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Deutsches Institut für  
Entwicklungspolitik



German Development  
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## Conference Report

### Legitimacy of Future Development Cooperation

The year 2010 offered a number of milestones to reflect on future directions for development cooperation policy. As donors consider how to move forward with the MDG agenda, improve the effectiveness of their development interventions, and engage in organisational restructuring processes to confront future challenges, they find themselves in a global context that is different in quality from the world of ten or twenty years ago. The need to discuss where development policy should be heading is necessary, especially given the growing differentiation of developing countries and the rising prominence of issues such as climate change and state fragility on the development agenda. Moreover, such considerations extend beyond the 'development community' of public officials, academics, journalists and civil society active in the development policy field. As drastic fiscal cuts take hold in many parts of the world, donor countries' taxpayers see some partners growing out of the need for development funding. From the side of recipients, traditional development cooperation models have had mixed results over many years, especially beyond political and economic elites.

The conference 'legitimacy of future development cooperation' was organised by the German Development Institute and held in Bonn on 29 and 30 November 2010. The event brought together researchers, civil society representatives and policymakers to engage in an open-ended and critical dialogue with a view toward stimulating strategic thinking among development professionals at an early stage in their careers. Participants had the opportunity to deliberate on fundamental questions of future development cooperation by discussing the legitimacy of development policy in a changing world.

The focus on legitimacy drew attention to the interests that are represented in the development policy arena and how the established institutional framework for the management and delivery of aid responds to the interests it is intended to represent. The conference raised pertinent questions on the future purposes of aid and how its ability to contribute to development goals can be strengthened. Through a series of panels and group discussions, participants engaged in a constructive debate aimed at contributing to a common understanding of what legitimate global development policy in the decades ahead could look like.

### Development Cooperation's Legitimacy Crisis

The conference's starting point was the general agreement among participants that development cooperation – defined in terms of aid flows from 'rich' to 'poor' countries and the values, interests, objectives and conditions that accompany these flows – has increasingly been experiencing a crisis of legitimacy in recent years. This crisis has arisen especially from the mixed record of Western development models and the rise of new actors (especially China) in the development field with radically different approaches to engagement with developing countries. Accordingly, the predominantly 'Western' development community has been forced to face fundamental questions about why it engages in development cooperation, the instruments and strategies that have been used, and who this engagement is supposed to benefit. Participants

agreed that in the new international environment it is necessary to move beyond 'development cooperation' and the aid industry towards a new vision of global development. The question is how to do this in a legitimate way.

However, legitimacy is not an easy concept to pin down. It is above all an issue of consent – no individual or group can claim legitimacy for their own actions unless others agree. The attribution of legitimacy is therefore a social process, based on judgements that are inevitably made in accordance with norms and values specific to a social context and therefore inevitably flavoured by a degree of subjectivity. Legitimacy is a fuzzy term – but its implications for global development are of such import that getting to grips with it is crucial.

In this context, major questions such as who decides what is legitimate are answered differently by emerging and traditional donors and recipients at the national level, as well as by various groups within these societies. Moreover it must not be forgotten that the distinction between (and even the usefulness of the terms) 'donors' and 'recipients' is not at all clear. Who grants legitimacy to whom? How can we judge if a policy or programme is legitimate, and who decides? Even attempting to answer these questions is a subjective process shaped by a particular set of values.

In the specific context of development policy, discussions related to the perceived legitimacy crisis have centred on 4 areas:

- How to organise international cooperation between unequal partners. There are two sides to the coin: the challenge of joint learning about the interests and values of the other party, together with a tradeoff regarding paternalism that is not about to disappear.
- Shared visions: from the intellectual perspective, the one size fits all logic of the Washington Consensus has been discredited, although this is yet to be fully reflected in policy. There are several competing narratives emerging to take its place and it is hard to say if any of these visions will prevail: the Chinese model, the Seoul Consensus (established by the G20 in 2010), the Rio Narrative (based on the Rio Summit of 1992 and focusing on sustainable development), among others. Further, there is a need to translate visions into strategies for following the MDGs.
- The institutional setting within which development cooperation takes place: this operates at least two levels – global and national. At the global level it is difficult to reach consensus on development policy while the legitimacy of the global governance frameworks are themselves questioned. Amid calls for reform of the UN system, perceptions of unfair global trade rules climate governance and the emergence of the G20, global development cooperation is shaped in a changing context where there is little real consensus on the overarching institutional framework.
- At the national level, following from longstanding debates about governance in developing countries, it is becoming clearer that reciprocal rules for everyone – donors and recipients alike – are needed. Poor governance is a problem in many countries and leads to credibility problems on both sides which are at the heart of the legitimacy crisis.

## Parallel Working Group Sessions

Against this framework working groups discussed eight topics over the two days. The working groups of the second day drew upon conclusions from the first day.

### Day 1: Critical Perspectives on the Legitimacy of Development Cooperation

#### 1. Ownership and Participation

The idea that ownership should be in the interest of everyone is not new. The partnership model of development cooperation has informed an iterative process of strategies and action for many years, underpinned by the recognition that if development is to be sustainable developing countries must be in the driver's seat, owning and leading development strategies. Participation implies collaboration and involving the people policies affect. This is an inherently political process, empowering people at large. Attempts have been made to empower civil society and to include principles of participation, such as empowerment, ownership and capacity development, in development strategies.

But is this really possible or are these idealised concepts? The WG identified several challenges:

- Ownership: Which actors should be addressed? This poses challenges at different levels, national, international and sub national.
- How much capacity is needed before ownership can emerge as a concept within the process?
- Can there be a shared understanding of what development is, and how best to achieve it? How do specific goals relate to that vision?
- Power underlines the ownership concept as a whole. It is especially important to consider power at the local level where ownership is negotiated.

#### 2. Goals and Values

The discussion in this working group started from the question of what might a more legitimate goal-setting system look like, amid the emergence of non-DAC donors and private sector actors. It was acknowledged that the emergence of non-DAC development actors has forced traditional donors to question the goals and values that they have long taken for granted.

Several challenges were identified:

- The challenge to find inclusiveness in the goal definition process – who decides what the goals of development policy are? How can broader societal actors become involved in the process?
- The essential tradeoff between 'altruistic' (or ethically motivated) goals, and geopolitical economic and security goals. Where do we draw the line? Moreover, this process of tradeoffs in defining goals might leave us with a multiplicity of goals to be pursued by various actors. How can the international community manage this diversity?

- The challenge of credibility. This is determined by many factors, including policy coherence, how the goals and values of development are shaped and packaged for developed and developing country societies alike, and the processes through which they are implemented.
- Values are real, are central to understandings of legitimacy, and will inevitably shape policy processes. The challenge is to find institutional means for managing sometimes conflicting values.

### 3. Transparency and Accountability

The 'red line' of this working group was that legitimacy and concepts thereof differ between developing and donor countries. Nevertheless it can be said that at a basic level, legitimacy is dependent on accountability, and accountability depends on transparency.

There are, however, issues to be aware of:

- Whose normative benchmarks are we using? When reflecting on perceived sources of legitimacy (such as effectiveness, democracy, legality and norms/values), pundits always have to ask 'legitimate to whom'?
- Who is asking for transparency? There is political pressure for 'accountability' and 'effectiveness' to move aid toward things we can count, often not what is most needed. So local deals may be necessary.
- Who benefits from transparency? Transparency can sometimes hinder efficiency.

### 4. Efficiency and Effectiveness

The discussion focused on evaluation as one tool to support legitimacy of development cooperation. Evaluations are often associated with tradeoffs between efficiency and effectiveness.

Some of the challenges raised in this working group were:

- The terms efficiency and effectiveness are relevant to the legitimacy debate. They are the cornerstones of the Accra Action Agenda and the Paris Declaration: efficiency is reflected in the call for harmonisation, effectiveness in the principle of managing for results.
- What are the tradeoffs between efficiency and effectiveness? Too much reporting on accountability can negatively affect effectiveness, while debates about methodologies need to be shaped by the issue and context. There may also be a tradeoff between increasing monitoring and evaluation and spending more funds for programmes.
- Making better use of evaluation results, focussing on learning from evaluations and from partners.
- Making visibility a key dimension of development cooperation (focus on impact and outcomes instead of input-output analysis).

## Day 2: Contextualising Challenges to the Legitimacy of Development Cooperation

### 1. Future of Bilateral and Multilateral Development Aid

This working group discussed the comparative advantages of bilateral and multilateral approaches to development cooperation. It was noted that a number of bilateral donors are tending to move away from multilateral cooperation, which may give rise to further duplication and inefficient overlap.

In light of their discussions, the Working Group suggested three steps towards a better development cooperation system:

- The education of donor audiences should be improved with a view to strengthening a common public goods perspective as a motive for supporting development cooperation.
- The articulation of interests by recipients should be strengthened and there should be more opportunities to voice these interests.
- There should be more strategic approaches to development cooperation, above all with a view to achieving policy coherence for development.

### 2. Coherence between Development Cooperation and other Policy Fields

This group examined how to overcome policy incoherencies *for development* and discussed whether and how policy coherence can help to achieve better effectiveness, efficiency and legitimacy of development cooperation. Particular attention was given to assessing the importance of policy coherence at the donor level in relation to coordinating on policies with partner countries.

The group highlighted the following points:

- Incoherence can dramatically increase the legitimacy crisis of development cooperation. There is thus a need to learn from mistakes and resolve conflicts of interests.
- There is a need to find institutional mechanisms that can promote coherence. At the same time, coherence should not only play a role in the context of institution-building but needs to inform the whole process, from policy formation right through to implementation.
- The question of how recipient countries' interests and values can play a role in donor coherence can be addressed by more inclusive policy design, for example by including non-state actors within societies into the process and give them a say.

### 3. Global Justice within Planetary Boundaries

The suggestion of this working group was to use the language of 'justice' rather than development assistance, which would imply that development cooperation is understood as an

obligation of justice rather than mere charity. The justice language adds two aspects: Firstly, it adds the notion of entitlements (or rights), i.e. things that people are owed. The relevant entitlements could be, for example, relief from poverty, relief from unfair global rules and regulations or relief from global incentives that undermine good governance within partner countries. Secondly, the justice language points to the right to certain kinds of relations, for instance, the absence of unjust power relationships in global institutions. The group also discussed the responsibility of governments to provide development-friendly national frameworks.

Against this backdrop, the group agreed on the following points:

- There should be a stronger focus on rules of global governance and global institutional reform that are conducive to development.
- Stressing the notion of inclusive participation, the group highlighted that those who are affected by the rules and regulations at stake should be the key drivers of institutional reform.
- The aim should be to not only focus on states as those shaping global rules since states themselves are frequently part of the problem. Thus, there is a need to look for other actors beyond states that can take part in shaping the rules.
- In terms of concrete steps to be taken, development cooperation should contribute to strengthening and empowering marginalised groups or countries so they can take part in the shaping of global rules.

#### **4. Sustainable Development and Climate Change**

This working group focused on international debates on both the foundations and the objectives of sustainable global development, which have increasingly acknowledged the need to consider global warming. The working group considered the implications for legitimate development cooperation in a warmer world, in which global inequalities will likely be exacerbated as current successes are undermined by rising sea levels, prolonged droughts and unprecedented natural disasters. The group also agreed that to address these complexities beyond a general framework a local, communitarian approach would be needed since a legitimate approach should be country-driven.

The following steps towards this vision were identified:

- Solving the problem of climate change requires the development of new, common standards in terms of the contributions to the overall reduction of emissions. These should focus more on the abilities of (developing) countries and include issues such as equity and effectiveness.
- Find ways to align adaptation and mitigation, accountability for responsibilities (e.g. burden sharing) and accountability for conditionality.
- Addressing the issues at different scales: a) foster regional approaches as a way out of the responsibility problem in order to bring the polluters and the affected together at a smaller scale, at which it is easier to organise participation and ownership, b) allow for competition among donors at the international level, c) coordinate aid at the government level, d) mobilise local communities.

## Key Priorities for Addressing Development Cooperation's Legitimacy Crisis

Participants deliberated on the meaning of legitimacy for development cooperation from several angles during the two days of the conference. No 'common vision' for addressing development cooperation's legitimacy crisis was reached – rather, participants stressed some priorities for carrying the discussion forward in an inclusive, yet structured way. Despite sometimes heated debates, they accepted that at the very least legitimacy is not something one social group, government or actor can claim for themselves, but rather, an attribution accorded by another party. This recognition underpinned the ideas that were discussed in the final plenary session:

The first proposition was to widen the discussion of the issues of 'what is legitimate' and 'legitimate to whom' to include a greater range of viewpoints. Including a variety of institutions and organisations in the debate is one way to keep the channels of dialogue open, discuss the evolution of the concept, bring new ideas to the table, and acknowledge the plurality of relevant development alternatives. There was a strong sense (although this was not shared by all participants) that development should move from a top down approach towards a more participatory approach. Rather than trying to find 'common visions and values,' the development community needs to learn how to tolerate and manage diversity. For some, this means that we will necessarily need new concepts to replace outmoded notions of 'development cooperation.'

Focusing on the development aid *process* alongside the outcome was a second viewpoint around which several participants coalesced. Decades of development aid delivery has built up a complex web of processes that facilitate cooperation between 'donors' and 'recipients.' Root-and-branch surgery may not be the answer in many cases where improvements to processes and rules may help resolve disagreements over the legitimacy of specific development policies, programmes and projects. Focussing on processes may also help ease tension in cases where goals are contested.

A third requirement for progress involves transparency regarding the interests of all actors involved in development cooperation and the discussion of its legitimacy. Honesty with regards to intentions of all parties concerned is crucial in mapping out responsibilities, clarifying expectations and working towards project goals in unity. Participants also recognised the need for more openness, especially with regard to asking honest and relevant questions: across cultures, across academic disciplines and with policymakers, and also across generations.

This conference report was compiled by an 'editorial team' of research staff from the German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE). The views expressed herein reflect a working consensus among the authors, and not necessarily the positions (official or otherwise) of individual conference participants or the DIE.



## German Development Institute

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Since its founding in 1964, DIE has based its work on the interplay between Research, Consulting and Training. These three areas complement each other and are the factors responsible for the Institute's distinctive profile. DIE draws together the knowledge of development research available worldwide, dedicating its work to key issues facing the future of development policy. DIE's research is theory-based, empirically backed, and application-oriented. It serves as the basis for the Institute's consulting activities, which in turn provide the initiative for further research programmes. DIE's Training Programme is an integral component of the Research and Consulting process. The policy advice and consulting services DIE provides is bearing on the framework conditions of development policy, including issues concerned with world economic policy, foreign policy, and security policy.

The Institute's Postgraduate Training Programme is concentrated on courses dedicated to development-related themes and issues bound up with shaping the process of globalisation as well as with improving trainee communicative and social skills. The cornerstone of the Training Programme – field research carried out by small interdisciplinary groups in a developing country – serves to provide trainees with an opportunity to gain practical experience with what they have learned by participating in concrete consulting-oriented research projects. Once they have completed the Training Programme, the graduates find career opportunities with development organisations at home and abroad.

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The German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE) is headed by Prof. Dr. Dirk Messner (Director).