

A focus on global processes

For many years Germany has focused on providing technical assistance and bringing peace and security to many developing and newly independent states. It now wishes to play a more significant role in European and multilateral institutions.



Alamy / Victor Watts

The young Federal Republic of Germany made its first donation to a United Nations development programme in 1952. The trauma of war and reconstruction, the

reintegration of millions of refugees, and the country's reliance on Marshall Fund aid had all helped to sensitize politicians to the plight of developing countries. The German parliament introduced an active North–South policy, with support in the form of technical aid, vocational training and further education, as well as programmes to build cultural and social relationships between Germany and the developing world.

For the generation of West Germans who began their professional lives in the 1960s and 1970s, development aid and working in the 'Third World' were an opportunity to show that there was a Germany very different from Nazi Germany, which had left Europe devastated. In 1956, the parliament included 50 million marks (about €25 million) in the budget of the Federal Foreign Office for 'supporting activities for underdeveloped countries'. Five years later, the republic created the federal Ministry for Economic Cooperation and Development (BMZ).

The Cold War and beyond

Between 1961 and 1989, development policy was greatly influenced by the Cold War. Germany was not alone in more

summary

- With the end of the Cold War and reunification, Germany turned its attention to assist former Soviet states, affecting its involvement in Africa.
- Partly in response to 9/11, the coherence of foreign, trade, security and development policies is now seen as essential for sustainable global development.
- As well as programmes in partner countries, Germany also focuses on nine out of 15 'anchor states', each of which plays a key role in the stability of their region.
- Although involved in the development efforts of many European and multilateral institutions, Germany has so far played a minor role in their governance. This situation is set to change.

or less neglecting newly independent Third World countries that sympathized with communism. The social-liberal coalition headed by Willy Brandt (1968–74) emphasized the interests of the developing countries and long-term country programmes, but this was followed by a phase of pragmatism. In the wake of the oil price crisis in 1973, the economic interests of the industrialized countries became more important again.

In the mid-1980s, Germany introduced the idea of policy dialogue, the aim of which was, and still is, to influence the policies of developing countries and their elites, and to reach agreement with the government on a political, economic and social framework. Although the volume and content of development assistance still depend on the outcome of such policy dialogues, in practice they are also influenced by the partner country's strategic importance.

Following the fall of the Berlin Wall, the end of the Cold War and German reunification had a strong impact on development policy. Projects in the former Soviet republics

By **Hannelore Börgel**, a development consultant and analyst based in Berlin, Germany, who since 2000 has worked mainly in regions affected by crisis and conflict.



Joschka Fischer, former foreign minister and leader of Die Grünen. Germany's involvement in the war on terror caused heated debates about the relationship between development and military intervention.

in Central Asia were integrated into Germany's development programmes. Some of these newly independent states, such as Tajikistan and Kyrgyzstan, were close to collapse, requiring emergency aid – later called development-oriented emergency aid – to provide their citizens with food and other basic needs. Germany assigned a special budget to this.

As civil wars erupted in several former Soviet republics, including Tajikistan, it became obvious that development and security could no longer be separated. In 1993, the German chapter of the Society for International Development (SID) and the German parliament jointly organized a conference on development and security for European parliamentarians. A year later, 'human security' was chosen as the theme of the UNDP's *Human Development Report*, and it also became the guideline for German development policy.

21st century aid

Partly in response to the terrorist attacks of 11 September 2001, the role of development in the early 21st century has changed. In Germany, development policy is now understood to mean global structural and peace policy as well. The coherence of foreign, trade, security and

development policies is regarded as essential to achieve sustainable global development – the key term being 'sustainability'.

In June 2008, the government published its first white paper, *Auf dem Weg in die Eine Welt (Towards One World)*. It describes the four main principles that currently guide its development cooperation – to reduce poverty worldwide, protect the natural environment, build peace and democracy, and promote equitable forms of globalization – as well as strategies for implementation. 🇩🇪

Germany today provides bilateral assistance to some 60 developing countries, down from 120 in 1998. Other countries will also receive assistance as part of regional programmes or projects dealing with specific sectors (such as HIV/AIDS, climate change, forest protection and crisis prevention), or through Germany's contributions to the programmes of the European Union and multilateral organizations. Africa will remain the main recipient of German development cooperation.

Coherence

How to achieve policy coherence has been the subject of many recent discussions between the BMZ and various federal ministries, including those of economics, finance, agriculture and the environment, and the Foreign Office. To inform these discussions, the German Development Institute (DIE/GDI) conducted a study of policy coherence for development from a more general perspective, based on an analysis of international experiences. The report concluded that policy coherence is a complex management task in light of the current limitations of development policy, such as its limited influence on other policies, as well as its small budget.

Compared with other donor countries, however, Germany's efforts to improve coherence have yielded some positive results, according to the OECD's Development Assistance Committee (DAC) in its recent peer review. The DAC found several favourable conditions for this, including the government's official acknowledgement of the need for policy coherence, the existence of an independent ministry (BMZ) with a cabinet level minister, and practical experiences in achieving coherence at various levels.

German development policy aims to help shape globalization in such a way that it meets the social, environmental and human needs of all peoples. Today, much more than in the past, the development opportunities available to countries in the South are influenced by climate change, international financial markets, technological progress, and international institutions. Germany therefore supports the new global partnership between industrialized and developing countries, which advocates strengthening the influence of the developing countries within international bodies such as the World Bank and IMF, and promotes fair working conditions and the introduction of International Labour Organization norms worldwide.

The fact that influencing global processes has become more important in official German development policy than the implementation of projects and programmes has led to ➤



Chancellor Angela Merkel and Brazil's President Luiz Inácio Lula da Silva after signing a strategic partnership agreement in May 2008.

intense debate. Supporting this trend are the various think tanks, led by the German Development Institute. On the other side, experienced practitioners and analysts believe that development will only have an impact when all 'target groups' – down to the village level – play an active part in the process. They argue that such bottom-up approaches cannot be left to the sole responsibility of NGOs or emergency aid, but require official support. The 'global process' defenders currently have the lead in the debate, and in recent panel discussions they have dismissed, or sometimes even mocked, those with opposing views.

Development or security?

The aim of all German involvement in developing countries is to achieve societal and institutional change. In a 2007 strategy paper, the BMZ outlined a range of approaches that can be used in dealing with difficult governance situations. 🇩🇪 Germany assists its partner countries to address the structural causes of conflicts and to adopt measures to prevent their escalation to full-blown crises at an early stage. It supports both governments and civil society actors in non-violent means of conflict management, with comprehensive programmes to ensure the participation of a wide range of social groups.

Through the Civil Peace Service, established in 1999, Germany provides specially trained experts who work together with local organizations and initiatives to mediate in conflicts, and to raise public awareness of the concerns of disadvantaged groups. They are also involved in the rehabilitation of former combatants, helping them to return to civilian life, working with traumatized victims of violence, and assisting refugees to return to their homes.

Germany's involvement in Afghanistan in the aftermath of 9/11 has given rise to heated debates about the relationship between development and military intervention. Contradictory official statements have contributed to blurred public perceptions about the role of the army. During the early stages of engagement, the role of the army was described as similar to that of a civilian reconstruction team in uniform. German development experts and NGOs kept their distance. The north of Afghanistan, which is assigned to the responsibility of the German army, was described as more or less peaceful, and German troops were said to have a good reputation among the local population. But this situation has changed, especially in Kunduz province, where the army is fighting the Taliban. In the meantime, in the more peaceful northern provinces, Afghans are enjoying the first results of the reconstruction work. Economic activities, trading and transportation have improved, but many are afraid that the Taliban may return. Among the German public a more realistic view of the possibilities of development cooperation in areas of conflict and crisis has slowly taken root. *Die Linken* (the Left) is the only party that insists on the immediate removal of German forces from Afghanistan.

As in other countries, the German media have tended to report spectacular events such as suicide bombings, rather than the successes of reconstruction. They have ignored, for example, the success of the Afghan National Solidarity Programme in taking the first steps towards establishing bottom-up processes such as development councils at district and village levels. There have been very few reports of the provincial and district development funds, financed by German aid, or the fact that Afghans and Germans are working side by side to decide how to apply them. It is only recently that the German public has started to realize that it is impossible to eradicate the consequences of almost 30 years of war in Afghanistan in just five years.

Anchor states

Apart from its programmes in partner countries, German development cooperation also focuses on nine of the 15 so-called 'anchor states', each of which plays a key role in the political and economic stability of their region. These states are regarded as indispensable partners in addressing global challenges such as poverty reduction, climate change and environmental protection, peacekeeping, creating a just global economy, and establishing democracy and good governance.

The cooperation with these anchor states focuses on three main areas: concentration in terms of content; building dialogue and expanding relations; and encouraging exchanges between researchers and business leaders in the partner countries, among the partner countries and with Germany. BMZ works directly with nine of the 15 anchor states: Brazil, China, Egypt, India, Indonesia, Pakistan, Mexico, Nigeria and South Africa – in order to steadily transform development cooperation into strategic partnerships. There is currently no bilateral development cooperation with the anchor countries Argentina, Iran, Russia and Saudi Arabia. In May 2008, Chancellor Angela

Merkel signed a strategic partnership agreement with Brazil, negotiated during the G8 summit in Heiligendamm in 2007.

As the financial strength of the anchor states improves, their contributions to development interventions under financial and technical cooperation agreements are gradually raised. The policy for anchor countries also includes helping them build up their own development cooperation structures. For instance, Germany is advising Mexico on setting up its own agency for development cooperation, and is extending environmental projects being carried out under the Mexican-German partnership to other Central American countries.

As well as BMZ, various other German ministries also implement programmes in the anchor states. Although in theory a lot could be gained from synergies between them, institutional rivalries often hamper such benefits in practice.

Institutional rifts

The implementation of German development policy has traditionally been split among a number of key institutions. The division between the agencies for technical cooperation (GTZ) and financial cooperation (KfW) is another German peculiarity. There have been regular discussions and consultations about uniting GTZ and KfW, but the final decision is always postponed. In the partner countries, however, it is increasingly common that a 'German house' is established, which accommodates the offices of the different government development organizations. But the actual level of cooperation still depends largely on the individual staff of the different offices.

Discussions on integrating the BMZ into the Foreign Office also regularly surface, but things remain as they are. Often, the simple reason for this is that coalition governments need a number of ministries, and the BMZ and the Foreign Office are usually headed by ministers from different parties. When the discussions become really serious, NGOs and churches usually start publicizing their arguments as to why development policy needs to retain a ministry of its own.

Political foundations

The German government supports the development programmes of various political foundations (*Stiftungen*). In 2007, €189.5 million was divided among:

- Friedrich Ebert Foundation (FES) – links with the Social Democratic Party (SPD)
- Friedrich Naumann Foundation (FNS) – links with the Free Democratic Party (FDP)
- Hanns Seidel Foundation (HSS) – links with the Christian Socialist Union (CSU)
- Heinrich Böll Foundation (hbs) – links with Bündnis 90/Die Grünen (Alliance 90/Greens)
- Konrad Adenauer Foundation (KAS) – links with the Christian Democratic Union (CDU)
- Rosa Luxemburg Foundation – links with Die Linke (the Left)

The difficulty in coordinating the efforts of different ministries is perhaps most evident in Afghanistan, where four ministries are involved in reconstruction – BMZ, the Foreign Office, the Ministry of Defence and the Ministry of the Interior. They have all been ordered to support Afghanistan, but three ministries demand the leadership: BMZ, because it has the longest experience in development and reconstruction; Defence, because more than 4000 troops are deployed there; and the Foreign Office, because it is responsible for maintaining diplomatic relations. In 2009, parliament granted the Ministry of Defence €571 million, the Foreign Office €91 million, and BMZ €90 million for their operations in Afghanistan. The Foreign Office is now also involved in vocational training and health, which are actually among the core tasks of the BMZ.

Development actors

In addition to the wide range of state-funded organizations, many individual federal German states (*Länder*) are involved in development cooperation, as well as a large number of NGOs, faith-based organizations, political foundations and other private bodies. About 100 German NGOs are organized in an umbrella organization, VENRO. The BMZ provides financial support for, and exchanges views and experiences with, these organizations. The NGOs are involved in formulating the BMZ's country, regional and sector strategies and, through VENRO, in raising public awareness of development issues.

The foundations associated with the different political parties, another German peculiarity, are involved in projects to strengthen multi-party democracy, and to support civil society organizations and trade unions (see box). These foundations are not necessarily linked to specific parties in the partner countries, but they open up the circle of traditional actors in development cooperation, and contribute to the strengthening of democratic structures.

In addition to its bilateral assistance, Germany contributes to the development efforts of many European and multilateral institutions. Although for many years Germany has played a rather restrained role in these institutions, it now wishes to have more influence on the international stage. For decades the German government – unlike those of France and the UK – has underestimated the importance of placing highly qualified personnel in key positions in international organizations. Clearly, this situation is set to change. ■

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