

THE GENESIS AND EVOLUTION OF INTERNATIONAL DEVELOPMENT COOPERATION

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Forword

The 20th Century a century of wars, civil strife, many conflicts, genocides and disasters, but as a redeeming feature there has been development cooperation.

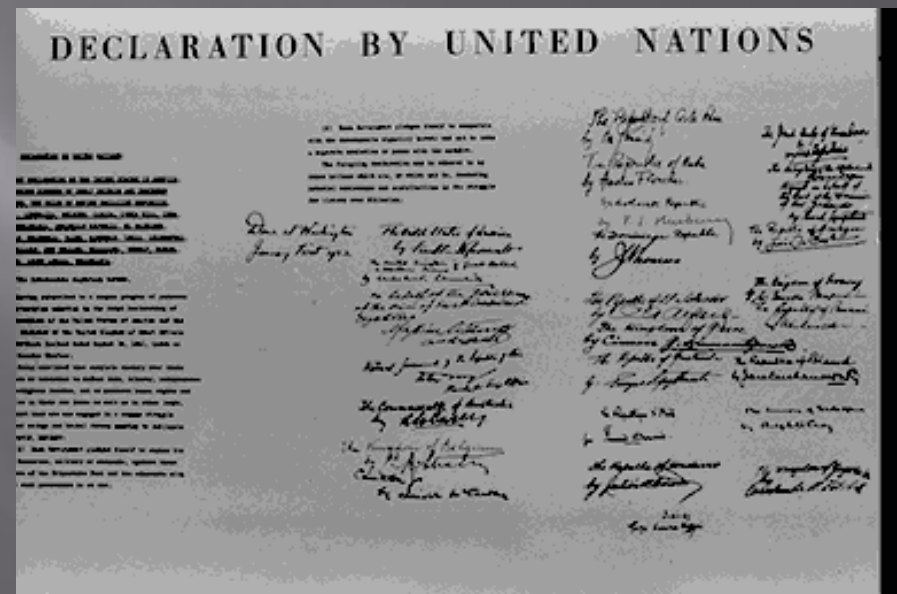
(A retiring aid administration official in 2000)

Genesis

Development cooperation:

A byproduct of WW II

- Founding of the UN and its mandate
- Marshall Plan
- Decolonisation
- Fight between market economies and state socialism - the Cold War



Genesis

Marshall Plan as the means and machinery: setting the stage for international cooperation with most of the trimmings, which would characterize later on development cooperation:

“It was like a lifeline to sinking men. It seemed to bring hope where there was none. The generosity of it was beyond my belief.”

Ernest Bevin, British Foreign Secretary in 1947

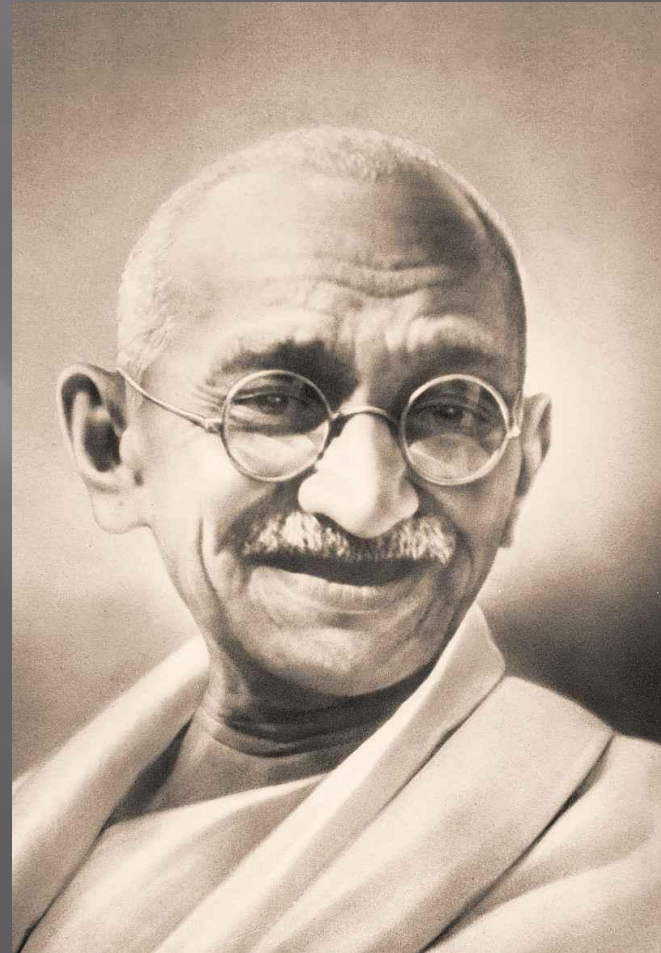
Genesis

In sum:

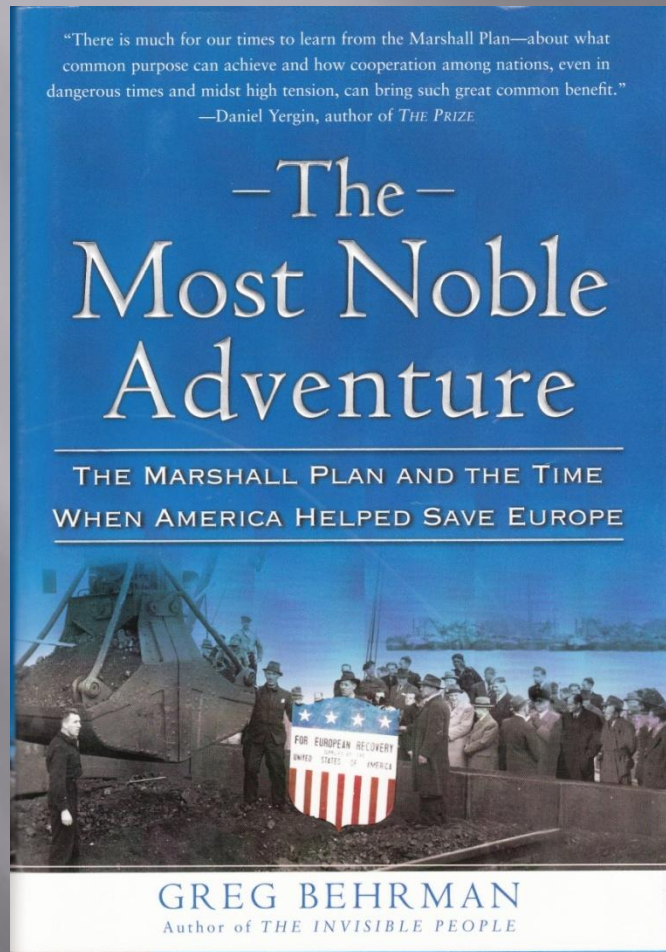
Marshall Plan was strategic, aiming at refashioning Europe, employing US capital and free-market ideology, proposing an altruistic programme to save the world from “hunger, poverty and chaos”, financing the first covert CIA operations and triggering the Cold War. *Greg Behrman, The Most Noble Adventure (2007)*

Evolution – 1940s

- European colonial powers weakened through WW II
- US and SU emerge as competing superpowers
- India gains independence
- World economy grows begins to grow in all regions
- 1949 -1973 - The Golden Age of World Economy



Evolution – 1940s



- US sets up a national programme in 1949
- Funds a large share of UN TA and FA through IBRD and IMF
- Using the Marshall Plan as a model

Evolution: the 1950s

The spark of national independence reaches Africa – 1957 Ghana, other countries follow in short succession.

- State administrations are fragile,
- Economies lopsided,
- Market economy only partially developed,
- Educational and health standards low.



Evolution: the 1960s



- Bilateral and multilateral TA and FA systems multiply,
- The world divided
 - into donors and recipients of aid, and
 - into East and West
 - Marshall Plan as a model proving as inadequate
 - Other concepts emerge

Evolution: the 1970s



- 1973 oil crisis – turning point
- Many developing countries cannot sustain their economic growth
- In particular African economies fall behind
- National debts rise precipitously
- Structural adjustment

Evolution: the 1980s

The Lost Development Decade:

- National Debt continues to rise, WB refuses to reschedule
- Social investments lacking
- 90% of Private investments in only 5% of countries
- DC: begins to be focused on poverty reduction, and global public goods, such as climate change and biodiversity



Evolution: the 1990s

The Cold War ended in 1989, as a result:

- Eastern Europe and Central Asia are added to the list of DC countries
- US does not step up to plate, except on security issues
- UN conferences
- Increasing number of countries in crisis, international terrorism
- Global issues like poverty and climate change become priorities as does humanitarian assistance



Milestone: The Millennium Summit – Sept. 2000

- ❖ 149 Heads of State or Govt. resolve to work towards achieving global goals – the MDGs
- ❖ National leaders adopt an inter-national business plan, however, they leave out to phrase economic goals
- ❖ Hence achievements left to DC & philanthropy
- ❖ Improved coordination

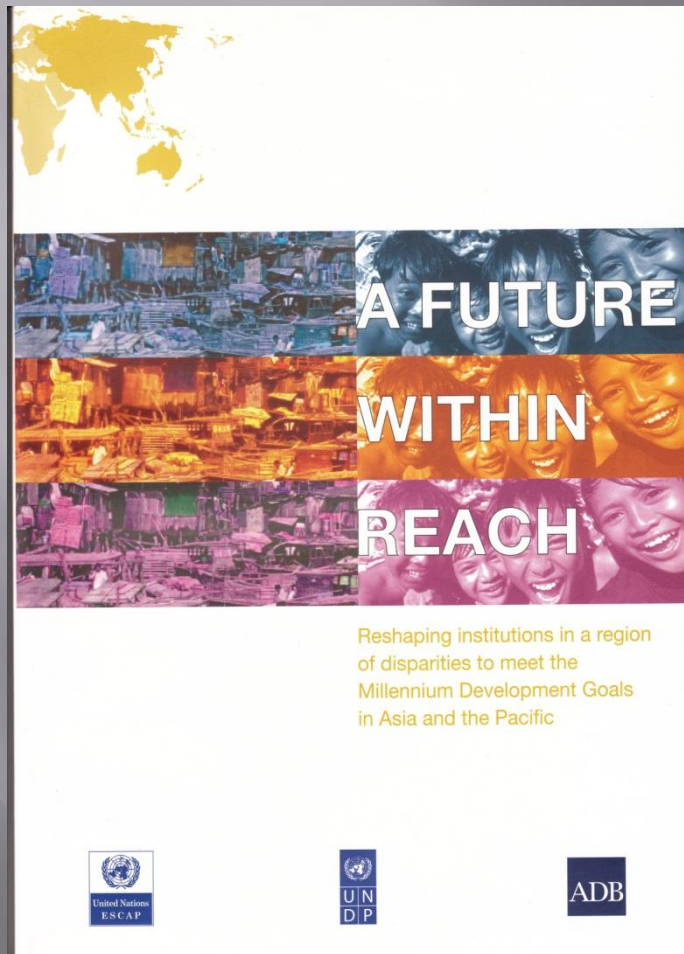


The 21st Century

- ✓ Addressing global issues – *the role of multilateral organizations*
- ✓ Strengthening nation states – *bilateral cooperation*
- ✓ Levelling the playing field – *trilateral cooperation*
- ✓ Having a positive impact on global issues – *poverty reduction, climate change, fair trade*
- ✓ Changing the economic paradigm – *reevaluating the economic importance of public goods*



The 21st Century



- Development & Development Cooperation a multi-stakeholder affair
- Everybody to their respective strength
- Coordination indispensable
- Mutual respect, clear rules of accountability & transparency
- Collective and participatory goal setting and action
- Global, regional and national issues