accordingly imperialism is purely serving economic interests and political influence is the intermediate variable. On one hand, the Marxist approach of imperialism has been supported by moderate authors like Kautsky and Hilferding, believing that imperialism is one of the choices of capitalist system. Lenin and Bukharin, on the other hand, describe imperialism as the final stage of capitalism. Lenin emphasizes: “Imperialism is capitalism in that phase of its development in which the division of the world among the big international trusts has begun; in which the partition of all the territory of the earth amongst the great capitalist powers has been completed” (Lenin, 1933:72). The aim of global imperialists is to make profits and it is easier to profit from conflicts and development differences than from stability, peace and homogenous development.



Imperialism creates a situation where one group who owns capital can force other groups to work for them. The main weakness of the Marxist theory is that not all capitalist countries have been imperialist and not all imperialist countries have been capitalist; so there is no causal relation between capitalism and imperialism.

**Realist model** stresses the idea that imperialism is a valuable alternative to *status quo* in international relations, offering gradual changes and rebuilding of the new coalitions.

Hans J. Morgenthau defines imperialism as a national foreign policy aimed at acquiring more power than the state actually has, through a reversal of existing power relations, or, in other words, a favourable change in power status (Morgenthau, 1993).

One of the assumptions of the imperialistic policy is the classical realist theory perspective of analysis described in international relations at the unit level.

**Liberal imperialism** is based on the practical economic need of great empires to keep economic growth and dominance, while suffering from the surplus of labour and capital. Thus, the actual problem is not related to the surplus but the low rate of profit available in highly developed centres (Sullivan, 1983). In that case imperialism becomes a solution to the problem of capital surplus and profitability: „capitalism economically requires empire in order to invest, to get rid of, allegedly surplus savings or capital (Rothbard, 1995). Liberal imperialism pays only modest attention to political and cultural aspects.

Imperialism represents the maldistribution of purchasing power. It is not inevitable or even the most rational method of the capitalist economic system. As an alternative of the expansion of foreign markets a development of home market is suggested by John A. Hobson.

The scientific concept of imperialism started to develop with J.A Hobson's "Imperialism" (1902) and was then revised by Lenin "Imperialism the highest State of Capitalism". Post-war concept of imperialism was mostly influenced by Schumpeter's "Imperialism and Capitalism" (1951)

In practice, during the 18<sup>th</sup> and 20<sup>th</sup> Century the classical imperialism has relayed mainly on direct colonization of distant territories for the purpose to access their resources. Imperialism has been described as a deliberate projection of the country's power beyond the area of its original jurisdiction (Penguin, 1998).

A vital component of all the theoretical models of imperialism is the division of empire into economically functional zones: centre, semi-periphery and periphery. These zones are not a purpose in itself but serve the economic interests of the central elite. Economic division also influences political formation of the empire.

The centre represents the highest level in administration and political decision making and also provides capital and know-how for the rest of the empire. The centre as an elite unit also collects the profit as well as plans the re-allocation of resources.

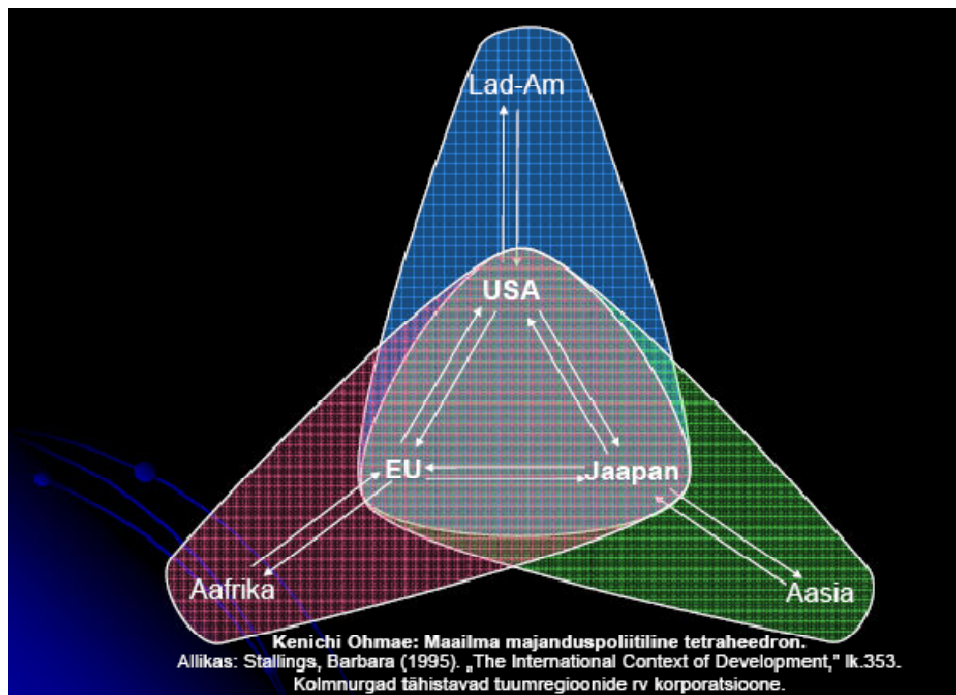
Semi-periphery provides the empire with products, services and skilled craftsmanship for economy. It may have the same educational level as the centre, but because of political reasons and capital ownership semi-periphery is sub-ordinate to the centre. Semi-periphery also provides an additional source of intellectuals for the centre.

Periphery, usually, a distant and not traditional territory of empire supplies semi-periphery with raw resources (in modern times also the destination of waste). Because of low educational level there is no economic reason for production in periphery or re-allocation of labour force. Periphery is also a destination (market) for goods produced in semi-periphery.

Borders between the zones are not fixed (for example the Holy Roman Empire); firstly, the centre gradually changes into semi-periphery and later semi-periphery gradually to periphery. As every zone serves a specific function, they cannot replace each other. Therefore especially centre is not interested in the development of semi-periphery or periphery into a more developed area. For some transition zones it is also possible to change its status towards periphery or centre. But in general imperial states are not interested in equal development of all the zones or subsidizing the development of weaker areas.

The second vital component of traditional imperialism has been one-direction transition of know-how and cultural values. Both the periphery and semi-periphery are treated as regions with the lower level of culture and are, therefore, the destinations of culturalization. Neither semi-periphery nor periphery can have to a remarkable extent inputs to the empire's cultural heritage.

Cultural harmonization also involves adopting the political, administrative and economic logic of the centre.



The model of imperialism overlaps in many aspects with the model of colonialism; actually when researching the same phenomena, those two concepts have a different approach to the paradigm. In overall, the colonialism should be considered as a variety of imperialism.

Historically imperialism can be divided into 3 main periods:

- Mercantilist and dynastic imperialism 15<sup>th</sup> century to 1763
- “New imperialism” 1870 – 1914, introducing more liberal and global methods
- Third generation started 1945 and has been developing since

The second period (“New Imperialism”) has been the most characteristic and was by the British Empire.



## Main principles and components of neo-liberal imperialism

New imperialism developed in 1870s, led by the UK, USA, Germany and France. New imperialism is heavily relying on the idea of division into imperial zones and the efficiency of capital re-allocation. Main target areas were the countries with weak state power, mainly in Africa and Asia. In the beginning of 20<sup>th</sup> century, no great power was staying out of the race for colonialist imperial ambitions.

Neo-liberal imperialism differed from traditional imperialism, as it concentrated mainly on gaining resources and markets, at the same time as classical form focused more on direct political dominance, occupying and conquering territories. New imperialism was motivated by the economic reason that occupation was too costly (Mill).

When traditional imperialism was violent and aggressive, then new imperialism was usually mutually beneficial for both parties – for the centre and the elite of the target area. The idea of central government's or political dominance was gradually replaced by pure economic concerns.

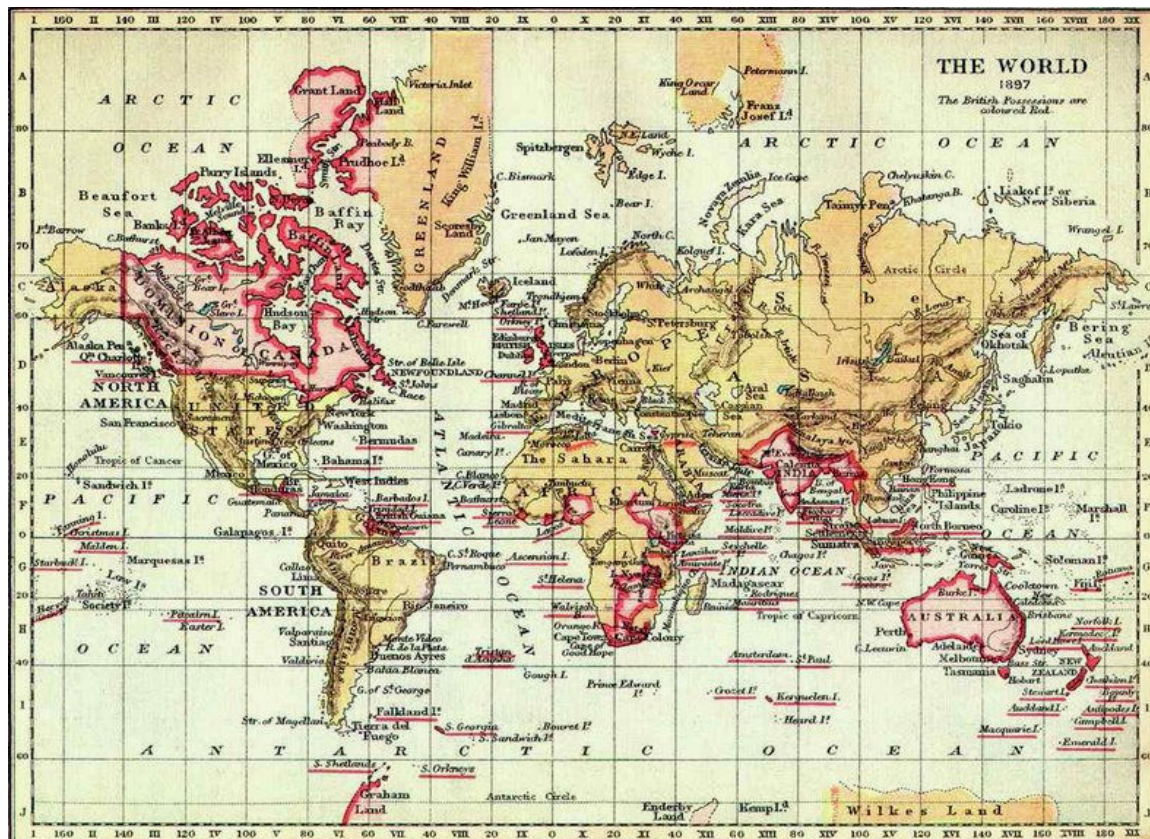
The most influential form of new imperialism has been neo-liberal imperialism, mainly because of its pure economic orientation. The concept has been forged by John Stuart Mill and it was heavily based in his experiences gained in the East-Indian Company.

Neo-liberal imperialism is based on the idea of practicality or functionality. In a dangerous situation a change of values and abandoning basic principles like sovereignty is justified by the need. The main innovation of neo-liberal imperialism compared to old forms of imperialism endorsing justification and legitimization: making it fit the modern network of international principles of law. Most of the elements of pressure, violence and direct colonization were therefore removed. Previous periphery of the empire was replaced by a virtual periphery

The second wave of neo-liberal imperialism can be dated back to the end of World War 2: by the formal independence of most former colonies of France, England, Portugal, Spain and



Italy. Suddenly both parties, former centre and former periphery, found themselves in a new situation, where former partnership was needed for economic reasons, but was not proper any more in legal and cultural terms. As political and cultural aspects were not prior any more, the liberal component started to dominate and brought about the renaissance of neo-liberal imperialism.



The European Community played here a remarkable role by offering multilateral framework and functional approach.

The second generation of neo-liberal imperialism developed as a controversial concept: on one hand it is based on the logic „that orderly rich states need to do more about the disorder in failed states, since power vacuums threaten their stability” (Mallaby 2004), on the other hand its representatives state that „colonisation is unacceptable to postmodern states and, as it happens, to some modern states too” (Cooper 2002). It means that retaining order and avoiding conflict is the main priority.





Neo-liberal imperialist ideas have been widely debated during the recent EU internal reforms and enlargement. Neo-liberal imperialism has been debated both on principal level, or as a grand theory (Zielonka 2006), to explain the EU's recent and upcoming development dynamics. Zielonka and Cooper both see imperialism as a positive actor but add the idea of loose form (as opposite to a strong nation state). While also using the model of centre-semi-periphery-periphery Zielonka adds two important dimensions. First, the concept, that when comparing different social, political or economic initiatives, the borders of zones differ. For example economic and political semi-periphery in the EU do not overlap when taking membership in the Euro zone and in Schengen visa room as criteria. Secondly Zielonka removes the clear border between the empire and its neighbouring areas, distant areas, by pointing out that these areas just address less and less the central policies until they finally reach to zero level. (Zielonka 2006)

## Week 3:

# COLONIAL LEGACY OF EUROPE: THE REASONS FOR COLONIZATION, ITS HISTORY AND NATURE

Raul Markus and Viljar Veebel

European colonialism began in the 15<sup>th</sup> century with Portugal's conquest of Ceuta. Colonialism was led by Portuguese and Spanish exploration of the Americas, and the coasts of Africa, the Middle East, India, and East Asia. Britain, France and the Netherlands successfully established their own overseas empires only in the 17<sup>th</sup> century, despite some attempts made already earlier. There has also been a direct competition with each other and those of Spain and Portugal.

The end of the 18<sup>th</sup> and early 19<sup>th</sup> century saw the first era of decolonization when most of the European colonies in the Americas gained their independence from their respective metropolises. Spain and Portugal were irreversibly weakened after the loss of their New World colonies, but Britain (after the union of England and Scotland), France and the Netherlands turned their attention to the Old World, particularly South Africa, India and South East Asia, where coastal enclaves had already been established.

The industrialization of the 19<sup>th</sup> century led to the period what has been called as “the era of New Imperialism”, when the pace of colonization rapidly accelerated. The height of the period was the Scramble for Africa. During the 20<sup>th</sup> century, the overseas colonies of the losers of World War I were distributed amongst the victors as mandates, but it was not until the end of World War II that the second phase of decolonization began in earnest.

### **Justification for Colonialism argued by Colonial Powers**

Imperial and colonial powers from ancient to modern times have often regarded their rule over others as an aspect of their own destiny, which is to civilize, educate and bring order to the world. Although the Roman Empire more or less began as a result of defeating the Carthaginian Empire when it gained their extensive territories in North Africa, it soon

developed the idea of extending Roman discipline and order and law to others as a *raison d'être* for further imperial expansion. Napoleon Bonaparte saw his role as a unifier and as spreading a common code of law, although he also simply wanted to conquer the world. The British Empire began as an extension of their trading interests, fueled by the need for raw materials as well as for markets. India, considered to be the jewel in the crown of their imperial project, was initially colonized by a commercial enterprise, the British East India Company which set up trading stations. Later, these expanded into whole provinces of India as conquest, subterfuge, treaties with Indian princes and other means of expansion added territory until the whole Sub-continent was under British control. A similar process took place in Africa. The Dutch Empire also began as a commercial enterprise. Later, however, a moral argument was used to justify the continuation and expansion of colonialism, famously expressed by Rudyard Kipling (1865–1936), winner of the 1907 Nobel Prize for Literature, in his 1899 poem "The White Man's Burden". As the poem says, it was a moral responsibility to rule over people who were "half-devil and half child" who therefore needed the discipline, oversight and governance that only a superior race could provide. Some saw the task of Christianizing and civilizing imperial subjects as part and parcel of the same task. Religious motivation also lay behind the huge expanse of the Ottoman Empire; to extend Islamic governance to the rest of the world. Some in Britain saw it as their destiny to create a *pax Britannica* as the Roman's had a *pax Romana*. The British, they said, were by nature a ruling race. Much of the so-called moral justification of colonialism was predicated on racist assumptions; not only were some people better off being ruled by those who could bring order to their chaotic societies but they were genetically incapable of self-governance. Some people might, after an interval of time, be capable but meanwhile needed guidance; John Stuart Mill argued in 1858 after the First War of Indian Independence that "150 Asiatics" in India could not "be trusted to govern themselves".



**Figure 3.1. Colonial empires established by powerful nations across the globe on 1914.**

Later, the argument has been developed that if the colonial power departed, ancient animosities and tribal rivalry would create a blood-bath; thus, only colonial rule could keep the peace. Others would argue that the “divide and rule” policy pursued by many colonial powers either exacerbated existing rivalries or encouraged and even manufactured division that did not exist before. In post-colonial contexts, discussion of conflict, when this occurs, is often reduced to the concept that this it is always driven by inter-tribal hostility. As late as the end of World War I, when the great powers divided the Ottoman space among themselves as League of Nations mandated territories, they argued that these populations required oversight until they developed the capacity to exercise the responsibilities of government. The colonial and imperial projects did have their critics. One of the pioneer critics of European colonialism was Bartolome de Las Casas. He praised the qualities of America’s indigenous peoples and condemned the greed and cruelty of their Spanish conquerors. Juan Ginés de Sepúlveda expressed the opposite view: the Spanish were in every respect superior to the natives, who lacked any trace of “humanity” and needed to be governed in the same way that children need to be parented. In fact, drawing on Aristotle he said that such people should be enslaved because slavery suited their natural state. Aristotle wrote that “some people are naturally free, others naturally slaves, for whom slavery is both just and beneficial.”<sup>1</sup> This has been echoed

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<sup>1</sup> Aristotle „Politics“.

by the justification of colonialism, arguing that some people were better off being ruled by others, or even living as their slaves.

Colonial expansion was also very often driven by competition with others; it was a battle – although blood was not always shed – to see whose empire would emerge as the most powerful in the world. The British, who had competed with France in many contexts, were very concerned with Russia's ambitions, thus Lord Curzon contemplating territories where Russia and Britain appeared to be competing, described them as "pieces on a chessboard upon which is being played out a game for the dominion of the world". Queen Victoria put it even more clearly: it was, she said, "a question of Russian or British supremacy in the world."<sup>2</sup> This was the "great game", which features in Kipling's *Kim*, where Britain vies with Russia. The game, of course, is played out in other people's territory.<sup>3</sup> British expansion was to a large extent initiated in order to protect their route to India.

### **The Scramble for Africa (also known as the Race for Africa)**

It was the proliferation of conflicting European claims to African territory during the New Imperialism period, between the 1880 and the beginning of the World War I.

The second half of the 19<sup>th</sup> century has been characterized by the transition from the „informal“ imperialism of control through military influence and economic dominance to that of direct rule. Attempts to mediate imperial competition, such as the Berlin Conference of 1884–1885 among the United Kingdom and Ireland, the French Third Republic and the German Empire, failed to establish definitively the competing power's claims. These disputes over Africa were among the main factors precipitating the First World War.

European nations saw Africa as ripe for the taking. Some Europeans argued that by colonizing Africa, they were also exporting civilization to a continent which they regarded as evolutionary backward and undeveloped. It was European responsibility to act as trustees of Africa until Africans were mature enough to govern themselves. However, colonization was in reality driven by commercial interests. Enormously from Europe would benefit enormously

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2 David Fromkin. *The Peace to End All Peace: The Fall of the Ottoman Empire and the Creation of the Modern Middle East*. New York, NY: Avon, 1989: 27.

3 Peter Hopkirk. *The great game: the struggle for empire in central Asia*. New York, NY: Kodansha International, 1992.s

from its exploitation of Africa. The decolonization process would reveal the one-sidedness of colonial rule. The departing colonial powers left behind economies that were designed to benefit themselves. For example crops grown, required processing in Europe. The departing powers left behind few Africans equipped and qualified to lead their newly independent nations. Others argue that all the injustices of colonialism, Africans have become members of a single global civilization characterized by institutions and principles such as representative democracy, banking and factories and Africans and other non-westerners have to master the new civilization to strengthen itself themselves and benefit from the advantages.

### **The Berlin Conference**

The Berlin Conference (in German “Kongokonferenz” or “Congo Conference”) of 1884–1885 regulated European colonization and trade in Africa during the New Imperialism period. Called for by Otto von Bismarck, the first chancellor of Germany, its outcome, the General Act of the Berlin Conference, is often seen as the formalization of the “Scramble for Africa”. The European powers literally divided Africa up between themselves, often creating quite artificial states that lacked any cultural or linguistic or ethnic coherence. Most of the European powers, although they justified their acquisition of African colonies in terms of civilizing, ended up exploiting them. When de-colonization took place in the mid-to-late 20<sup>th</sup> century – often reluctantly, following armed freedom struggles – the economies left behind were ill-designed to cope with independence, being mono-crops designed for European markets, not products for local people.

Implied in the initial division of Africa was the idea that Africa did not belong to anyone, and so could be claimed. No Africans sat at the table. African states were not regarded as legitimate, legal entities. Africa is still coping with the consequences of the European scramble. The notion of dividing up the world was not new; Pope Alexander VI’s papal bull of 1493 divided the world between Spain and Portugal, giving these Christian nations permission to invade “barbarous nations” and bring their people into the true faith. When the scramble to parcel out Africa began, 80 percent of Africa was free of European rule. At the end, only Ethiopia and Liberia were independent.

### **Causes of the scramble**



Sub-Saharan Africa, one of the last regions of the world largely untouched by “informal imperialism” and “civilization”, was also attractive to Europe’s ruling elites for economic and racial reasons. During a time when Britain’s balance of trade showed a growing deficit, with shrinking and increasingly protectionist continental markets due to the Long Depression (1873–1896), Africa offered Britain, Germany, France, and other countries an open market that would garner it a trade surplus: a market that bought more from the metropolis than it sold overall. Britain, like most other industrial countries, had long since begun to run an unfavorable balance of trade (which was increasingly offset, however, by the income from overseas investments).

As Britain developed into the world’s first post-industrial nation, financial services became an increasingly important sector of its economy. Invisible financial exports, as mentioned, kept Britain out of the red, especially capital investments outside Europe, particularly to the developing and open markets in Africa, predominantly white settler colonies, the Middle East, South Asia, Southeast Asia, and Oceania.

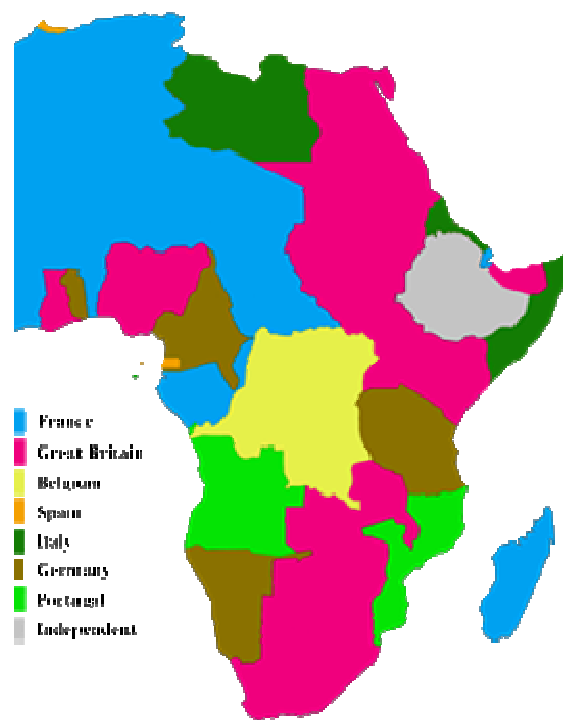
In addition, surplus capital was often more profitably invested overseas, where cheap labor, limited competition, and abundant raw materials made a greater premium possible. Another inducement to imperialism, of course, arose from the demand for raw materials unavailable in Europe, especially copper, cotton, rubber, tea, and tin, to which European consumers had grown accustomed and upon which European industry had grown dependent.

However, in Africa – exclusive of what would become the Union of South Africa in 1909 – the amount of capital investment by Europeans was relatively small, compared to other continents, before and after the Berlin Conference in 1884–1885. Consequently, the companies involved in tropical African commerce were relatively small, apart from Cecil Rhodes’ De Beers Mining Company, who had carved out Rhodesia for himself, as Léopold II would exploit the Congo Free State. These observations might detract from the pro-imperialist arguments of colonial lobbies such as the Alldeutscher Verband, Francesco Crispi or Jules Ferry, who argued that sheltered overseas markets in Africa would solve the problems of low prices and over-production caused by shrinking continental markets. However, according to the classic thesis of John A. Hobson, exposed in *Imperialism* (1902), which would influence authors such as Lenin (1916), Trotsky or Hannah Arendt (1951), this shrinking of continental markets was a main factor of the global New Imperialism period.

Later historians have noted that such statistics only obscured the fact that formal control of tropical Africa had great strategic value in an era of imperial rivalry, while the Suez Canal has remained a strategic location. The 1886 Witwatersrand Gold Rush, which led to the foundation of Johannesburg and was a major factor of the Second Boer War in 1899, accounted for the “conjunction of the superfluous money and of the superfluous manpower, which gave themselves their hand to quit together the country”, which is in itself, according to Hannah Arendt, the new element of the imperialist era.

### **Strategic rivalry**

While tropical Africa was not a large zone of investment, other regions overseas were. The vast interior – between the gold- and diamond-rich Southern Africa and Egypt, had, however, key strategic value in securing the flow of overseas trade. Britain was thus under intense political pressure, especially among supporters of the Conservative Party, to secure lucrative markets such as British Raj India, Qing Dynasty China, and Latin America from encroaching rivals. Thus, securing the key waterway between East and West – the Suez Canal – was crucial. The rivalry between the UK, France, Germany and the other European powers account for a large part of the colonization. Thus, while Germany, which had been unified under Prussia's rule only after the 1866 Battle of Sadowa and the 1870 Franco-Prussian War, was hardly a colonial power before the New Imperialism period, it would eagerly participate in the race. A rising industrial power close on the heels of Great Britain, it hadn't yet had the chance to control overseas territories, mainly due to its late unification, its fragmentation in various states, and its absence of experience in modern navigation. This would change under Bismarck's leadership, who implemented the Weltpolitik (World Policy) and, after putting in place the bases of France's isolation with the Dual Alliance with Austria-Hungary and then the 1882 Triple Alliance with Italy, called for the 1884–1885 Berlin Conference which set the rules of effective control of a foreign territory. Germany's expansionism would lead to the Tirpitz Plan, implemented by Admiral von Tirpitz, who would also champion the various Fleet Acts starting in 1898, thus engaging in an arms race with Great Britain. By 1914, they had given Germany the second largest naval force in the world (roughly 40% smaller than the Royal Navy). According to von Tirpitz, this aggressive naval policy was supported by the National Liberal Party rather than by the conservatives, thus demonstrating that the main supports of the European nation states' imperialism were the rising bourgeoisie classes.



**Figure 3.2. European claims in Africa 1914.**

## Neocolonialism

Neocolonialism is a term used by post-colonial critics of developed countries' involvement in the developing world. Critics of neocolonialism argue that existing or past international economics arrangements created by former colonial powers were, or are, used to maintain control of their former colonies and dependencies after the colonial independence movements of the post-World War II period. The term Neocolonialism can combine a critique of current actual colonialism (where some states continue administrating foreign territories and their populations in violation of United Nations resolutions and a critique of modern capitalist businesses involvement in nations which were former colonies. Critics of neocolonialism contend that private, foreign business companies continue to exploit the resources of post-colonial peoples, and that this economic control inherent to neocolonialism is akin to the classical, European colonialism practiced from the sixteenth to the twentieth centuries.

In broader usage, especially in Latin America, Neocolonialism may simply refer to involvement of powerful countries in the affairs of less powerful countries. In this sense, neocolonialism implies a form of contemporary, economic imperialism describes that powerful nations behave like colonial powers, and that this behavior is likened to colonialism in a post-colonial world. Neoimperialism might better describe what the term neocolonialism is intended to mean. However, the international system, beginning with the veto of the five permanent members of the United Nations Security Council can be understood as perpetuating the domination of powerful, rich nations over less powerful states. Loans by international banking institutions and even development, aid and relief efforts have been criticized as perpetuating dependency by failing to address the causes of poverty. Neocolonialism critiques how some states treat other states but also raises questions about whether the nation state is, as many argue, the ultimate form of political organization. Only when humanity, it can be argued, tackles issues that confront all people globally will global solutions become possible. For some people of religious faith, the end goal of human history is the creation of a single nation under God in which all the cultures, faiths and races of the world are respected, honored and universal peace and justice is achieved.

Despite the decolonization in the 1960–1970s, former colonies still are today for the most part under strong Western influence. Critics of this continued Western influence talk of neo-

colonialism. The exception to this rule being in particular the East Asian Tigers, the booming economies of Hong Kong, Singapore, South Korea, and Taiwan), and the emerging Indian and Chinese powers.

### U.S. foreign intervention

On the other hand, because of the Cold War, which led both Moscow and Beijing to sponsor, arm, and fund anti-imperialist movements, the U.S. (as well as other NATO countries) interfered in various countries, by issuing an embargo against Cuba after the 1959 Cuban Revolution – which started on February 7, 1962 – and supporting various covert operations (the 1961 Bay of Pigs Invasion, the Cuban Project, etc.) for example. Theorists of neo-colonialism are of the opinion that the US – and France, for that matter – preferred supporting dictatorships in Third World countries rather than having democracies that always presented the risk of having the people choose to be aligned with the Communist bloc rather than the so-called “Free World”.



**Figure 3.3. World map of colonialism at the end of the Second World War in 1945.**

For example, in Chile the Central Intelligence Agency covertly spent three million dollars in an effort to influence the outcome of the 1964 Chilean presidential election; supported the

attempted October 1970 kidnapping of General Rene Schneider (head of the Chilean army), part of a plot to prevent the congressional confirmation of socialist Salvador Allende as a president (in the event, Schneider was shot and killed; Allende's election was confirmed); the U.S. welcomed, though probably did not bring about the Chilean coup of 1973, in which Allende was overthrown and Augusto Pinochet installed<sup>4</sup> and provided material support to the military regime after the coup, continuing payment to CIA contacts who were known to be involved in human rights abuses; and even facilitated communications for Operation Condor, a cooperative program among the intelligence agencies of several right-wing South American regimes to locate, observe and assassinate political opponents.

The proponents of the idea of neo-colonialism also cite the 1983 U.S. invasion of Grenada and the 1989 United States invasion of Panama, overthrowing Manuel Noriega, who was characterized by the U.S. government as a drug lord. In Indonesia, Washington supported Suharto's New Order dictatorship.

This interference, in particular in South and Central American countries, is reminiscent of the 19<sup>th</sup> century Monroe doctrine and the "Big stick diplomacy" codified by the U.S. president Theodore Roosevelt. Left-wing critics have spoken of an "American Empire", pushed in particular by the military-industrial complex, which president Dwight D. Eisenhower warned against in 1961. On the other hand, some Republicans have supported, without much success since World War I, isolationism. Defenders of U.S. policy have asserted that intervention was sometimes necessary to prevent Communist or Soviet-aligned governments from taking power during the Cold War.

Most of the actions described in this section constitute imperialism rather than colonialism, which usually involves one country settling in another country and calling it their own. U.S. imperialism has been called "neocolonial" because it is a new sort of colonialism: one that operates not by invading, conquering, and settling a foreign country with pilgrims, but by exercising economic control through international monetary institutions, via military threat, missionary interference, strategic investment, so-called "Free trade areas", and by supporting the violent overthrow of leftist governments (even those that have been democratically elected, as detailed above).

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4 Peter Kornbluh, 2004. The Kissinger Telcons: Kissinger Telcons on Chile. National Security Archive Electronic Briefing Book No. 123. May 26. Retrieved August 18, 2008.

## **French foreign intervention**

France wasn't inactive either: it supported dictatorships in the former colonies in Africa, leading to the expression *Françafrique*, coined by François-Xavier Verschave, a member of the anti-neocolonialist *Survie* NGO, which has criticized the way development aid was given to post-colonial countries, claiming it only supported neo-colonialism, interior corruption and arms-trade. The Third World debt, including odious debt, where the interest on the external debt exceeds the amount that the country produces, had been considered by some a method of oppression or control by first world countries; a form of debt bondage on the scale of nations.

## **Post-colonialism**

Post-colonialism (or post-colonial theory) refers to a set of theories in philosophy and literature that grapple with the legacy of colonial rule. In this sense, postcolonial literature may be considered a branch of postmodern literature concerned with the political and cultural independence of peoples formerly subjugated in colonial empires. Many practitioners take Edward Said's book "Orientalism" (1978) to be the theory's founding work (although French theorists such as Aimé Césaire and Frantz Fanon made similar claims decades before Said). Said argued that in Western discourse, the notion of the Orient developed as an imagined reality, one that was shaped and bent to conform to their wishes of the colonial powers. The Orient was regarded as chaotic, Orientals as irrational, corrupt and unable to self-govern. Orientals required oversight. Europeans "knew" Orientals better than they knew themselves, so were suited to rule them. Said says that much that was written about the Orient perpetuated notions of racial and civilizational superiority and so justified colonialism; indeed, much that was written was written by men such as Sir William Muir and Lord Cromer who were also colonial administrators, part of a process (or dialectic) of "power" and "knowledge". Said used the term "Oriental" somewhat loosely; it could apply to the colonized of any part of the globe. The Orient emerged as a space waiting for the European to map, explore, discipline, exploit, dominate, rule or have great adventures there. It was a venue in which the Westerner could pursue a variety of careers, or a combination of several. For some, the Orient was also considered to be exotic, mysterious and decadent. Pleasures forbidden or frowned upon in the Occident might be indulged there. Richard Francis Burton, who combined scholarship with exploration and colonial service as a diplomatic, was fascinated by the exotic aspects of the



Orient. In descriptions, “The Oriental is irrational, depraved (fallen), childlike, “different”; thus the European is rational, virtuous, mature, “normal”.” What characterized discourse was that it always posited that the relationship between colonizer and colonized was one of power versus weakness, “the essential relationship, on political, cultural, and even religious grounds, was seen – in the West ... – to be one between a strong and a weak partner.” Scholars, of course, who studied the civilizations of the East even admired the cultural achievements of others. The intellectual ability of Orientals was not necessarily questioned; however, compared with Europeans, they were seen as duplicitous and untrustworthy. Nonetheless, they could be put to use for “brain work”; in the case of the British Empire, Indians were employed or allowed to work in other parts of the empire, especially in Africa establishing commerce and overseeing infrastructure development. Africans, on the other hand, were regarded as less intelligent but physically strong. Science and sociology were at times used to support racist theories. Even when evolution was unpopular, social evolutionary theory was widely recruited to justify colonial domination.

Writing before Said, Fanon had also identified how colonizers inevitably perceived the colonized in terms of a superior-inferior polarity. According to the Said Fanon, the colonized were in plain talk, reduced to the state of an animal. And consequently, when the colonist speaks of the colonized he uses zoological terms. Allusion is made to the slithery movements of the yellow races, the odors from the native quarters, to the hordes, the stink, the swarming, the seething and to the gesticulations. In his endeavor at description and finding the right word, the colonist refers constantly to the bestiary ... to this hysterical mass, those blank faces, those shapeless, obese bodies, this headless, tailless cohort, these children who do not seem to belong to anyone ... [are] all part of the colonial vocabulary ... Black Africa is looked upon as a wild, savage, uncivilized, and lifeless region. In other places, you hear day in and day out hateful remarks about veiled women. polygamy, and the Arab’s alleged contempt for the female sex ... the colonial mentality ... through its apathy and mimicry ... encourages the growth and development of racism that was typical of the colonial period ...

Edward Said analyzed the works of Balzac, Baudelaire and Lautréamont, exploring how they were both influenced by and helped to shape a societal fantasy of European racial superiority. Post-colonial fictional writers interact with the traditional colonial discourse, but modify or subvert it; for instance by retelling a familiar story from the perspective of an oppressed

minor character in the story. Gayatri Chakravorty Spivak's "Can the Subaltern Speak?" (1998) gave its name to the Subaltern Studies.

In "A Critique of Postcolonial Reason" (1999), Spivak explored how major works of European metaphysics (e.g., Kant, Hegel) not only tend to exclude the subaltern from their discussions, but actively prevent non-Europeans from occupying positions as fully human subjects. Hegel's *Phenomenology of Spirit* (1807) is famous for its explicit ethnocentrism, in considering the Western civilization as the most accomplished of all, while Kant also allowed some traces of racialism to enter his work. Lindqvist, drawing on Conrad's concept of Africa as the "dark continent" links the racist attitudes and policies of colonialism, which at times set out to destroy whole populations (which were also sometimes forced to move) with genocide and the Holocaust. Death camps were first used by Germans camps during the revolt in German West Africa 1904–1905.

### **International Conventions**

In May 1956 at the time of negotiations for Treaty of the European Economic Community (hereinafter named as EEC Treaty) some Member States still maintained their influence for overseas colonies in Africa, Suriname and Antilles. Especially France had more worried about establishing a special relationship between Community and the overseas territories. This was impossible to treat the overseas colonies equally with the Member States of the Community. Important fact was that especially the French economy was linked to those of her overseas territories. This was a real problem. The Member States had to evolve a formula by which the economic interests of France would be duly taken care of without a dislocation of the economies of the overseas territories.<sup>5</sup>

The convention came out as an „Implementing Convention“ annexed to the EEC Treaty. This came into force 1.01.1958 and remained until 31.12.1962.

The Member States take obligation to develop efforts to support overseas territories by means of financial and technical co-operation. By the Article 1 of the Implementing Convention, a Development Fund was set up. The Member States have to pay annual subscriptions of

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<sup>5</sup> Eric C. Djamson „The Dynamics of Euro-African Co-operation“.

581.25 million US dollars during 5 years. The France and Germany each contributed 200 millions USD; Belgium and Netherlands 70 million USD each; Italy 40 million USD and Luxembourg 1.25 million.<sup>6</sup>

After ending the Implementing Convention, the need to negotiate a new Agreement arose. The fact that the overseas territories have become an independent countries, the negotiations leading to the signing new Convention were now to be held between the Member States on the one hand and the Associated States on the other. By a decision of the Council on 25<sup>th</sup> of February 1964, those overseas territories which had not gained their political independence were to continue to be associated with the Economic Community. The Yaoundé Convention was a convention signed in the city of Yaoundé, Cameroon between the EC and ASMM (African States, Madagascar and Mauritius).

#### The First Convention (1964–1969)

The first association agreement between the EC and the 18 African ex-colonies that had recently gained independence was signed in Yaoundé on 20 July 1963 and entered into force on 1 June 1964. It was mainly based on the previous treaty between the EC and its overseas territories and had a validity period of 5 years. In fact there has been estimated that 77% of all support was in favor of ex-French colonies.<sup>7</sup>

#### **The Second Convention (1971–1975)**

After the first treaty expired, a new one was signed on 29 July 1969 and entered into force on 1 January 1971, with Madagascar and Mauritius becoming the 19th African state to take part in the convention. There was a tight link between the ASMM and the East African countries of Kenya, Uganda and Tanzania so the EC wanted the Arusha Agreement with the three to enter into force on the same date as the Second Yaoundé Convention.

Both agreements ended and constituted the basis for the broader Lomé Convention of 1975.

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<sup>6</sup> Eric C. Djamson „The Dynamics of Euro-African Co-operation“.

<sup>7</sup> Eric C. Djamson „The Dynamics of Euro-African Co-operation“.

The Lomé Convention is a trade and aid agreement between the European Community (EC) and 71 African, Caribbean, and Pacific (ACP) countries, first signed in February 1975 in Lomé, Togo.

The first Lomé Convention (Lomé I), which came into force in April 1976, was designed to provide a new framework of cooperation between the then European Community (EC) and developing ACP countries, in particular former British, Dutch, Belgian and French colonies. It had two main aspects. It provided for most ACP agricultural and mineral exports to enter the EC free of duty. Preferential access based on a quota system was agreed for products, such as sugar and beef, in competition with EC agriculture. Secondly, the EC committed ECU 3 billion for aid and investment in the ACP countries.

The convention was renegotiated and renewed three times. Lomé II (January 1981 to February 1985) increased aid and investment expenditure to ECU 5.5 billion. Lomé III came into force in March 1985 (trade provisions) and May 1986 (aid), and expired in 1990; it increased commitments to ECU 8.5 billion. Lomé IV was signed in December 1989. Its trade provisions cover the ten years, 1990 to 1999. Aid and investment commitments for the first five years amounted to ECU 12 billion. In all, some 70 ACP countries are party to Lomé IV, compared with 46 signatories of Lomé I.

Lomé development aid was dispersed primarily through the European Development Fund; investment assistance was mainly channelled through the European Investment Bank. Two other important mechanisms were the Stabex and Sysmin schemes, which provided compensatory finance to ACP states for adverse fluctuations in the world prices of, respectively, key agricultural and mineral exports.

The emergence of the single European market at the end of 1992 affected ACP preferential access to EU markets. The Caribbean's many smallholder banana farmers argued for the continuation of their preferential access to traditional markets, notably Great Britain. They feared that otherwise the EU would be flooded with cheap bananas from the Central American plantations, with devastating effects on several Caribbean economies. Negotiations led in 1993 to the EU agreeing to maintain the Caribbean producers' preferential access until the end of Lomé IV, pending possible negotiation on an extension.

In 1995, the United States government petitioned to the World Trade Organization to investigate whether the Lomé IV convention has violated WTO rules. Then later in 1996, the WTO Dispute Settlement Body ruled in favor of the plaintiffs, effectively ending the cross-subsidies that had benefited ACP countries for many years. But the US remained unsatisfied and insisted that all preferential trade agreements between the EU and ACP should cease. The WTO Dispute Settlement Body established another panel to discuss the issue and concluded that agreements between the EU and ACP were indeed not compatible with WTO regulations. Finally, the EU negotiated with the US through WTO to reach an agreement.

### **Further developments**

In June 2000, after a quarter of a century of the Lomé Convention being the cornerstone of trade and aid between Europe and the developing world, a new trade and aid agreement was reached between the EU and 71 ACP countries. The treaty, which replaced Lomé IV, became known as the Cotonou Agreement, after Cotonou in Benin, where the convention for the agreement was held. The convention was scheduled to be held in Fiji, but this plan had to be revised due to domestic political difficulties. The Cotonou Agreement is expected to run for 20 years. The new deal transforms the previous convention into a system of trade and cooperation pacts with individual nations. Some of the poorer ACP states will continue to enjoy virtually free access to European markets and there will be regional free trade agreements between the EU and better-off developing countries. The Cotonou Agreement has been criticised for moving from partnership, to excessive and unhelpful conditionality upon ACP countries. The ACP countries the Lomé Convention initially helped were economically hindered as the Cotonou Agreement was not particularly advantageous to the ACP countries.

### **Readings**

<http://www.newworldencyclopedia.org/entry/Neocolonialism>

## Week 4:

# DEVELOPMENT COOPERATION: MAJOR CHALLENGES – THE MILLENNIUM DEVELOPMENT GOALS (MDGs)

Joel Hirv and Viljar Veebel

### What are the Millennium Development Goals?

The Millennium Development Goals (MDGs) are eight goals to be achieved by 2015 that respond to the world's main development challenges. The MDGs are drawn from the actions and targets contained in the **Millennium Declaration**<sup>8</sup> that was adopted by 189 nations-and signed by 147 heads of state and governments during the UN Millennium Summit in September 2000.

Millennium Development Goals are the bases for EU development cooperation, EU is using UN stated principles as it provides better international cooperation and greater general results.

### What the MDGs do?

- Synthesise, in a single package, many of the most important commitments made separately at the international conferences and summits of the 1990s;
- Recognise explicitly the interdependence between growth, poverty reduction and sustainable development;
- Acknowledge that development rests on the foundations of democratic governance, the rule of law, respect for human rights and peace and security;
- Are based on time-bound and measurable targets accompanied by indicators for monitoring progress; and
- Bring together, in the eighth Goal, the responsibilities of developing countries with those of developed countries, founded on a global partnership endorsed at the International Conference on Financing for Development in Monterrey, Mexico in March 2002, and again at the Johannesburg World Summit on Sustainable Development in August 2002.

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<sup>8</sup> <http://www.undemocracy.com/A-RES-55-2.pdf>

## **Implementation of the MDGs**

In 2001, in response to the world leaders' request, UN Secretary General presented the **Road Map towards the Implementation of the United Nations Millennium Declaration**<sup>9</sup>, an integrated and comprehensive overview of the situation, outlining potential strategies for action designed to meet the goals and commitments of the Millennium Declaration.

The road map has been followed up since then with annual reports. In 2002, the annual report focused on progress made in the prevention of armed conflict and the treatment and prevention of diseases, including HIV/AIDS and Malaria. In 2003, emphasis was placed on strategies for development and strategies for sustainable development. In 2004, it was on bridging the digital divide and curbing transnational crime.

In 2005, the Secretary-General prepared the first comprehensive five-yearly report on progress toward achieving the MDGs. The report reviews the implementation of decisions taken at the international conferences and special sessions on the least developed countries, progress on HIV/AIDS and financing for development and sustainable development.

**The eight MDGs break down into 21 quantifiable targets that are measured by 60 indicators:**

### **Goal 1: Eradicate extreme poverty and hunger**

Target 1a: Reduce by half the proportion of people living on less than a dollar a day

1.1 Proportion of population below \$1 (PPP) per day

1.2 Poverty gap ratio

1.3 Share of poorest quintile in national consumption

Target 1b: Achieve full and productive employment and decent work for all, including women and young people

1.4 Growth rate of GDP per person employed

1.5 Employment-to-population ratio

1.6 Proportion of employed people living below \$1 (PPP) per day

1.7 Proportion of own-account and contributing family workers in total employment

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<sup>9</sup> <http://www.un.org/documents/ga/docs/56/a56326.pdf>



Target 1c: Reduce by half the proportion of people who suffer from hunger

1.8 Prevalence of underweight children under-five years of age

1.9 Proportion of population below minimum level of dietary energy consumption

**Goal 2: Achieve universal primary education**

Target 2a: Ensure that all boys and girls complete a full course of primary schooling

2.1 Net enrolment ratio in primary education

2.2 Proportion of pupils starting grade 1 who reach last grade of primary

2.3 Literacy rate of 15-24 year-olds, women and men

**Goal 3: Promote gender equality and empower women**

Target 3a: Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015

3.1 Ratios of girls to boys in primary, secondary and tertiary education

3.2 Share of women in wage employment in the non-agricultural sector

3.3 Proportion of seats held by women in national parliament

**Goal 4: Reduce child mortality**

Target 4a: Reduce by two thirds the mortality rate among children under five

4.1 Under-five mortality rate

4.2 Infant mortality rate

4.3 Proportion of 1 year-old children immunised against measles

**Goal 5: Improve maternal health**

Target 5a: Reduce by three quarters the maternal mortality ratio

5.1 Maternal mortality ratio

5.2 Proportion of births attended by skilled health personnel

Target 5b: Achieve, by 2015, universal access to reproductive health

5.3 Contraceptive prevalence rate

5.4 Adolescent birth rate

5.5 Antenatal care coverage (at least one visit and at least four visits)

5.6 Unmet need for family planning

**Goal 6: Combat HIV/AIDS, malaria and other diseases**

Target 6a: Halt and begin to reverse the spread of HIV/AIDS

6.1 HIV prevalence among population aged 15-24 years

6.2 Condom use at last high-risk sex

6.3 Proportion of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS

6.4 Ratio of school attendance of orphans to school attendance of non-orphans aged 10-14 years

Target 6b: Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it

6.5 Proportion of population with advanced HIV infection with access to antiretroviral drugs

Target 6c: Halt and begin to reverse the incidence of malaria and other major diseases

6.6 Incidence and death rates associated with malaria

6.7 Proportion of children under 5 sleeping under insecticide-treated bednets

6.8 Proportion of children under 5 with fever who are treated with appropriate anti-malarial drugs

6.9 Incidence, prevalence and death rates associated with tuberculosis

6.10 Proportion of tuberculosis cases detected and cured under directly observed treatment short course

### **Goal 7: Ensure environmental sustainability**

Target 7a: Integrate the principles of sustainable development into country policies and programmes; reverse loss of environmental resources

Target 7b: Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss

7.1 Proportion of land area covered by forest

7.2 CO<sub>2</sub> emissions, total, per capita and per \$1 GDP (PPP)

7.3 Consumption of ozone-depleting substances

7.4 Proportion of fish stocks within safe biological limits

7.5 Proportion of total water resources used

7.6 Proportion of terrestrial and marine areas protected

7.7 Proportion of species threatened with extinction

Target 7c: Reduce by half the proportion of people without sustainable access to safe drinking water and basic sanitation

7.8 Proportion of population using an improved drinking water source

7.9 Proportion of population using an improved sanitation facility

Target 7d: Achieve significant improvement in lives of at least 100 million slum dwellers, by 2020

7.10 Proportion of urban population living in slums

### **Goal 8: Develop a Global Partnership for Development**

Target 8a: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system

Includes a commitment to good governance, development and poverty reduction – both nationally and internationally

Target 8b: Address the special needs of the least developed countries

Includes: tariff and quota free access for the least developed countries' exports; enhanced programme of debt relief for heavily indebted poor countries (HIPC) and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction

Target 8c: Address the special needs of landlocked developing countries and small island developing States (through the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General Assembly)

Target 8d: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term

*Some of the indicators listed below are monitored separately for the least developed countries (LDCs), Africa, landlocked developing countries and small island developing States.*

Official development assistance (ODA)

8.1 Net ODA, total and to the least developed countries, as percentage of OECD/DAC donors' gross national income

8.2 Proportion of total bilateral, sector-allocable ODA of OECD/DAC donors to basic social services (basic education, primary health care, nutrition, safe water and sanitation)

8.3 Proportion of bilateral official development assistance of OECD/DAC donors that is untied

8.4 ODA received in landlocked developing countries as a proportion of their gross national incomes

8.5 ODA received in small island developing States as a proportion of their gross national incomes

Market access

8.6 Proportion of total developed country imports (by value and excluding arms) from developing countries and least developed countries, admitted free of duty

8.7 Average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries

8.8 Agricultural support estimate for OECD countries as a percentage of their gross domestic product

8.9 Proportion of ODA provided to help build trade capacity

Debt sustainability

8.10 Total number of countries that have reached their HIPC decision points and number that have reached their HIPC completion points (cumulative)

8.11 Debt relief committed under HIPC and MDRI Initiatives

8.12 Debt service as a percentage of exports of goods and services

Target 8e: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries

8.13 Proportion of population with access to affordable essential drugs on a sustainable basis

Target 8f: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications

8.14 Telephone lines per 100 population

8.15 Cellular subscribers per 100 population

8.16 Internet users per 100 population

Please, see also:

<http://www.undp.org>

## **United Nations Millennium Declaration**

*The General Assembly Adopts the following Declaration:*

### **United Nations Millennium Declaration**

#### **Values and principles**

1. We, heads of State and Government, have gathered at United Nations Headquarters in New York from 6 to 8 September 2000, at the dawn of a new millennium, to reaffirm our faith in the Organization and its Charter as indispensable foundations of a more peaceful, prosperous and just world.
2. We recognize that, in addition to our separate responsibilities to our individual societies, we have a collective responsibility to uphold the principles of human dignity, equality and equity at the global level. As leaders we have a duty therefore to all the world's people, especially the most vulnerable and, in particular, the children of the world, to whom the future belongs.
3. We reaffirm our commitment to the purposes and principles of the Charter of the United Nations, which have proved timeless and universal. Indeed, their relevance and capacity to inspire have increased, as nations and peoples have become increasingly interconnected and interdependent.
4. We are determined to establish a just and lasting peace all over the world in accordance with the purposes and principles of the Charter. We rededicate ourselves to support all efforts to uphold the sovereign equality of all States, respect for their territorial integrity and political independence, resolution of disputes by peaceful means and in conformity with the principles of justice and international law, the right to self-determination of peoples which remain under colonial domination and foreign occupation, non-interference in the internal affairs of States, respect for human rights and fundamental freedoms, respect for the equal rights of all without distinction as to race, sex, language or religion and international cooperation in solving international problems of an economic, social, cultural or humanitarian character.
5. We believe that the central challenge we face today is to ensure that globalization becomes a positive force for all the world's people. For while globalization offers great opportunities, at present its benefits are very unevenly shared, while its costs are unevenly distributed. We

recognize that developing countries and countries with economies in transition face special difficulties in responding to this central challenge. Thus, only through broad and sustained efforts to create a shared future, based upon our common humanity in all its diversity, can globalization be made fully inclusive and equitable. These efforts must include policies and measures, at the global level, which correspond to the needs of developing countries and economies in transition and are formulated and implemented with their effective participation.

6. We consider certain fundamental values to be essential to international relations in the twenty-first century.

These include:

- **Freedom.** Men and women have the right to live their lives and raise their children in dignity, free from hunger and from the fear of violence, oppression or injustice. Democratic and participatory governance based on the will of the people best assures these rights.
- **Equality.** No individual and no nation must be denied the opportunity to benefit from development. The equal rights and opportunities of women and men must be assured.
- **Solidarity.** Global challenges must be managed in a way that distributes the costs and burdens fairly in accordance with basic principles of equity and social justice. Those who suffer or who benefit least deserve help from those who benefit most.
- **Tolerance.** Human beings must respect one other, in all their diversity of belief, culture and language. Differences within and between societies should be neither feared nor repressed, but cherished as a precious asset of humanity. A culture of peace and dialogue among all civilizations should be actively promoted.
- **Respect for nature.** Prudence must be shown in the management of all living species and natural resources, in accordance with the precepts of sustainable development. Only in this way can the immeasurable riches provided to us by nature be preserved and passed on to our descendants. The current unsustainable patterns of production and consumption must be changed in the interest of our future welfare and that of our descendants.
- **Shared responsibility.** Responsibility for managing worldwide economic and social development, as well as threats to international peace and security, must be shared among the nations of the world and should be exercised multilaterally. As the most universal and most representative organization in the world, the United Nations must play the central role.

7. In order to translate these shared values into actions, we have identified key objectives to which we assign special significance.

### **Peace, security and disarmament**

8. We will spare no effort to free our peoples from the scourge of war, whether within or between States, which has claimed more than 5 million lives in the past decade. We will also seek to eliminate the dangers posed by weapons of mass destruction.

9. We resolve therefore:

- To strengthen respect for the rule of law in international as in national affairs and, in particular, to ensure compliance by Member States with the decisions of the International Court of Justice, in compliance with the Charter of the United Nations, in cases to which they are parties.
- To make the United Nations more effective in maintaining peace and security by giving it the resources and tools it needs for conflict prevention, peaceful resolution of disputes, peacekeeping, post-conflict peace-building and reconstruction. In this context, we take note of the report of the Panel on United Nations Peace Operations and request the General Assembly to consider its recommendations expeditiously.
- To strengthen cooperation between the United Nations and regional organizations, in accordance with the provisions of Chapter VIII of the Charter.
- To ensure the implementation, by States Parties, of treaties in areas such as arms control and disarmament and of international humanitarian law and human rights law, and call upon all States to consider signing and ratifying the Rome Statute of the International Criminal Court.
- To take concerted action against international terrorism, and to accede as soon as possible to all the relevant international conventions.
- To redouble our efforts to implement our commitment to counter the world drug problem.
- To intensify our efforts to fight transnational crime in all its dimensions, including trafficking as well as smuggling in human beings and money laundering.
- To minimize the adverse effects of United Nations economic sanctions on innocent populations, to subject such sanctions regimes to regular reviews and to eliminate the adverse effects of sanctions on third parties.



- To strive for the elimination of weapons of mass destruction, particularly nuclear weapons, and to keep all options open for achieving this aim, including the possibility of convening an international conference to identify ways of eliminating nuclear dangers.
- To take concerted action to end illicit traffic in small arms and light weapons, especially by making arms transfers more transparent and supporting regional disarmament measures, taking account of all the recommendations of the forthcoming United Nations Conference on Illicit Trade in Small Arms and Light Weapons.
- To call on all States to consider acceding to the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-personnel Mines and on Their Destruction, as well as the amended mines protocol to the Convention on conventional weapons.

10. We urge Member States to observe the Olympic Truce, individually and collectively, now and in the future, and to support the International Olympic Committee in its efforts to promote peace and human understanding through sport and the Olympic Ideal.

### **Development and poverty eradication**

11. We will spare no effort to free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty, to which more than a billion of them are currently subjected. We are committed to making the right to development a reality for everyone and to freeing the entire human race from want.

12. We resolve therefore to create an environment – at the national and global levels alike – which is conducive to development and to the elimination of poverty.

13. Success in meeting these objectives depends, *inter alia*, on good governance within each country. It also depends on good governance at the international level and on transparency in the financial, monetary and trading systems. We are committed to an open, equitable, rule-based, predictable and nondiscriminatory multilateral trading and financial system.

14. We are concerned about the obstacles developing countries face in mobilizing the resources needed to finance their sustained development. We will therefore make every effort to ensure the success of the High-level International and Intergovernmental Event on Financing for Development, to be held in 2001.

15. We also undertake to address the special needs of the least developed countries. In this context, we welcome the Third United Nations Conference on the Least Developed Countries

to be held in May 2001 and will endeavour to ensure its success. We call on the industrialized countries:

- To adopt, preferably by the time of that Conference, a policy of duty- and quota-free access for essentially all exports from the least developed countries;
- To implement the enhanced programme of debt relief for the heavily indebted poor countries without further delay and to agree to cancel all official bilateral debts of those countries in return for their making demonstrable commitments to poverty reduction; and
- To grant more generous development assistance, especially to countries that are genuinely making an effort to apply their resources to poverty reduction.

16. We are also determined to deal comprehensively and effectively with the debt problems of low- and middle-income developing countries, through various national and international measures designed to make their debt sustainable in the long term.

17. We also resolve to address the special needs of small island developing States, by implementing the Barbados Programme of Action and the outcome of the twenty-second special session of the General Assembly rapidly and in full. We urge the international community to ensure that, in the development of a vulnerability index, the special needs of small island developing States are taken into account.

18. We recognize the special needs and problems of the landlocked developing countries, and urge both bilateral and multilateral donors to increase financial and technical assistance to this group of countries to meet their special development needs and to help them overcome the impediments of geography by improving their transit transport systems.

19. We resolve further:

- To halve, by the year 2015, the proportion of the world's people whose income is less than one dollar a day and the proportion of people who suffer from hunger and, by the same date, to halve the proportion of people who are unable to reach or to afford safe drinking water.
- To ensure that, by the same date, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling and that girls and boys will have equal access to all levels of education.
- By the same date, to have reduced maternal mortality by three quarters, and under-five child mortality by two thirds, of their current rates.
- To have, by then, halted, and begun to reverse, the spread of HIV/AIDS, the scourge of malaria and other major diseases that afflict humanity.

- To provide special assistance to children orphaned by HIV/AIDS.
- By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers as proposed in the “Cities Without Slums” initiative.
- 20. We also resolve:
- To promote gender equality and the empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable.
- To develop and implement strategies that give young people everywhere a real chance to find decent and productive work.
- To encourage the pharmaceutical industry to make essential drugs more widely available and affordable by all who need them in developing countries.
- To develop strong partnerships with the private sector and with civil society organizations in pursuit of development and poverty eradication.
- To ensure that the benefits of new technologies, especially information and communication technologies, in conformity with recommendations contained in the ECOSOC 2000 Ministerial Declaration, are available to all.

### **Protecting our common environment**

21. We must spare no effort to free all of humanity, and above all our children and grandchildren, from the threat of living on a planet irredeemably spoilt by human activities, and whose resources would no longer be sufficient for their needs.

22. We reaffirm our support for the principles of sustainable development, including those set out in Agenda 21, agreed upon at the United Nations Conference on Environment and Development.

23. We resolve therefore to adopt in all our environmental actions a new ethic of conservation and stewardship and, as first steps, we resolve:

- To make every effort to ensure the entry into force of the Kyoto Protocol, preferably by the tenth anniversary of the United Nations Conference on Environment and Development in 2002, and to embark on the required reduction in emissions of greenhouse gases.
- To intensify our collective efforts for the management, conservation and sustainable development of all types of forests.

- To press for the full implementation of the Convention on Biological Diversity<sup>8</sup> and the Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa.
- To stop the unsustainable exploitation of water resources by developing water management strategies at the regional, national and local levels, which promote both equitable access and adequate supplies.
- To intensify cooperation to reduce the number and effects of natural and manmade disasters.
- To ensure free access to information on the human genome sequence.

### **Human rights, democracy and good governance**

24. We will spare no effort to promote democracy and strengthen the rule of law, as well as respect for all internationally recognized human rights and fundamental freedoms, including the right to development.

25. We resolve therefore:

- To respect fully and uphold the Universal Declaration of Human Rights.
- To strive for the full protection and promotion in all our countries of civil, political, economic, social and cultural rights for all.
- To strengthen the capacity of all our countries to implement the principles and practices of democracy and respect for human rights, including minority rights.
- To combat all forms of violence against women and to implement the Convention on the Elimination of All Forms of Discrimination against Women,
- To take measures to ensure respect for and protection of the human rights of migrants, migrant workers and their families, to eliminate the increasing acts of racism and xenophobia in many societies and to promote greater harmony and tolerance in all societies.
- To work collectively for more inclusive political processes, allowing genuine participation by all citizens in all our countries.
- To ensure the freedom of the media to perform their essential role and the right of the public to have access to information.

## **Protecting the vulnerable**

26. We will spare no effort to ensure that children and all civilian populations that suffer disproportionately the consequences of natural disasters, genocide, armed conflicts and other humanitarian emergencies are given every assistance and protection so that they can resume normal life as soon as possible.

We resolve therefore:

- To expand and strengthen the protection of civilians in complex emergencies, in conformity with international humanitarian law.
- To strengthen international cooperation, including burden sharing in, and the coordination of humanitarian assistance to, countries hosting refugees and to help all refugees and displaced persons to return voluntarily to their homes, in safety and dignity and to be smoothly reintegrated into their societies.
- To encourage the ratification and full implementation of the Convention on the Rights of the Child and its optional protocols on the involvement of children in armed conflict and on the sale of children, child prostitution and child pornography.

## **Meeting the special needs of Africa**

27. We will support the consolidation of democracy in Africa and assist Africans in their struggle for lasting peace, poverty eradication and sustainable development, thereby bringing Africa into the mainstream of the world economy.

28. We resolve therefore:

- To give full support to the political and institutional structures of emerging democracies in Africa.
- To encourage and sustain regional and subregional mechanisms for preventing conflict and promoting political stability, and to ensure a reliable flow of resources for peacekeeping operations on the continent.
- To take special measures to address the challenges of poverty eradication and sustainable development in Africa, including debt cancellation, improved market access, enhanced

Official Development Assistance and increased flows of Foreign Direct Investment, as well as transfers of technology.

- To help Africa build up its capacity to tackle the spread of the HIV/AIDS pandemic and other infectious diseases.

### **Strengthening the United Nations**

29. We will spare no effort to make the United Nations a more effective instrument for pursuing all of these priorities: the fight for development for all the peoples of the world, the fight against poverty, ignorance and disease; the fight against injustice; the fight against violence, terror and crime; and the fight against the degradation and destruction of our common home.

30. We resolve therefore:

- To reaffirm the central position of the General Assembly as the chief deliberative, policy-making and representative organ of the United Nations, and to enable it to play that role effectively.
- To intensify our efforts to achieve a comprehensive reform of the Security Council in all its aspects.
- To strengthen further the Economic and Social Council, building on its recent achievements, to help it fulfil the role ascribed to it in the Charter.
- To strengthen the International Court of Justice, in order to ensure justice and the rule of law in international affairs.
- To encourage regular consultations and coordination among the principal organs of the United Nations in pursuit of their functions.
- To ensure that the Organization is provided on a timely and predictable basis with the resources it needs to carry out its mandates.
- To urge the Secretariat to make the best use of those resources, in accordance with clear rules and procedures agreed by the General Assembly, in the interests of all Member States, by adopting the best management practices and technologies available and by concentrating on those tasks that reflect the agreed priorities of Member States.
- To promote adherence to the Convention on the Safety of United Nations and Associated Personnel.

- To ensure greater policy coherence and better cooperation between the United Nations, its agencies, the Bretton Woods Institutions and the World Trade Organization, as well as other multilateral bodies, with a view to achieving a fully coordinated approach to the problems of peace and development.
- To strengthen further cooperation between the United Nations and national parliaments through their world organization, the Inter-Parliamentary Union, in various fields, including peace and security, economic and social development, international law and human rights and democracy and gender issues.
- To give greater opportunities to the private sector, non-governmental organizations and civil society, in general, to contribute to the realization of the Organization's goals and programmes.

31. We request the General Assembly to review on a regular basis the progress made in implementing the provisions of this Declaration, and ask the Secretary-General to issue periodic reports for consideration by the General Assembly and as a basis for further action.

32. We solemnly reaffirm, on this historic occasion, that the United Nations is the indispensable common house of the entire human family, through which we will seek to realize our universal aspirations for peace, cooperation and development. We therefore pledge our unstinting support for these common objectives and our determination to achieve them.

*8th plenary meeting 8 September 2000*

(<http://www.undemocracy.com/A-RES-55-2.pdf>)

## **Week 5:**

# **DEVELOPMENT COOPERATION: BILATERAL DONORS, MULTILATERAL AGENCIES AND NGOS**

**Eveli Kuuse**

The European Union's action in the development cooperation field is based on the principles of effectiveness of aid, coordination between Member States and international players, and consistency of European policies with development objectives.

The "European Consensus on Development" defines the general framework for the action of the Union and Member States. In addition, the Union is particularly committed to honouring the United Nations Millennium Development Goals (MDG), for which the Union has put in place various instruments that will also help reinforce the impact of its action.

## **Eradicating poverty for the new millennium**

The primary and overarching objective of EU development policy is to eradicate poverty in a sustainable way. The Millennium Development Goals (MDGs) are key to the policy. The eight MDGs were adopted by world leaders in 2000 with a 2015 deadline and range from halving extreme poverty and halting the spread of HIV/AIDS, to providing universal primary education. The EU has asked national authorities to set financial targets for development funding so as to demonstrate their commitment to the MDGs. A 2005 progress report found that all countries had made financial contributions, but that more were needed. The world is on track to halve poverty by 2015. 120 million people were lifted out of poverty between 2000 and 2005. But in other areas, targets will not be met by 2015. These include lowering child and maternal mortality levels and providing clean drinking water.

## **Trade and aid**



Since 2001, the EU's Everything But Arms initiative has eliminated all duties and quotas for all products (except arms) originating from the world's least developed countries. The EU was the first developed market bloc to do so. The special trading relationship between the Union and its 79 partners in the Africa-Caribbean-Pacific (ACP) group has been a model for how rich countries can open their markets to poor ones. An Africa-EU strategic partnership, founded in 2007, marked a tightening of relations and further efforts to promote the MDGs in Africa.

This is why the Union has designed a new series of economic partnership agreements with the ACP countries. These were due to be in place by the start of 2008, but not all were ready in time so interim agreements were drawn up. The idea is to help ACP countries integrate with their regional neighbours as a step towards global integration. At the same time, the EU will continue to open its markets and remove barriers to exports from the ACP group.

### **Deeper pockets**

The European Union and its member countries paid out more than €49 billion in 2008 in public aid to developing countries. This was the equivalent of 0.40% of their GNP, and was higher than the per capita aid levels of the United States or Japan. The target for 2010 is 0.56% of GNP, rising to 0.7% in 2015.

Most of the EU's aid is in the form of non-repayable grants. A limited amount of soft loans and investment capital is made available by the European Investment Bank (EIB), the EU's long-term funding body. In 2006 the EIB made loans worth €5.9 billion to partners outside Europe, mainly developing countries.

### **Doing a lot with little**

Over the years, the EU has funded thousands of development projects across the third world. Often relatively small amounts of cash go a long way. Recent success stories include help for

a group of 250 women in the Indian state of Gujarat to export handicrafts to Europe, North America and Japan; support for a local firm in Belize to introduce sustainable logging and forest management techniques; assistance to farmers in central Cameroon to diversify production; and training for small firms in Uganda to share the cost of using essential business support services.

EU development policy aims to give disadvantaged people in the third world control over their own development, which means attacking the sources of their vulnerability. These can include poor access to food and clean water, to education, health, employment, land, social services, infrastructure or a sound environment. It also means disease eradication and access to cheap medicines to combat scourges like HIV/AIDS. EU policy aims to reduce the debt burden that diverts scarce resources from vital public investments back to rich lenders in industrialised countries.

The Union also promotes self-help and poverty eradication strategies which enable developing countries to consolidate the democratic process, expand social programmes, strengthen their institutional framework, expand the capacities of the private and public sectors, and reinforce respect for human rights, including equality between men and women.

## The European Consensus on Development

The European Union is the world's foremost donor of development aid, accounting for 55 % of the total. However, the effectiveness of European aid can and must be increased through renewed efforts to improve coordination and harmonisation. This statement presents a shared vision to guide the EU's activities in the field of development cooperation, both at Member State and Community level. It also sets out the concrete action to be taken to implement this vision at Community level.

*Act*

**Joint declaration by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission on the development policy of the European Union entitled "The European Consensus" [Official Journal C 46 of 24.2.2006].**

### *Summary*

On 20 December 2005 the Presidents of the Commission, Parliament and the Council signed the new statement on EU development policy, the "European consensus", which, for the first time in fifty years of cooperation, defines the framework of common principles within which the EU and its Member States will each implement their development policies in a spirit of complementarity.

#### **Part One: the EU's vision of development**

This first part of the declaration sets out the objectives and principles on the basis of which the Member States and the Community commit themselves to a shared vision. Since the chief objective is to reduce poverty worldwide in the context of [sustainable development](#), the EU is seeking to meet the [Millennium Development Goals](#), to which all the UN member states subscribe, by 2015 namely. These goals are:

- to eliminate extreme poverty and hunger;
- to achieve universal primary education;
- to promote gender equality and empower women;
- to reduce child mortality;
- to improve maternal health;
- to combat HIV/AIDS, malaria and other diseases;
- to ensure environmental sustainability; and
- to set up a global partnership for development.

It also takes the view that the fundamental objective of poverty reduction is closely associated with the complementary objectives of promotion of good governance and respect for human rights, these being shared values underpinning the EU. The fight against poverty also implies

achieving a balance between activities aimed at human development, the protection of natural resources and economic growth and wealth creation to benefit the poor.

The common principles of development cooperation activities are ownership and partnership, in-depth political dialogue, participation of civil society, gender equality and an ongoing commitment to preventing state fragility. Developing countries bear the primary responsibility for their own development, but the EU accepts its share of responsibility and accountability for the joint efforts undertaken in partnership.

The EU has committed itself to increasing the aid budget to 0.7% of gross national product by 2015, the shared interim goal being 0.56% by 2010; half of the increase in aid will be earmarked for Africa. It will continue to prioritise support for the *least-developed countries* ([http://europa.eu/legislation\\_summaries/development/least\\_developed\\_countries/index\\_en.htm](http://europa.eu/legislation_summaries/development/least_developed_countries/index_en.htm)) and the low- and medium-income countries. Resource allocation will be guided by objective and transparent criteria based on needs and performance. The principle of concentration will guide the Community in all its country and regional programming. This means selecting a limited number of priority areas for action.

The quality of aid will be of the utmost importance for the EU, which will ensure the monitoring of its commitments to maximise aid efficiency, notably by setting concrete targets for 2010. National ownership, donor coordination and harmonisation, starting at the field level, alignment on recipient-country systems, and results orientation are core principles in this respect. More predictable aid mechanisms will be strengthened so as to enable partner countries to plan efficiently.

The EU will promote better coordination and complementarity between donors by working towards *joint multiannual programming* ([http://europa.eu/legislation\\_summaries/development/general\\_development\\_framework/r13007\\_en.htm](http://europa.eu/legislation_summaries/development/general_development_framework/r13007_en.htm)) based on partner-country strategies and processes, common implementation mechanisms and the use of co-financing arrangements. It will also foster consistency in development policy in a wide variety of areas.

## **Part Two: implementation of Community development policy**

Community policy and the policies of the Member States in this field must complement each other. The added value of the Community's policy comes from its presence worldwide, its expertise in dispensing aid, its role in promoting consistency between policies and best practice and in facilitating coordination and harmonisation, its support for democracy, human rights, good governance and respect for international law, and its role in promoting participation in civil society and North-South solidarity.

Development cooperation is a major component of a broader set of external measures which must be consistent and complementary. The programming documents - country, regional and thematic strategy papers - reflect this range of policies and ensure consistency between them.

To meet the needs stated by partner countries, the Community will concentrate its activities in the following areas:

- trade and regional integration;
- the environment and the sustainable management of natural resources; infrastructures;
- water and energy;
- rural development, agriculture, and food security;
- governance, democracy, human rights and support for economic and institutional reforms;
- prevention of conflicts and of state fragility;
- human development; and social cohesion and employment.

The Community will strengthen mainstreaming in relation to certain issues involving general principles applicable to any initiative and which call for efforts in several sectors. These include democracy, good governance, human rights, the rights of children and indigenous peoples, gender equality, environmental sustainability and the fight against HIV/AIDS.

The type of aid provided will be tailored to the needs and context of each individual country, giving preference, where conditions allow, to budget aid. The Community's approach will be based on results and performance indicators. Most Community aid will continue to be provided as non-repayable grants, which are particularly suitable for the poorest countries and for those with a limited ability to repay.

Community assistance and the quality of the aid provided have improved as a result of the reform of *external aid* initiated by the Commission in 2000. Further improvements will be made in areas such as information systems and there will be further devolution to the delegations. The Commission will take account of the lessons learned from the evaluation of *European Community development policy* ([http://europa.eu/legislation\\_summaries/other/r12001\\_en.htm](http://europa.eu/legislation_summaries/other/r12001_en.htm)) adopted in 2000 and will ensure that the European Development Consensus is put into practice in Community development programmes in all the developing countries.

### *Related acts*

**Communication from the Commission to the Council and the European Parliament of 21 June 2007 - Annual Report 2007 on the European Community's Development Policy and the Implementation of External Assistance in 2006 [[COM\(2007\) 349](#) final - Not published in the Official Journal].**

In 2006 the EU allocated EUR 9.8 billion to official development assistance (ODA). The year was marked by major changes in the way the EU manages its development cooperation, including the decision to pay particular attention to policy coherence for development, the adoption of regional strategies reflecting the EU's main priorities, the simplification of the external aid instruments (in particular the creation of the *financing instrument for development cooperation* and the *instrument for democracy and human rights*), the setting up of a framework for increasing the effectiveness of aid and improvements to the way in which results are evaluated.

**Commission Communication to the Council and the European Parliament of 22 June 2006 - Annual Report 2006 on the European Community's development policy and the implementation of external assistance in 2005 [[COM\(2006\) 326](#) final - Not published in the Official Journal].**

In 2005 the EU committed itself to doubling its current level of ODA by 2010 and spent EUR 6.2 billion in terms of delivery of development aid. In its annual policy strategy for 2005, the Commission's development objectives were to review and scale up the EU contribution to the

Millennium Development Goals and to launch an EU water facility. The Community and the Member States also signed the Paris Declaration on aid effectiveness and a new tripartite development policy statement (the European Consensus on Development) was endorsed.

The particular priority for 2005 was Africa, with the revision of the **Cotonou Agreement**, the implementation of the peace facility and the drafting of an **EU strategy for Africa**.

## Cotonou Agreement

The Cotonou Agreement's main objectives are the reduction and eventual eradication of poverty and the gradual integration of African, Caribbean and Pacific States into the global economy, whilst adhering to the aims of sustainable development.

**Council Decision [2005/599/EC](#) of 21 June 2005 concerning the signing, on behalf of the European Community, of the Agreement amending the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000.**

### *Summary*

#### **General framework**

The Cotonou Agreement, signed on 23 June 2000 for a period of twenty years and revised for the first time in 2005, builds on thirty years of experience. It is designed to promote and expedite the economic, social and cultural development of the African, Caribbean and Pacific (ACP) States, contribute to peace and security and promote a stable and democratic political environment. In accordance with Article 95 thereof, the Agreement may be revised every five years (with the exception of the provisions concerning economic and trade cooperation).

The Agreement represents a new stage in the cooperation between the ACP States and the European Union (EU) which began in 1964 with the signing of the first Yaoundé Convention and continued with the four Lomé Conventions.

Given the limited success of the main approach of non-reciprocal trade preferences in the previous conventions and the need to adapt to international developments such as globalisation and technological progress, plus the far-reaching social changes in the ACP States, the Agreement ushers in a **new approach** to cooperation in this field. This new approach aims to strengthen the political dimension, provide more flexibility and entrust the ACP States with greater responsibilities.



The new partnership is based on **five interdependent pillars**:

- reinforcement of the political dimension of relations between the ACP States and the EU;
- promotion of participatory approaches, involvement of civil society, the private sector and other non-State actors;
- development strategies and priority for the objective of poverty reduction;
- the establishment of a new framework for economic and trade cooperation;
- reform of financial cooperation.

### **Pillar I: political dimension**

The Agreement puts greater emphasis on the political dimension, which concerns all of its objectives and operations and represents global commitments on the part of the ACP States. The key elements of this pillar are as follows:

- **political dialogue**;
- **peace-building policies, conflict prevention and resolution.** In this field, the partnership will concentrate in particular on regional initiatives and on building local capacities;
- **respect for human rights, democratic principles based on the rule of law and transparent and accountable governance.** A new procedure has been developed for cases of violation of these elements, stressing the responsibility of the country in question;
- **good governance.** A new specific procedure has been drawn up. It is applied in serious cases of corruption in any country where the European Commission has a financial interest and where the corruption is an obstacle to development.

In 2005, the political dimension was expanded to include security issues, adding provisions on cooperation in countering the proliferation of weapons of mass destruction (Article 11b), provisions on the Rome Statute of the International Criminal Court and provisions on international cooperation in the fight against terrorism.

### **Pillar II: promotion of participatory approaches**

The Agreement envisages a substantial role for non-State actors (NSAs) in the design and implementation of development strategies and programmes. The role of civil society is especially important, in particular through the strengthening of non-governmental organisations (NGOs). Further, the participation of these actors depends on certain criteria relating to management and their form of organisation.

The 2005 revision takes the participatory approach further as regards:

- NSAs, with the insertion of provisions to facilitate their access to indicative programme resources, under a strategy agreed between the Commission and the ACP State concerned;
- local authorities, with the insertion of a provision whereby they will participate in the consultation process and implementation of the programmes.

### **Pillar III: development strategies and poverty reduction**

The integrated approach of the partnership stresses three key areas for cooperation, always taking into account the major objective of poverty reduction. This concerns economic, social and human development policies, as well as regional integration.

**Economic development** focuses on:

- private sector development and investment;
- macro-economic and structural policies and reforms;
- sectoral policies (for example, developing the industrial, trade, tourism and traditional knowledge sectors).

The key elements of **social and human development** are the following:

- sectoral social policies (for example, improving education, health and nutrition systems);
- youth issues;
- cultural development.

**Regional cooperation and integration** are aimed at facilitating development in all sectors. Cooperation must also support inter- regional and intra-ACP cooperation schemes and initiatives, including those involving non-ACP developing countries. Regional cooperation and integration seek, among other things, to:

- accelerate diversification of the ACP States' economies;
- promote and expand inter- and intra-ACP country trade and trade with third countries, which equally benefits the least developed countries (LDCs) among the ACP States;
- implement sectoral reform policies at regional level.

The priorities for intervention will be drawn up for each country and the principle of differentiation has now become a key element of the partnership.

The comprehensive framework for development strategies also provides for systematic consideration of three **cross-cutting issues** in all fields of cooperation:

- gender equality;
- sustainable management of the environment and natural resources;
- institutional development and capacity building.

The **2005 revision** concerns the following points:

- inclusion of a new reference to the Millennium Development Goals (MDGs) in the preamble to the Agreement, which reaffirms partners' commitment to those goals;
- inclusion of a reference to promotion of the fight against poverty-related diseases and protection of the sexual and reproductive health and rights of women;
- as regards regional cooperation, simplification of procedures to request intra-ACP financing and facilitation of cooperation between ACP States and other developing countries on a basis of reciprocity;
- insertion of a provision on the development and use of local content for information and communication technologies;
- insertion of a provision on promotion of the participation of young people in public life and encouragement of exchanges and interaction between ACP and EU youth organisations;
- promotion of traditional knowledge as part of sectoral economic development;
- strengthening of existing provisions on island ACP States, emphasising their increased vulnerability brought about by new economic, social and ecological challenges and promoting a harmonised approach in this respect.

#### **Pillar IV: a new framework for economic and trade cooperation**

The new framework makes significant amendments to the existing system in order to bring it into line with World Trade Organisation rules and to enable the ACP States to play a full part in international trade.

The Agreement provides for the negotiation of regional economic partnership agreements with a view to liberalising trade between the two parties, putting an end to the system of non-reciprocal trade preferences from which the ACP States currently benefit. Trade cooperation is not restricted to traditional trading activities, it also affects other trade-related areas such as the protection of intellectual property rights, trade and labour standards, etc.

The EU's trade regime for all of the least developed countries (39 of which are part of the ACP group) has been enhanced with a process to be implemented over five years to ensure that LDC exporters benefit from duty-free access for essentially all of their products on the EU market from 2005.

#### **Pillar V: reform of financial cooperation**

In order to simplify the process and make financing more flexible, provision is made for the **rationalisation of cooperation instruments**, especially of the [European Development Fund](#) (EDF). In contrast to the previous conventions, the EDF will no longer be divided into several instruments with rigid allocation systems. All EDF resources will be channelled through two instruments:

- a grant facility, administered jointly by the Commission and the ACP States. Each country will receive a lump sum;
- an investment facility, a new instrument administered by the European Investment Bank (EIB), which may provide loans, equity and quasi-capital assistance. It will also be able to provide guarantees in support of domestic and foreign private investment.

The **new system for programming the aid** granted by the EU enhances the flexibility of the partnership and entrusts the ACP States with greater responsibility, particularly by establishing a system of rolling programming that eliminates the concept of non-programmable aid, in other words aid programmed unilaterally by the EU. The ACP States now have greater responsibility for determining objectives, strategies and operations and for programme management and selection. The new programming process is centred on results. Financial assistance of a set amount is no longer an automatic right. Grants are allocated on

the basis of an assessment of needs and performance in accordance with criteria negotiated between the ACP States and the EU.

The main instrument used for programming grants is the country support strategy (CSS). A CSS will be drawn up for each ACP State jointly by the Commission and the country in question. The CSS will set out general guidelines for using the aid and will be supplemented by an indicative operational programme containing specific operations and a timetable for their implementation.

An annual review is provided for in order to adjust the CSS, the operational programme or the resources allocated. Halfway through and at the end of the period of application of the financial protocol, the annual review will also include an assessment of the cooperation strategy, which would either confirm the thrust of the CSS or suggest appropriate adjustments. The volume of resources allocated to the country concerned may be adjusted as a result. Provision is made for local actors to be involved in the annual review in accordance with the principle of decentralisation.

The regional programmes will also be subject to a system of rolling programming based on the same components. However, the regional programmes will be reviewed only halfway through and at the end of the period of application of the financial protocol.

The Agreement provides for **additional support in cases of fluctuation of export revenues**. This is needed because of the ACP States' vulnerability stemming from a high degree of dependence on export revenues in the agricultural or mining sectors in the ACP States. STABEX and SYSMIN, instruments of the previous Conventions, will not be renewed. The new system of rolling and flexible programming makes it possible to ensure support via the funds allocated within the framework of the CSS and the operational programmes.

The Commission undertakes the financial implementation of operations carried out with EDF resources centrally and by decentralised management. In accordance with the principle of decentralisation, the implementing tasks are carried out by the ACP States. The Government of each ACP State appoints a National Authorising Officer to represent it in all operations financed from Fund resources.

