CHAPTER – 2

EUROPEAN
DEVELOPMENT
COOPERATION POLICY
IN PERCEPTION
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European Development Cooperation Policy in Perception

Introduction

The French vision for the ‘European Project’ seems to include a role for developing countries, as a beneficiary of the European assistance towards their development, may be to atone the European colonial economic exploitation. In his declaration made in the salon de l’Horloge at the French Foreign Minisitry on May 9, 1950, entitled ‘A United States of Europe’, Robert Schuman, the then French Foreign Minister and noted statesman, pledged: “This production [of coal and steel] will be offered to the world as a whole without distinction or exception, with the aim of contributing to raising living standards and to promoting peaceful achievements. Europe, with new means at her disposal, will be able to pursue the realisation of one of her essential tasks: the development of the African Continent”. ¹ This statement marks not only the decisive starting point for European integration, but also of the European, especially French, obligation to achieve socio-economic development of the African continent. True to the sentiments of the founding fathers of the European integration like Robert Schuman, the European Community (EC) initiated relations with the African countries for the purpose of financing economic and social development projects in the dependent territories, through its Development Cooperation Policy (DCP) and programme.

Initiation of DCP

The DCP of the European Union (EU) dates back to the inception of the European Economic Community (EEC) with the signing of the Treaty of Rome or the Treaty establishing the EC in 1957. The kernel of what was later to become the development policy of the EU and its legal bases were enshrined in Part IV(Arts. 131–136) of the Treaty, under which ‘association status’ was accorded to the Overseas Countries and Territories (OCTs) of the member states of the Community, meaning

the non-European countries and territories which had ‘special relations with Belgium, France, Italy and the Netherlands’ as it was termed in Article 131 of the Treaty. The main objective of this arrangement was to use ‘aid’ to ensure four among the six EC members, who had responsibilities for colonies or the UN mandates, a continuation of their privileged trade relations.

The Treaty maintained that the EEC would promote economic, social and cultural development in these associated countries. It unilaterally established a reciprocal free trade agreement between the embryo EC and the associated countries. Treaty of Rome’s provision for an association between Europe and the colonies of the original member states created what in essence was a free trade area between the two. This associationism of the EC suited well the ideologies and outlooks of the political forces that dominated Europe in the post-war period. It had incorporated elements of humanism, solidarity and moral responsibility advocated by the socialist and social Christian traditions as well as security, economic interest and cultural nationalism sphere headed by the conservativetradition of the Europeans of those times.

Adrian Hewitt and Kaye Whiteman are quite correct when they say that the EuropeanDCP “had been included in the manner that has come to be the characteristic trait and trademark of European policy making: a result of last minute horse trading by member states”. In 1957, France, Belgium, the Netherlands and Italy still maintained some colonial ties with the African continent, described euphemistically as ‘special relationships’in the Treaty. These colonial powers, especially France supported by Belgium, conditioned their participation in the Community upon establishing and maintaining cooperative relations with what remained their colonies at that juncture. Germany had to pay the price for its getting readmitted into the European politics. Netherlands’ opposition to the inclusion of development cooperation policy into the

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2 Whereas today ‘association’ of a country to the European Union implies the prospect of future membership, the association provided in Article 131 did not carry with it some such prospects.
Rome Treaty was simply brushed aside. As a result, the scope and reach of the DCP was much narrower in the early days, than warranted by the then global realities. Again, it may be pointed out that this arrangement had not reflected or tried to do justice to the real European interests of that time.

**DCP, a Mixed Policy**

From the very outset, the European DCP was not supposed to substitute but merely to add, supplement and complement the development policies pursued by the individual member states. The European Commission was never tired of emphasizing on the additionality and complementarity of this aspect. Although certain member states, the UK and France in particular, displayed a greater interest in, and hold disproportionate influence over, the DCP, others preferred Community calling the shot. As a result, the development cooperation continues to appear as a Community rather than national policy, with the Union as member states plus one – as of now, twenty eight plus one.

**Single European Act and After**

The Single European Act of 1986, which codified the European political cooperation in an international treaty, placed it as a part of EC’s central legal instrument. It contained a chapter dedicated to ‘treaty provisions on European cooperation in the sphere of foreign policy’, which mainly served to legitimise the informal arrangements already practiced by the Community in its relations with the African countries. The European Parliament (EP) always goaded the Commission to link the Community aid with minimum conditions of human rights protection and building human rights considerations in to development programmes and external agreements, and it used its assent power to press for consideration of human rights. For instance, in 1987 and 1988 it refused to assent to financial protocols with Turkey and Israel over human rights concerns. Thus, the EP projected itself as an active

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promoter of political conditionality, which became an important factor in the Union’s relations with the third countries subsequently.7

The 1988 Rhodes European Council called for a meaningful role for the Community in preserving international peace, promoting the solution to regional conflicts, demonstrating solidarity for democracy, supporting the Universal Declaration of Human Rights, strengthening the effectiveness of the United Nations and improving social and economic conditions in less developed countries in the African, Asian and Latin American continents.

**Evolution of DCP in 1990s**

The evolution of the EU’s DCP in the 1990s was influenced and conditioned by several political and economic factors present in the air at that juncture.8 The fall of the Berlin Wall and the perspectives of enlargement have raised the Union’s ambitions to become a more influential global player. The EU development policy had naturally been strongly influenced by the Union’s attempt to define, project and establish itself as a strong international actor of considerable consequence.

The post-Cold war developments blurred the boundaries between European DCP and foreign and security policy. The Union’s increased attention accorded to security issues has spilled over onto its development agenda, in that greater attention has been given to conflict prevention and political emergencies taking place well beyond the European borders.

In the economic sphere, the process of globalisation had increased the strategic stakes of the integration of developing countries in the geography of capital, production and trade flows. Series of UN conferences have identified poverty reduction as the overarching objective of the development cooperation and shaped a new consensus on development thinking. These developments too have influenced the EDP and poverty alleviation had become its main objective. In line with a wider reconsideration of the ‘Washington Consensus’ during the late 1990s, the EU declared its determination to follow the approach of other multilateral actors and to focus on

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8 Bonaglia et al., n. 3, pp. 166-7.
poverty reduction and its eradication in all developing countries as the overarching objective of its development policy.

The decade also witnessed efforts to align EU aid resources with wider international efforts to define the aims of development co-operation. In particular, this had involved the move towards international agreements over a series of development issues that were thrashed out in several UN-sponsored conferences in the 1990s such as the 1992 Rio Summit on environment and development, the 1993 Vienna Conference on human rights and the 1995 Beijing Conference on women and development, among others. One upshot of these was the subsequent definition of International Development Targets by the World Bank and the OECD, such as the reduction by half the numbers of people living in absolute poverty by 2015. Moreover, the EU had shifted its position towards the approach long adopted by the international institutions such as the World Bank and International Monetary Fund, with conditionality clauses attached to agreements on aid and trade–related development programmes. The Union was well aware of the fact that making human rights a reality is a never-ending challenge and welcomed and promoted the growing international trend towards integrating the promotion of human rights, democracy and the rule of law into development cooperation, trade policies and the promotion of peace and security.

There were ever-mounting criticism from other international financial organisations, development funding agencies and practitioners over the inefficiency, lack of vision and clear priorities, complexity and fragmented structure of EU aid. Aid in general and the European variety in particular had come under considerable criticism from different quarters. The World Bank, for instance, argued that aid can only be effective in raising growth and reducing poverty in a good policy environment and that aid cannot buy such an environment. The Union had to take these criticism over its activities seriously and had to respond to them positively. All these factors compounded and contributed to the formulation of the DCP in the 1990s and hereafter.

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Resolution on Human Rights, Democracy and Development of 1991

The end of the Cold War brought about changes in the tone and orientation of global and inter-regional debates on human rights and development. From the early 1990s, human rights, democracy, and later governance considerations as well, became increasingly important determinants in the EU’s external relations. On November 28, 1991, the Development Council in its resolution on “human rights, democracy and development” explicitly linked democracy, human rights and development and made the promotion of these principles both as objective and condition for development assistance. Thereby, the Development Council agreed that considerations of human rights and democracy should be important elements in the Community’s relations with developing countries, and that positive and negative measures could be taken as and when they were required. Again, the EU had taken a stand in Vienna in 1993, that human rights, democracy and development are inter-dependent and mutually reinforcing and that the promotion of human rights also improves the prospects of peace and security. The EU has always been “dem-optimist” and intends to assist and support countries moving towards democracy, especially during the course of the transition period.

The EU’s external trade and cooperation relations have been institutionalised in a series of treaties, bilateral commercial agreements and elaborate association agreements incorporating cooperation in diverse fields. In trade and aid relations, the EU has gradually incorporated human rights clauses. A Council decision of May 1995 spelled out the basic modalities of this clause, with the aim of ensuring consistency in the text used and its application. It consists of a provision stipulating that respect for fundamental human rights and democratic principles as laid down in the Universal Declaration of Human Rights of 1948, the Helsinki Final act and the Paris Charter for a New Europe, underpins the domestic and external policies of the parties and constitutes an “essential element” of any such agreement. A final provision dealing with non-execution of the agreement required each party to consult the other before

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taking measures, except in certain special cases of urgency. An interpretative declaration specified that cases of special urgency include breaches of an “essential element clause” of the agreement. This has henceforth became a standard clause in all cooperation agreements that EU concluded with third parties.

**Political and Economic Conditionality**

The European approach to political conditionality is based on the promotion of an open and constructive dialogue as set in the Resolution on Human Rights, Democracy and Development. The Community and its member states have given high priority to a positive approach that stimulates respect for human rights and encourages democracy. An open and constructive dialogue between them and the governments of developing countries, it was believed, could make a very important contribution to the promotion of human rights and democracy. The introduction of political conditionality in relations with developing countries thus reflects, to some extent, normative globalization, or what Ole Elgström calls ‘ideational diffusion’: the EC was following the international consensus on aid conditionality.14

Politicism began in earnest with respect to Central and Eastern European countries at the end of the Cold War, where the EU’s main aim was to support political and economic reforms. The Union hoped to encourage its eastern neighbours to introduce and carry forward political and economic reforms by finalising trade and cooperation agreements, aid, association agreements and finally offering EU membership conditional on satisfying certain criteria, including promotion of democracy, the rule of law, respect for and protection of human rights, especially minority rights. Fulfilment of the some such conditions was considered necessary to ensure stability and security in Europe. The EU was willing to use both carrots and sticks to achieve these goals. Political conditionality in this regional relationship has served as a model for relationships with other regions at a later date. The idea of security-democracy and sustainable development going together, reinforcing each other, guided the European development cooperation policy and practice. Thus, the politicization of development cooperation - political objectives such as the protection

of human rights and conflict prevention assuming much greater significance than the
development itself- clearly and categorically reflects the then European belief that
sustainable development can take place only in a context of security, democracy and
freedom.  

Various Council Resolutions (in particular May 1992 and June 1995) define
the European approach to structural adjustment. These resolutions acknowledged the
importance of structural adjustment to ‘restoring balance in crucial areas and to
creating an economic environment conducive to accelerated sustainable growth’ and
established the obligation to combine economic reforms with the promotion of
democratization and political pluralism as a necessary condition for any economic
development.

The EU approach to both political and economic conditionality may be
categorized as a ‘positive approach’ based on incentives rather than a ‘negative’ one
based on sanctions. Unfortunately, it is very difficult to judge whether this reflects a
truly different stance, or rather the difficulty of implementing sanctions within the
partnership agreement, due to the vagueness of the fundamental principles defined
therein and the absence of criteria for applying sanctions in case of violations. In the
case of Zimbabwe, where the democratic deficit has been accompanied by the free fall
of the economy and serious regional repercussions, the EU response had been ‘char-
acteristically lethargic’. After much deliberation, ‘smart’ sanctions, including a travel
ban on Mugabe and nineteen members of his coterie were finally imposed on
February 18, 2002, only to be circumvented by Italy, when Mugabe was permitted to
visit Rome for an international summit just four months later.

Complementing this process was the end of the Cold War and the increasing
trend towards economic issues in 1900’s that brought about a significant change in the
attitude of the EU towards other regions. The Union now was determined to have its
influence in the world and to protect its economic interests. Not surprisingly, in the
emerging perspectives the driving forces of development were reconsidered and state-

15Karen E. Smith, “The ACP in the European Union’s network of regional relationships: still unique or
just one in the crowd?” in Karin Arts and Anna K. Dickson (eds.), EU Development Cooperation.  
From model to symbol,Manchester University Press, Manchester/New York, 2004, p.61
16 Bonaglia et al,n. 3, p. 174
17 Ibid.
driven development process was presumed to be ineffective in promoting development in an effective way.

As such, the new thinking that began to crystallize since the days of ‘Thatcher-Reganomics’ stressed on market as the driver of growth and the neo-liberal policies that allowed more space to the market forces with minimum role to the state, came to be supported by most western countries, including the EU and its member states as well as global financial institutions like IMF and World Bank, off course with some variations in details. In this new thinking the advocacy was in favour of free market, globalization, Liberalization and Privatization and these were prescribed as the standard panacea for whatever economic ills these countries were afflicted with. So the realignment of its policies with Brettonwood institutions and the positions of its own major powers like Britain and France, who were keen on not only increasing global presence but of also advancing issues of governance and conflict resolution were to result in significant reorientation of EU’s external policies and perspectives towards third countries. This is notwithstanding the fact that the welfare and ‘social models’ most European countries had built internally over time was not sought to be distributed. Nonetheless, it has to be underlined that market economy was not new to the western countries but what became significant is the new drive incorporating these along with other liberal values in the external front.

So, in the revamped developmental cooperation perspective, regulatory mechanism and rule based effective multilateralism were seen as inevitable. This was the time when EU began to adopt a focused and long term perspective incorporating ‘European values’ instead of ad-hoc positions. In the new development cooperation perspectives focus was on structural reforms in favour of market economy, reciprocal arrangements, and multilateralism for achieving growth.

Maastricht Treaty and Common Foreign and Security Policy (CFSP)

From the beginning, the European sovereign states in their individual capacity as well as at the collective level were making sincere and serious efforts to incorporate democracy, respect for rule of law, human rights and good governance into their foreign and development cooperation policies. Since enlargement policy and the European Neighbourhood Policy cannot be applied universally, the Treaty on
European Union (TEU) or the Maastricht Treaty of February 1992, which came into force on November 11, 1993, in its earnestness to provide a single worldwide system of cooperation of the member states of the EC in international political affairs, projected the Common Foreign and Security Policy (CFSP) as the second pillar of the EU.

What is striking about most of the EU’s objectives is that they appear to be what Arnold Wolfers called ‘milieu goals’ rather than ‘possession goals’ and the former may only be means of achieving the latter, but they may also be goals that transcend the national interest and are shared widely. Judging solely from the objectives it has articulated, the EU seems to be more inclined to try to shape its surrounding environment and thereby try to protect particular interests. Again, it appears that the Union does not generally set priorities among its objectives, even though they can easily conflict with each other.\(^\text{18}\)

The Maastricht Treaty projected the following as the main objectives of the CFSP:

- Regional Cooperation
- Promotion of Human Rights, Democracy and Sustainable Development
- Nuclear Non-Proliferation and Disarmament
- Countering Terrorism and Other International Crimes
- Arresting Environmental Degradation

Listing of the objectives, especially the promotion of human rights, democracy and sustainable development and the protection of environment by arresting its degradation clearly gives an impression that the EU has a clear understanding of the link among human rights, democracy and development and it believes that democracy is quite conducive to the protection and promotion of human rights and both together works in favour of development.

**Maastricht Treaty and the DCP**

The Maastricht Treaty brought about the most important regulatory change within the DCP since 1957 when it introduced a specific Treaty title on development. Title XVII of the Maastricht Treaty placed international cooperation among the aims

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\(^{18}\text{Smith, n. 7, pp. 8-9.}\)
of the CFSP. Article 130 points out that "the Community and Member States shall comply with the commitments and take into account the objectives they have approved in the context of the United Nations and other competent international organisations". Further, this Article stresses that the Community has a responsibility to "foster sustainable economic and social development" in the developing world. It may be inferred that any European policy that does not foster and support such development is not consistent with its obligations.  

**Objectives of DCP**

From the beginning achieving sustainable social and economic development in the developing world remained the main objective of the EU’s development cooperation policy. The Maastricht Treaty added the consolidation of human rights and fundamental freedoms as an objective of both the CFSP and DCP. In the field of development cooperation, the Maastricht Treaty clarifies that ‘Community policy ... shall contribute to the general objective of developing and consolidating democracy and the rule of law, and to that of respecting human rights and fundamental freedoms’, (Article 130u of TEU). As such, TEU explicitly added development cooperation to the Community’s remit.

The Maastricht Treaty called for the preservation of peace and security, the promotion of international cooperation, the fight against international crime, the promotion of democracy and the rule of law, the respect for human rights and fundamental freedoms, and the support for economic and social development (Article J.1). This Article also states that external cooperation should foster the following goals in developing countries, especially the poorest: their sustainable economic and social development; their smooth and gradual integration into the world economy; the fight against poverty; the observance of human rights and fundamental freedoms; and the development and consolidation of democracy and the rule of law. Thus, the Treaty of Maastricht made respect for democracy and human rights a general principle of EU

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20 Smith, n. 7, p. 121.
law, and therefore compels members to subject all of their activities, including development cooperation, to it.

Article 177 of the Treaty establishing the European Community (TEC) sets out the three broad objectives for EC development cooperation namely (1) fostering sustainable economic and social development, (2) integration of the developing countries into the world economy, and (3) poverty eradication. Article 177(1) provides that the Union’s development cooperation policy should foster:

‘---the sustainable economic and social development of the developing countries, and more particularly the most disadvantaged among them,
— the smooth and gradual integration of the developing countries into the world economy,
— the campaign against poverty in the developing countries.’

Art. 177.2 TEC follows an almost similar wording as Art. 11.1 of TEU prescribing that the EU development policy should “contribute to the general objective of developing democracy and the rule of law, and to that of respecting human rights and fundamental freedoms.” Further, in its Communication on Development Cooperation in the Run-up to 2000, issued in 1992, the Commission elaborated on the principles of the European DCP stated in article 130u of the Maastricht Treaty.

Article 177 of the Amsterdam Treaty of 1997, which came into force on May 1, 1999, defines the EU development policy priorities, as follows:

• Sustainable economic and social development in favour of developing countries, with a particular emphasis on the most disadvantaged countries.
• Progressive and harmonious integration of developing countries in the world economy.
• Fighting poverty in developing countries.

The Nice Treaty established that the human rights and democracy clause should be extended to economic, financial and technical cooperation measures with third countries (Title XXI, Art. 181a).
Besides these objectives reiterated time and time again in the treaties, there were some other political objectives, based on certain beliefs and expectations. It is always believed that the foreign aid is vital to national security and it wins the EU significant goodwill abroad. Again, there was a hope that more generous foreign aid would stop mass immigration. It was also claimed that sending development aid to failing states would prevent wars and save military expenditure in the future. As such, ensuring national security, winning over goodwill of others, controlling migration into the Union, preventing wars and curtailing military expenditure too remain the objectives of the development assistance.

Again, development policy forms an important aspect of the EU’s international role and should be conceptualized within the broader intention to establish a single foreign policy international ‘presence’. Indeed, the continuing constraints of the civilian nature of EU action make development policy initiatives an attractive mechanism for extending ‘presence’. DCP is also expected to work towards brightening the image of the EU and help the Union to promote and disseminate the values that it holds dear to it. This factor is termed as the ‘Missionary principle’. The EU has actively tried to promote the European values as part of its external relations.

**Reform of DCP Mechanism**

Since the late 1990s, under the pressure of various simultaneous developments such as the poor results of EU development cooperation efforts thus far and the changed constellation of the world after the end of the Cold War, the Union embarked on a process of evaluation, reconsideration and reform of both the content and organisation of its development cooperation agenda and activities.

Although poverty reduction and its eradication in all developing countries is the stated objective, the 1998 DAC peer review of the EU’s DCP found that operational programming was lacking and exhorted the Commission to exploit its considerable potential to turn the goal into a more operational concept. Partly in

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response to these criticisms, in May 1999 the Council of EU Development Ministers invited the Commission to draw up a general policy statement on the shape of a review of the EU’s aid policies could take.

Accordingly, in March 2000, the Commission adopted a White Paper on ‘Reforming the Commission’, which aimed to profoundly change its culture, organisation and management. Highest priority was given to its external assistance, both in terms of strategy and management. Recommendations of the White Paper were included in the Communication on the European Community’s Development policy issued in April 2000, which set out the new framework for the European DCP. The Commission’s new guidelines included the desire to maximize its impact by identifying priorities for action and concentrating Community action in a limited number of spheres in which the Community is capable of providing value addition.

The Communication on the European Community’s Development Policy further clarifies them, specifying that the Community development policy is grounded on the principle of sustainable, equitable and participatory human and social development. According to this document, besides humanitarian aid, the EU will concentrate on six areas - trade and development; regional integration and co-operation; support for macro-economic policies and the promotion of equitable access to social services; transport; food security and rural development; and institutional capacity-building - which have been identified on the basis of the added value of the Union action and of their contribution to poverty reduction. It was resolved that cross-cutting principles such as good governance, human rights and the rule of law, effect on poverty reduction, institutional and capacity building, gender equality and environment, must guide EU action in all these areas.

The Communication also maintained that the global projection of European values of democracy, social justice and sustainable development called for an EU policy of solidarity and stressed on the importance of increasing the EU’s presence and influence in international fora where development policies are discussed. One of the most critical aspects of coordination within the EU was to enhance the ability of

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the EU to present common positions in international bodies, it maintained, thus realising the potential for increased European influence.

The Communication on the European Community’s Development Policy Declaration of November 20, 2000 expresses the intent of the Council and the Commission to reaffirm the Community’s solidarity with developing countries, in the framework of a partnership that respects human rights, democratic principles, the rule of law and the sound management of public affairs. This policy is based on the principle of sustainable, equitable and participatory human and social development with its main objective being to reduce and eventually eradicate poverty in the developing countries and integrate these countries into the global economy.\(^{25}\) In addition to these economic and social objectives, there was a political plan: to help reinforce democracy and the rule of law, whilst promoting respect for human rights and basic freedoms. The Commission identified DCP as an instrument to project the European values of democracy, social justice and sustainable development.

In his speech to the German Parliament on December 12, 2001, Commissioner Nielson maintained that the principal aim of the European development policy is “to reduce, and eventually to eliminate, poverty and to this end there will be new emphasis on pro-poor policies”.\(^{26}\) He further added that the Council, Parliament and Commission have agreed to focus on six main areas: trade, regional cooperation, macroeconomic support, transport, food security and capacity building, especially for good governance and the rule of law. Nielson further commented that “the conception of poverty used by the Commission is also to be commended as it moves away from a lack of resources approach towards a more multifaceted conception that includes issues of vulnerability that might not be reflected in income-based statistics alone”.\(^{27}\)

**European DCP and Millennium Development Goals**

The Millennium Development Goals (MDGs) emerged from a series of UN conferences in the 1990s. The adoption of the MDGs by leaders of some 189 countries, at the United Nations Millennium Summit of September 2000, changed the

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\(^{27}\) Ibid.
parameters of the debate. Specific targets were set, and the international community was forced to face up to the widening gap between the rich and the poor. EU’s initiative in the formulation of MDGs is quite substantial. Since, the Union believes that clear human development goals and targets can have enormous effect, it had supported them so steadfastly. It had felt the need to focus on eight MDGs, with eighteen targets and forty eight indicators. The commission had always emphasized on the need for willingness to cooperate, coordinate and harmonise the effort needed to achieve the MDGs on the part of the donors as well as recipients.

**European Consensus on Development (2005)**

The EU has been actively involved in several initiatives to improve the effectiveness of European aid, In December 2005, the Commission, the Council, and the Parliament along with the Member States adopted the European Consensus on Development (refer Appendix – 2), an ambitious agenda and first such policy document to provide a common vision of values, objectives, principles and means to development for both member states’ bilateral efforts and the EC. 28 This measure establishes a common framework for the provision of development assistance to developing countries provided by the European Union or by the Member States. The European Consensus clearly emphasized on the fact that the relationship between donor and recipient is one of partnership and equality. It also discussed the ‘common principles’ of development cooperation, such as ownership and partnership; the need for engaging in political dialogue with developing countries; the participation of civil society, including economic and social partners; the promotion of gender equality and women’s rights; and the attention for state fragility.

The European Consensus unequivocally established ‘that development is a central goal by itself; and that sustainable development includes good governance, human rights and political, economic, social and environmental aspects’. Again, the European Consensus re-emphasized that the primary and overarching objective of EU development cooperation is the eradication of poverty in the context of sustainable

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development, including pursuit of the MDGs. Thus, the Consensus sought to set out a common vision for the development policy of both the EU and the individual member states and reaffirmed “the Post-Washington Consensus concerns of poverty reduction, democracy and good governance, and developing country ownership”.  

The need for more and effective aid was yet another issue that was dealt within the Consensus. It reaffirmed the earlier pledge that the countries that were members of the Union before 2004 would meet the target by 2015. The EU member states were expected to achieve interim targets of 0.56 per cent collectively and 0.51 per cent individually by 2010. The Consensus called for the member states’ to enhance their contribution on development assistance to 0.7 per cent of their gross national income by 2015.

Further, the Consensus contained a commitment to increase aid effectiveness, inter alia, by placing more emphasis on the relationship of particular aid modalities to the situation in developing countries. The document expressed its preference for general or sectoral budget support as ‘the preferred modality for support to economic and fiscal reforms and implementation of PRS’ in countries where this form of aid would be feasible. Finally, in line with the Paris Declaration on Aid Effectiveness, the Consensus emphasized the principles of coordination, harmonization and alignment of foreign assistance, in its attempt to make the development assistance offered by the EU more effective and fruitful.

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30 The EU in the World - The Foreign Policy of the European Union, p. 13, available at http://www.enpi-info.eu/files/publications/EU_in_the_World_June_2007.pdf. This target to provide 0.7% of the Gross National Income of the developed countries towards development assistance to the developing countries was adopted by the General Assembly of the United Nations in November 1970. Unfortunately, this target was respected in its breach rather than on its compliance.
31 In 2005, member countries of the Organisation for Economic Co-operation and Development (OECD) set up a new aid architecture with the Paris Declaration on Aid Effectiveness. The Paris Declaration on Aid Effectiveness, adopted in 2005 by over 100 countries and aid agencies, defines the principles and commitments by which donors and partner governments intend to ensure that aid is as effective as possible in contributing to the Millennium Development Goals and other internationally agreed objectives. It builds on lessons learned over many years about what works, committing donors and partners to adopt best principles and practices in aid management and to avoid weaknesses, some of which have persisted for decades. The Declaration itself takes forward a great deal of prior work, including agreements reached at Monterrey (2002), Rome (2003) and Marrakech (2004) (OECD and World Bank, 2005).
development in Doha (2008), as well as the Accra Agenda for Action (2008), can be seen as expressions of the combined effort to mobilize a wide range of resources to achieve the MDGs. The MDGs provide both aid recipients and donors with a common goal, which leads to better cooperation and coordination. Although it is not happening fast enough, the Paris Declaration is now rapidly changing the manner in which donors cooperate among themselves, as well as with partner countries.33

Sven Grimmis of the view that the European Consensus remains the key document of reference beyond the regional programmes, which have amplified, clarified and expanded the provisions concerning development cooperation in the EC Treaty.34Wil Houtopines that the European Consensus can be interpreted as a second attempt to integrate the main elements of the multilateral approach to development issues into EC development policy. He also maintains that the European Consensus was a means to develop ‘for the first time, a common vision that guides the action of the EU, both at its Member States and Community levels, in development cooperation’.35To put it in a nutshell, the Consensus on Development reaffirmed development as a goal in its own right, eradication of poverty as a “primary and overarching” objective, and gender equality, a fundamental human right in itself.36

The EU, an important player and the world’s largest donor, increasingly stresses governance in its relations with developing countries. When the EU Parliament, Council, Commission, and member states in 2006 presented a common vision for guiding their future development actions, governance and democracy held a prominent place, and they underlined that “progress in the protection of human rights, good governance and democratization is fundamental for poverty reduction and sustainable development”, and that, as a consequence, these issues will be mainstreamed throughout all EU development activities.37

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35 Hout, n. 32, p. 9.
instance, through its 2006 resolution emphasized that it is no longer prepared to give its assent to any international agreements that do not contain a human rights and democracy clause. Development cooperation by the European Union and its member states is undergoing a process of rapid change. Changes in the international architecture and within the European Union are inevitably contributing to this process.

Global Europe Strategy 2006

In October 2006, the European Commission launched its new international trade strategy through ‘Global Europe: Competing in the World’, which stressed on EU market expansion, imports of raw materials from the Global South and harmonization of EU standards through a series of free trade agreements (FTAs). Powerful EU lobbies such as the European Services Forum (ESF), the European Banking Federation (EBF), the European Federation of Pharmaceutical Industries and Associations (EFPIA) and Business Europe played a key role and remained a driving force behind the Global Europe strategy.39

Global Europe strategy aimed to strengthen competitiveness of EU corporations and their access to emerging markets as policy priorities. It marked a double shift from the earlier EU trade policies: firstly, it intended to promote a competition paradigm which subordinates development objectives such as human, social and pro-poor development and livelihood security. It gave preference to competition over cooperation, to corporate-driven growth over job- and security-oriented growth and public policies. Secondly, for the sake of competitiveness the EU planned to focus on a WTO-plus agenda in order to gain a foothold in the so-called “new areas of growth”, such as trade in services, investment, government procurement, and intellectual property rights.40

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Through FTAs the Union attempted to go far beyond not just existing WTO commitments but also proposals being discussed in the Doha Round.

Main objectives set out in the Global Europe strategy as well as in the EC’s mandate for individual FTAs include:

- faster and deeper tariff liberalisation
- the removal of restrictions on exports in order to facilitate EU industries’ access to raw materials
- new rules on investment as well as competition policy, both of which were rejected by India and other developing countries in the WTO
- increased commitments to further open up services
- new rules on government procurement, also rejected by developing countries in the WTO, but which the EU sees as ‘an area of significant untapped potential for EU exporters in advanced and emerging economies’
- stricter enforcement of intellectual property rules
- extended rights for third-party stakeholders, including companies, to be consulted in advance of partner countries’ introduction of new regulations.\(^{41}\)

In addition, the EU started to insist that FTA partners commit to extending to the EU any terms that they grant in the future to other major trading partners. The inclusion of a ‘most-favoured nation’ (MFN) clause in the EU’s FTAs.

To be precise, the Global Europe Strategy pushed the EU to set aside its development assistance goals in the back burner and to pursue its trade enhancement strategy with renewed vigour. Earlier, trade was used to achieve development goals and now, development was subordinated to achieve trade interests. This change in preference conditioned the development cooperation policy and programme in a big way, but, in negative direction. On the other hand, the Global Europe showed great concern about social justice and “the potentially disruptive impacts of market opening” in the EU, and as a response, a European Globalisation Adjustment Fund was set up in order to “equip people for change” and cushion the worst effects.

\(^{41}\) European Commission, Recommendation from the Commission to the Council – Authorising the Commission to negotiate a free trade agreement with India on behalf of the European Community and its Member States (henceforth referred to as EC mandate for EU-India FTA), 2007, paragraph 37.
EU Code of Conduct

In May 2007, the Council also approved the EU Code of Conduct on Complementarity and Division of Labour in Development Policy. The Code contains eleven guiding principles for a better division of labour among EU donors and for the presence of the EU in developing countries. If implemented, its impact could be considerable in limiting the number of donors involved in any one country or sector. In April 2008, the Commission issued a communication on ‘The EU – A global partner for development: Speeding up progress towards the Millennium Development Goals’ in which it proposed actions to encourage Member States to increase the volume and the effectiveness of aid.

Institutional/Policy Reforms

The Commission itself has undergone important reforms since the late 1990s to turn itself into a more effective development institution. These include plans and instruments to simplify EC structures and to give greater coherence to EC assistance. These include the establishment of the EuropeAid Office as the single implementing agency to handle EC foreign aid, the introduction of Country Strategy Papers (CSPs) as a joint planning mechanism, and a move towards ‘deconcentration’ by shifting responsibilities from headquarters in Brussels to EC Delegations in partner countries. The EC has introduced and refined a series of financial instruments to simplify asystem of relatively complex and burdensome structures and to facilitate greater coherence and consistency. The number of regulations that govern external cooperation has been reduced from more than thirty five to just nine instruments. On the other hand, despite repeated demands from the European Parliament and proposals of the Commission on the matter, the European Development Fund (EDF), which provides the bulk of support to African, Caribbean and Pacific Group of States (ACP) countries, continues to remain outside the EU budget.

43 Ibid., p. 2.
**Lisbon Treaty on the Objectives of DCP**

While highlighting the objectives of DCP, Article 208 (1) and (2) of the Treaty on the Functioning of the European Union (TFEU) provides: ‘Union development cooperation policy shall have as its primary objective the reduction and, in the long term, the eradication of poverty ...’. Development Cooperation falls within Part V on ‘External Action by the Union’ of the TFEU. The first provision (Article 205 TFEU) in Part V provides: ‘[t]he Union's action on the international scene, pursuant to this Part, shall be guided by the principles, pursue the objectives and be conducted in accordance with the general provisions laid down in Chapter 1 of Title V of the Treaty on European Union.’

Chapter 1 of Title V of the Treaty on European Union in Article 21(2) *inter alia* provides that ‘[t]he Union shall define and pursue common policies and actions, and shall work for a high degree of cooperation in all fields of international relations, in order to

- consolidate and support democracy, the rule of law, human rights and the principles of international law;
- foster the sustainable economic, social and environmental development of developing countries, with the primary aim of eradicating poverty; and
- encourage the integration of all countries into the world economy, including through the progressive abolition of restrictions on international trade.

The Lisbon Treaty also states that supporting developing countries’ efforts to eradicate poverty is the primary objective of the European development policy and a priority for EU external action. As such, the Lisbon Treaty has firmly anchored development policy within EU external action. Promotion of human rights and democracy has become an increasingly visible aspect of the EU’s international identity. It is a key CFSP objective as well as an official development policy objective (Articles 11 and 177, consolidated Treaty on European Union). The Lisbon Treaty makes it clear that EU development policy will remain focused on poverty

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44Smith, n. 15, p.66.
eradication, but that it should be conducted within the broader framework of the EU’s external relations.\textsuperscript{45}

Again, the Lisbon Treaty has made disseminating of the European values as an explicit obligation of the DCP. Article 3(5) of the TEU provides: ‘In its relations with the wider world, the Union shall uphold and promote its values and interests and contribute to the protection of its citizens. It shall contribute to peace, security, the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty and the protection of human rights, in particular the rights of the child, as well as to the strict observance and the development of international law, including respect for the principles of the United Nations Charter.’

The missionary principle or the zeal to disseminate the European values is also reflected in Article 21(1) of the TEU which provides: ‘The Union's action on the international scene shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law.’ Moreover, in Article 21(2)(a)-(c) of the Treaty, it is laid down that: ‘The Union shall define and pursue common policies and actions, and shall work for a high degree of cooperation in all fields of international relations, in order to safeguard its values, fundamental interests, security, independence and integrity, besides several other objectives. The responsibility to further European values in the wider world applies with respect to all third-countries. In short, the entry into force of the Lisbon Treaty marks a new era in EU Development policy, with the EU and its Member States set to coordinate their policies more closely.

\textbf{Lisbon Treaty on the Union’s Competence on DCP}

One of the novelties introduced by the Lisbon Treaty is the explicit categorisation of the Union’s competence in the various policy spheres. While Article 3 of the TFEU lays down the areas where the Union has exclusive competence, the

\textsuperscript{45}Hurt, n. 29, p.160.
areas where the Union and the Member States have shared competence is identified by Article 4. In regard to the DCP, Article 4(4) provides: ‘In the areas of development cooperation and humanitarian aid, the Union shall have competence to carry out activities and conduct a common policy; however, the exercise of that competence shall not result in Member States being prevented from exercising theirs.’ It is thereby inferred that within the areas of development cooperation and humanitarian aid, the fact that the Union has legislated over a given matter would not preempt the Member States from legislating over the same subject. The Union’s and the Member States’ legislative schemes may therefore develop side-by-side over the same issue in both these policy spheres.

The year 2010 was declared as the ‘European Year against Poverty and Social Exclusion’ and it was taken as a ‘year of opportunity’ for the EU, at all levels, and its partners to make a revitalized and concerted effort to achieve the MDGs and also as a ‘year of accountability’, with a number of intermediary targets and milestones set for the MDGs. In April 2010 the European Commission came out with an ambitious 12-point action plan to accelerate progress towards the MDGs.\(^{46}\) With a view to exploring the ways and means to best support developing countries in meeting the MDGs and to further increase the impact of EU development policy, the Commission issued a Green Paper "EU development policy in support of inclusive growth and sustainable development – Increasing the impact of EU development policy" on November 10, 2010. Public consultation was launched on how best to support partner countries' own efforts to generate inclusive growth and mobilise their economic, natural and human resources for poverty reduction. The results of this consultation process was expected to go into the making of the 2011 Commission proposals related to development.\(^{47}\)

**Agenda for Change of 2011**

The European Commission, in its intend to increase the impact of EU Development Policy came out with “An Agenda for Change” in October 2011, which

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maintained that the “objectives of development, democracy, human rights, good governance and security are intertwined” and it is “critical for societies to offer a future to young people”.48 This was endorsed by the Council in May 2012. The new approach targeted countries that “are in the greatest need of external support and where the EU can have a real impact, including fragile states. It will focus on human rights, democracy and other elements of governance. Priority areas will include health, education, sustainable agriculture and energy”.

The Agenda pronounced that the EU is not simply the twenty eighth European donor. While the Commission implements 20 per cent of the collective EU aid effort, it also acts as coordinator, convener and policy-maker. The EU is a major economic and trading partner, and its political dialogue, security policy and many other policies in the sphere of trade, agriculture and fisheries to environment, climate, energy and migration, have a notable impact on developing countries. It must translate this multifaceted role into different policy mixes adapted to each partner country. To be fully effective, the EU and its Member States must speak and act as one to achieve better results and to improve EU’s visibility, the Agenda pointed out.

Good governance, in its political, economic, social and environmental terms, is considered as vital for inclusive and sustainable development. The Agenda maintained that the EU support to governance should feature more prominently in all partnerships, notably through incentives for results-oriented reform and a focus on partners’ commitments to human rights, democracy and the rule of law and to meeting their peoples’ demands and needs. Democracy, human rights and the rule of law were also reemphasized and the Agenda reiterated that the EU should continue to support democratisation, free and fair elections, the functioning of institutions, media freedom and access to internet, protection of minorities, the rule of law and judicial systems in partner countries.

While highlighting the development-security nexus, the Agenda maintained that the EU should ensure that its objectives in the fields of development policy, peace-building, conflict prevention and international security (including cyber security) are mutually reinforcing. It suggested that the Commission should finalise

and implement the Action Plan on security, fragility and development as per the Council Conclusions 14919/07 and 15118/07.

Again, the Agenda pointed out that inclusive and sustainable economic growth is crucial to long-term poverty reduction and growth patterns are as important as growth rates and prescribed that the EU should encourage more inclusive growth, characterised by people’s ability to participate in, and benefit from, wealth and job creation. The promotion of decent work covering job creation, guarantee of rights at work, social protection and social dialogue is vital, it maintained.

While dwelling on the issue of environment, the Agenda argued that “development is not sustainable if it damages the environment, biodiversity and natural resources and increases the exposure/vulnerability to natural disasters”. As such, the Agenda prescribed that EU development policy “should promote a ‘green economy’ that can generate growth, create jobs and help reduce poverty by valuing and investing in natural capital, including through supporting market opportunities for cleaner technologies, energy and resource efficiency, low-carbon development while stimulating innovation, the use of Information Communication Technology, and reducing unsustainable use of natural resources. It should also contribute to improving the resilience of developing countries to the consequences of climate change”.

Finally, the Agenda for Change called for
- Intensifying EU’s joined-up approach to security and poverty, where necessary adapting its legal bases and procedures.
- Linking of the Union's development, foreign and security policy initiatives so as to create a more coherent approach to peace, state-building, poverty reduction and the underlying causes of conflict and
- Ensuring a smooth transition from humanitarian aid and crisis response to long-term development cooperation.

**A Decent Life for All**

Subsequently, in its policy document titled “A Decent Life for All: Ending Poverty and Giving the World a Sustainable Future” (refer Appendix – 3) brought out in 2013, the Commission maintains that two of the most pressing challenges that the world is presently facing are “eradicating poverty and ensuring that prosperity and
well-being are sustainable”. It brings out a very gloomy picture of the developing world and refers about 1.3 billion people who are constrained to live in extreme income poverty and about many others whose human development needs are yet to be met. While pointing out that two-thirds of the services provided by nature – including fertile land, clean water and air – are in decline and degradation, the document bemoans that the loss due to climate change and biodiversity have reached the limits beyond which irreversible effects on human society and the natural environment await them.49

While dealing with the issues relating to governance, human rights and peace and security, which are enabling conditions for progress, the Commission maintains that an estimated 1.5 billion people are living in countries, which are experiencing significant political conflict, armed violence, insecurity or fragility. Violence continues to destroy lives and livelihoods of people and affects more severely the vulnerable sections of the society - women, children and people with disabilities, it points out and maintains that the gap between fragile, violence-affected countries and other developing countries is getting widened and low-income fragile or conflict affected country had not achieved a single MDG by April 2011 and few are expected to meet any of the targets by 2015. This failure was attributed to poor governance, lack of democracy, rule of law and respect for human rights, which hamper efforts aiming at poverty eradication and sustainable development.

The Commission in this policy document refers also to the emerging economies which have become the key drivers of global growth and already have a significant impact on the world economy. It also points out that the present trends suggest that the balance is expected to shift further and by 2025, global economic growth should predominantly be generated in them. The Commission refers about six countries, which are expected to collectively account for more than half of all global growth.50

The Commission were of the view that the MDGs embody a fundamental global agreement to end poverty and to further human development. They have in the

50Ibid.
last decade proven to be a valuable tool to raise public awareness, increase political will and mobilise resources to eradicate poverty. The EU remains committed to doing its utmost to help achieve the MDGs by 2015, in line with its policy framework as set out in the Agenda for Change and the European Consensus on Development. Where there is physical insecurity, high levels of inequality, governance challenges and little or no institutional capacity, it is extremely difficult to make sustainable progress on the key MDG benchmarks such as poverty, health, education or sanitation. It is therefore essential to address the root causes of such conditions and take action to eradicate them wherever they exist and to prevent them from arising. This agenda goes beyond fragile states, however, since many other countries also struggle with issues relating to insecurity and violence. Trafficking, transnational terrorism, criminal networks and gang violence are undermining the security of citizens and reducing the prospects for a decent life, with women and children particularly affected. Addressing peace and security issues in the context of the post-2015 overarching framework should use as a starting point the work already done between some fragile states and the OECD countries, the EU, the UN and Development Banks at Busan in November 2011. This should build on the New Deal for Engagement in Fragile States that laid out an agreed set of Peace-building and State building Goals (PSG).

**Decent Life for All by 2030**

At the launch of the European Development Report in Brussels in April 2013, EU Commissioner for Development Andris Piebalgs maintained: “In parallel, and linked to the discussion on post-2015, is the global debate on sustainable development. The EU takes the twin challenges of poverty eradication and sustainable development very seriously. Designing a global framework for a post-2015 development agenda presents us with a huge challenge but also with a huge opportunity to build on the progress achieved and deliver a worthy successor to the MDGs, which will guide us towards a Decent Life for All by 2030”.

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Critical Evaluation of DCP

a) Uniqueness of the DCP lost in the 1990s

During the 1970s and 1980s, the EU development cooperation policy was considered as something unique that was making substantive and innovative attempts to contribute to the North–South dialogue, and was held up as a model for the future of North–South relations. By 1990s, it was no longer perceived as unique as it once was. From serving as the model on which the Community’s development cooperation relations were based, the EU–ACP relationship caught up with policies towards other regions. Scholars like Karin Arts and Anna K. Dickson maintain that the EU development cooperation policy has shifted away from making substantive and innovative attempts to contribute to the North–South dialogue, and since the 1990s EU development cooperation policy has appeared to follow global trends much more than before and is at risk of perpetuating an ineffective agenda. “Taken as a whole, changes over the period represent a substantive change in the nature of EU development cooperation. That change is characterized as a move to a policy which is neither unique nor successful”. The authors also point out that there was a noticeable lack of value addition: the absence of novel or unique policies and of the political will to formulate and implement them. All the novelties such as Stabex and Sysmin, the commodity protocols, non-reciprocity and political neutrality were given up. There is instead “a tendency to follow global trends rather than to set them”.

William Brown challenges the claim that the Lome Conventions had granted the ACP countries the right to decide development priorities 'in all sovereignty'. He also maintains that the new Cotonou Agreement explicitly seeks to align EU aid resources with wider international efforts to define the aims of development co-operation. In the process the uniqueness of the European DCP is lost.

b) Politicisation of DCP

In its eagerness to use its clout generated by its development cooperation assistance as a tool to achieve its foreign policy goals such as the protection of human

53Arts and Dickson, n. 22, pp. 2-3.
54Karin Arts and Anna K. Dickson, “Conclusions: the potential and limits of EU development cooperation policy”, in Karin Arts and Anna K. Dickson, EU development cooperation: from model to symbol?, Manchester University Press, Manchester/New York, 2004, p. 150.
55Brown, n. 9, p. 377.
rights and conflict prevention, the EU intends “to shape the political complexion and policy preferences of recipient governments”. While criticizing the EU efforts to link its development assistance with democracy and human rights record of the recipient countries, Karin Arts and Anna Dickson go to the extent of saying that “the Community has now engaged in strong efforts to legalise its unlawful practice by attempting to incorporate detailed good governance provisions in newly negotiated cooperation agreements” and call the set of good governance and corruption provisions of the Cotonou Agreement (Article 9(3)), which qualify good governance as a ‘fundamental element’, as “controversial”.

c) More Symbolic and Less in Substance

It appears that the development cooperation policy and practice towards the ACP countries has become a symbolic gesture on the part of the EU to demonstrate its breadth of commitment to, and relationship with, the South. In this process, it is argued that the Union “seeks to enhance its perceived role as an important international actor”. Karin Arts and Anna Dickson point out that the EU is overly concerned with projecting the image of a significant world actor, and as a result, development policies have “become more concerned with form than substance”. This led, on the one hand, to declaring certain political conditionalities such as democracy and good governance as ‘essential elements’, but having difficulty in applying the criteria consistently, on the other.

d) DCP, the Result of Chance

In his 1993 analysis of the relationship between the EU and the developing world since late 1950s to early 1990s, Grilli argues that “The sequencing of . . . relations with different groups of developing countries, and of their development cooperation content, appear to have been haphazard, reactive and more dictated by events, and sometimes fashions, than by plans, principles or even a broad strategy”. European Development policy seemed to him to be more the result of chance than of any design. “Apart from the top preference reserved for Africa, who got what, when

56 Bretherton, n. 52, p. 136.
57 Arts and Dickson, n. 22, p. 10.
58 Ibid., pp. 2-3.
59 Arts and Dickson, n. 54, p. 151.
and why among the other developing countries never had a clear and consistent rationale”, he maintains.60

e) Distinctly Mediocre Policies

Owen Barder, Director for Europe at the Center for Global Development, is quite categorical when he pin points that the consolidated score for Europe shows that on average European countries have generous and effective aid policies, and they promote environmental policies that are likely to benefit developing countries. However, he maintains that on the broader development co-operation agenda, Europe’s policies are “distinctly mediocre”.61

f) Ineffective Decision Making Process

Like many aspects of EU policy making, decisions about development cooperation are often arrived at by attempting to get a majority, and, if proved impossible, by some kind of compromise position. The results are often either watered down solutions or decisions reached at great expense to one or other party. A prerequisite for the EU to exercise greater influence in international affairs is to have a common (i.e. coordinated) approach perceptible to outsiders.

g) Lack of Vision, Priorities and Ownership

In the initial decades, the Community formulated and executed its own brand of development cooperation policy and by 1990s, the Union started adopting the line of policy and programmes followed by other international organisations and donors. Bonaglia and others refer about a perception that was and continues to prevail widely that the EU’s stance vis-à-vis aid recipients became ineffective because the Union had failed “to clarify its policy vision, set clear priorities, and build a development cooperation identifiable as its own”.62

h) Dominance of Realist and Neoliberal Thinking

Stephen R Hurt argues that the “continued dominance of neoliberal thinking in EU policy towards the ACP states results in neither a genuine focus on poverty

alleviation nor a convincing case for sustainability”. 63 He maintains that the Union is just paying lip- sympathy towards the goal of poverty reduction, while engaged in causing it in the developing world through its policies and programmes. Mary Farrell too maintains that the EU policy towards Africa, as reflected in the Cotonou Agreement, was “strongly realist in tone, and that the rhetoric on partnership reflects less a normative agenda than a trenchant pursuit of what are really neo-liberal goals and the extension of economic liberalisation in the interests of the EU. Farrell also points out that the provisions on trade cooperation and the promotion of economic partnership agreements lie fully within the scope of the WTO agenda and nothing in the Cotonou agreement “threatens the special interests within the EU (even when these are threatened by the broadening WTO agenda itself)”. 64

i) ‘Poverty’ hyped while ‘Poor’ Ignored

The Communication on The European Community’s Development Policy, which was issued by the Commission in April 2000 maintains that the integration of developing countries, and especially the Least-Developed Countries, into the world economy is a necessary condition for their growth and sustainable and social development. At the same time, the Communication states that trade liberalisation is not an end in itself, and should not impose excessive burdens on developing countries. The Communication also says that the Community must take an increased focus on poverty reduction in all its development activities. Aprodev, the association of several non-governmental organizations critical of the development cooperation policy and practice of the EU, laments that the Communication emanating from the EU institutions like the Commission always “speaks about ‘poverty’ and never about ‘the poor’.” 65

All these factors have reduced the European DCP an ineffective “in the realm of producing, encouraging or facilitating development, although effective in creating the image of an actor engaged with the world’s poor”. 66

63Hurt, n. 29, p.160.
64 Farrell, n. 10, p. 279.
65 Ibid.
66 Arts and Dickson, n. 22, p. 14.
What Needs to be Done?

a) Formulate Development Friendly Policies

While ranking the Commitment to Development Index, dozens of different indicators are identified in seven distinct policy areas such as trade, investment, environment, migration, security, technology, and aid. Some Scandinavian countries top the Commitment to Development Index, not only because they are generous in the quantum of aid they offer, but also because they have impressive development-friendly policies which take into account these indicators in the concerned policy areas and as such, never run counter to their DCP and affect poor ‘third’ countries. However, when the score for EU is consolidated, the Union comes out overall as distinctly average. Owen Barder was categorical when he maintains that in case “all the other member states of the EU are prepared to take the approach of Denmark to global security and of Austria to immigration, then the Union would be the unchallenged world leader in development co-operation. And if Europe were able to adopt global best practice in each of the seven policy dimensions of the Commitment to Development Index, its consolidated score would jump by 67% from 5.3 to 8.9, bringing to an end its present slide down world rankings”. Again, Barder rightly claims that the Scandinavian experience unequivocally demonstrates that it is quite possible to pursue development-friendly policies without much political or economic cost. He also points out that more development-friendly policies are not only beneficial to the recipients but also to the Europeans.67

b) Initiation of Reforms

Need was always felt to introduce some reforms in the DCP and the institutions involved in the development cooperation programme, so as to make the policy and practice more effective and compact. Several efforts were undertaken by the EU to reform its institutions, especially the Commission. In the policy area also numerous attempts were made to make it more effective. While emphasizing on the need for introducing reforms, Barder argues that many reforms that would benefit developing countries would also be favourable to a majority of European citizens and maintains that people across the EU would generally benefit from a greater opening of their markets to imports from developing countries and improved co-operation.

67Barder, n. 61.
between national tax authorities. He points out that the policy battles are not really fought between wealthy and poor countries, but between well-organised domestic interest groups within wealthy countries and everybody else. Barder is emphatic when he maintains: “Europeans in any case have a long-term interest in helping build a peaceful, prosperous global community, something that is often given insufficient weight in the balance against the short-term costs of reform”.68

c) Not to abandon Poverty Eradication

Enormity and near unattainability of the goal of poverty eradication in the foreseeable future have prompted many scholars like Martin Holland to maintain that it seems foolish on the part of the EU to establish poverty eradication as one of the prominent development policy goals and to suggest to choose less grandiose but more achievable objectives. Holland feels that such steps are needed to enhance the reality of the EU’s presence in a global context.69 However, it is felt that poverty alleviation, though not an easily attainable goal, is still worthy of attempting and the EU, which had achieved a couple of unachievable already to its credit, maintaining peace for almost seventy years in the continent which is war-prone throughout history, for instance, should put its weight and economic might behind this noble cause.

d) Support MDGs

Though impressive progress has already been registered, millions of people worldwide still live below what should be considered a decent standard of living. The world is still left with unfinished business to attend to in regard to achieving the targets set for 2015. Much development aid should continue to go to sub-Saharan Africa. This part of the world already has several failed states, including Somalia and the Democratic Republic of Congo. Failed states provide a haven for terrorists and thus pose a risk to Europe. So a strategic case can be made for assistance to some parts of sub-Saharan Africa. But even if it could not, there is a strong moral case. Over 400 million Africans – more than half the total population – live on less than $1.25 a day, which the United Nations defines as living below the poverty line. Three hundred million Africans – a third of the total population – do not have access to clean

68 Ibid
69 Holland, n. 21, p. 244.
water and sound sanitation. This pathetic situation in the developing countries in general and in Africa in particular, brings out the desirability of continuous pursuit of MDGs in post-2015, so that the EU’s goal of “A Decent Life for All by 2030” may become a reality.

Conclusion

In a way, the European development cooperation policy and programme seems to be the expression of atonement of the erstwhile colonial masters to their former colonized people. The DCP which was initiated by the Treaty of Rome in 1957, was reiterated and elaborated in the subsequent treaties culminating the Lisbon Reform Treaty. The objectives of the DCP got added along with time, according to the challenges and problems faced by the EU in the international political and economic arena. The fact that these objectives were getting repeated time and again clearly shows that the objectives still remain to be achieved. Poverty reduction and ultimate eradication, which is reiterated again and again without much impact. Some scholars talk about the impossibility of achieving such an objective and suggest the EU to abandon such an aim and formulate something that is achievable.

The DCP was used more as a tool than as a policy on its own, giving prominence and priority to achieving the developmental goals and it could not achieve much because of mediocre policies initiated without conviction and half-heartedly implemented. The need of the hour is development-friendly policies implemented with care and conviction. In the 1990s, end of cold war, the on-going process of globalization, policy priorities and preferences of other international financial institutions and other such factors brought in a new trend in the arena of development cooperation. The EU became part of this international juggernaut and started imposing political and economic conditionalities aimed at integrating the economy of the developing countries with the global economy.

Formulation and implementation of DCP strongly influenced by the Union’s attempt to define, project and establish itself as a strong international actor and to

achieve its foreign and security policy goals. Using DCP as a soft policy tool has its own limitations and to its dismay, the EU understood that the depth of its purse could make the recipient countries to do something or desist them from not doing something.

The most important factor about the European DCP that stars at the face any critical observer is its adhocism and lack of plans, principles or even a broad strategy. This has severely affected its efficiency and effectiveness. Lack of policy vision, originality and of purpose taken away the sheen of development assistance programme. Though need for reform was felt and seriously attempted by the Commission time and again, much could not be achieved due to institutional shortcomings and tendency to work at cross purposes.

To make their DCP effective, the EU needs to support the efforts of the developing countries in achieving their MDGs target within the time frame. As of now, it is clear that most of the targets are partially achieved and the work still remains unfinished. While halving the number of poor is achieved, the number of poor and intensity of their poverty is increasing. Issues of public health, primary education and other such indicators present a daunting task to be achieved. The EU’s hands are full with the remaining tasks.

Aid effectiveness is yet another issue that the European DCP needs to face and attempt at course correction. European Consensus on Development of 2005 proposed several initiatives to improve the effectiveness of European aid and to enhance the quantum of aid. Agenda for Change aimed at bringing in changes towards good for a bright future for the youth. A Decent Life for All by 2030 remains the target of the European DCP and the EU has to redeem itself by formulating plans to help the developing countries to arrive at this goal.