

Deceptive development cooperation

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In most Western-European countries, feelings about development cooperation are rather strong. Heads of government are proud of their achievements. Many small and larger organisations are active in developing countries. But this enthusiasm cannot conceal the fact that we, the generous donors, are in fact 'takers'. We, in the rich countries, are taking far more from the developing countries than we are giving them. It is time to stop this charity and to start giving priority to the structural causes of poverty, inequality and ecocide. We need to have the courage to question our own wealth. What is wrong about that? Is there any reason to think that we are now happier than we were in 1979?

The success of development cooperation

1 Most people have strong feelings about development cooperation. Heads of government are proud of the huge amounts of money their countries are spending on 'development'. They feel supported by the many large and small development organisations that are active for or in poor countries. More and more people want to show their solidarity with the poor in all kinds of local initiatives. Sometimes, it seems as if we're back in the 60s or 70s. Governments and NGOs are clearly taking advantage of this situation by reacting to all different hypes, the newest one being probably micro-credits. All seem to be happy. And all seem to believe that it really helps.

Does it help?

2 Should we be happy about this situation? Does it help? Or does it hinder development? The authors of this text have been active for years in different solidarity organisations with developing countries and we acknowledge that all these different initiatives and activities can give hope to those who suffer and to those who try to help. So many young and older people are committed to trying to shape a better world. And yes, many people in poor countries do receive help, micro-credits can help a starting business woman, schools can be built, children can be nourished. But there are different reasons why we are not happy with this situation.

3 One of the reasons is the concrete situation in which poor people are living. Surely, there are positive developments, like the rising life expectancy or the improving literacy rates. But this coin has another side. Billions of people live in extreme poverty. Income inequalities are raising and the United Nations are therefore talking of a '*champagne glass global economy*'. This growing inequality is alarming, even if the World Bank claims that extreme poverty is being reduced. It threatens the world's stability. Many people in developing countries are obliged to beg and hope that some crumbs of the aid will be left for them. The battle for these crumbs is not always that positive and nurtures a culture of dependency instead of promoting empowerment and responsibility.

4 Ecologically matters are worsening: biodiversity has been declining for several decades, our ecological footprint exceeds the sustainability level, and climate change is alarming. Poor people in developing countries have to directly cope with this environmental degradation.

5 Extreme poverty and ecocide are not the only problems. Enduring exclusion is another one, marginalizing most of the poor. Global unemployment is unacceptably high. The power of a small group of transnational corporations is more and more concentrated. This marginalization does not only concern the poor themselves, but also their governments. What can a government of a country like Mali do against the power of a transnational company? These corporations have direct links with the

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governments of rich countries and with international organisations. Only the stronger development countries have some chance of successfully resisting these powers. But even in that case, they have to pay a price. And that price is the over-exploitation of people and of nature in countries like India, China or Brazil.

6 This growing marginalization and dependency, together with the inevitable democratic deficit are the reason why appeals for more own initiative and more responsibility are in fact unwarranted. Those who make these calls are more often than not co-promoters of the ideology of the world's wealthy. It is amazing to see how often they condemn initiatives that are not in their own interest, like migration, illegality, left radicalism and religious fundamentalism.

7 This ideology is neoliberalism. Because of the resistance in our own countries against the morbid growth of market fundamentalism, its predominance seems to be withering. But essentially, nothing is really changing. Neoliberalism is still prevailing in all relations with the developing world. This is very clear in all demands of international organisations like the World Trade Organisation, the World Bank, the International Monetary Fund and the European Union: liberalize, liberalize, liberalize!

8 The consequences of this liberalization seem to be ignored. Economic growth is lagging behind, except in the countries that are able to resist the liberalization demands. Ecological catastrophes are more and more frequent. Even the daily lives of people are concerned, like the local farmers that loose their livelihoods because of the competitive international supermarkets. International competition makes millions and millions of victims among farmers, craftsmen and shopkeepers.

9 The consequences of neoliberalism can also be seen in old and new forms of neo-colonial transfers from South to North: the ongoing brain drain, repatriation of profits that far exceed the private investments, unpaid taxes in the countries where profits are made, transfers to tax havens thanks to all kinds of 'favours' granted by governments, payments of interests and debt servicing that are more important than the private and public lending taken together; deteriorating terms of trade and last but not least a loss of human and natural values through the trade flows that go from South to North.

It is our civilization

10 Poverty and inequality, ecocide and marginalization: they are linked to the economies of European countries, with our way of living. Just take the example of the ecological footprint. People in developing countries have a footprint that is below the sustainability level. The over-exploitation of our planet is entirely due to our over-consumption. The same goes for the CO2 emissions and other greenhouse gases. The prices of textile and fodder that we buy in poor countries do only partially cover the environmental and social costs that they imply. This being the case, and knowing that textile workers only earn a couple of cents for the jeans they make, how acceptable is it to buy them 'made in China'? How acceptable is it to continue our meat consumption ignoring the massive ecological and social damage it provokes in countries like Thailand and Brazil? How can we go on buying and using cars without taking into account the CO2 emissions? Even if, now and then, we do think of these problems, we come up with solutions like biomass, once again ignoring the risk of their competition with foodstuffs? Or ignoring the pollution of ethanol production? How civilized is our civilization?

Unsustainable

11 The current development of the global economy is ecologically and socially unsustainable. It is against this background that we have to realize that development cooperation, however honest and human it is, can in fact be coined impertinent. Once again, it is the story of one hand giving what the other hand is taking. Whatever we 'give', it is so much less than what we 'take'. It is the old story of charity that conceals the structural violence. All beautiful assessments and evaluations of governmental and non-governmental organisations are a cover-up for what is structurally happening. Development cooperation is nothing more than an illusion. But it is an effective illusion that motivates people and legitimizes the fact that it has become a prospering business. It also nurtures the illusion that it is perfectly right for people to be very wealthy if only they leave some crumbs for the poor and the environment. We used to call this charity.

12. From that perspective, development cooperation is, structurally, nothing more than a deceiving enterprise. It prevents us from seeing what is really happening and what is our co-responsibility. We

should know that in a couple of decades a *Historikerstreit* will probably take place in Europe, comparable with what happened in Germany around the mantra '*Wir haben es nicht gewusst*' ('we did not know').

And now?

13 Knowledge is a commitment. We will not be able to constantly ignore the complex and horrible reality. This should be the first step: to accept and recognize that we are takers and not givers. Only then will it be possible to look for ways of taking our responsibility.

14 We will have to analyse different, complex possible steps to be taken. We should look first of all at the structural problems. We will have to stop the liberalization of the global economy. We will have to stop the dominating transnational corporations as well as the transgovernmental organisations like the WTO, the World Bank, the IMF and the European Union. They will have to make place for a new kind of 'liberalization' of all countries, even Europe. Countries and regions should be able to decide for themselves what kind of development they want to pursue, taking into account their global responsibilities and the limits this implies for all policies.

15 We will have to stop the export-led growth model in global trade. We will have to take initiatives in order to internalize social and environmental costs. Countries and regions should have a possibility to protect their economies against international competition and other external interventions. They should have real opportunities to decide on their own development path. This also means they must be allowed for deciding on their needs of foodstuffs and energy.

16 Export-led growth is not the only thing that should be questioned. Growth as such will also have to be discussed. Here, we refer to growth in its usual meaning of gross domestic product. We are not against growth, but we certainly are against that kind of growth since we already exceed the sustainable material level of growth. From the point of view of fighting poverty, the necessary levels of investments in order to effectively create traditional growth, are far too high. We want to promote a policy of selective shrinking and growing. This should quickly lead to a limit on the material consumption of European citizens and, consequently, to lessening the ecological footprint, the emission of greenhouse gases and the restoration of our biological diversity.

17 In order to fight poverty, redistribution is not only more sustainable, but also more effective. We will have to think on how to change our (material) consumption and our tax systems. International capital movements will have to be taxed. Both measures will allow for putting into place a system of global financial redistribution.

18 Many reforms will be necessary. European countries should make an end to tax favours for companies that work in other countries. We should promote the re-investment of profits of international private corporations in developing countries, preferably in activities that benefit people and nature. Concerning the external debt of poor countries, it has now become urgent to cancel it.

19 These and other policies can contribute to lessening the structural problems of developing countries. But they will only be effective in the long term. Therefore, measures have to be taken immediately in order to secure the livelihood of the world's poor. This is, on the one hand, humanitarian aid in situations of urgent need, independently of their causes. It is, on the other hand, sustainable aid to give people security. Here, we think of basic needs such as health care, food, education, clothing, housing, income, and so on. Humanitarian aid and the satisfaction of basic needs are human rights, not favours. As long as societies and governments in developing countries are not able to raise the necessary resources, global channels will have to be organised. Solidarity is and remains a necessity.

20. Decisions on the future of the world are still taken in un-democratic institutions. We think of the G8, the World Bank and the IMF. Even in the WTO, the big players have all the real power. In fact, some organisations have been de-democratized, as we can see from the marginalization of UNCTAD. Of course, many critical remarks are possible on the way the UN is functioning and we are happy that steps are being taken in order to improve it. But do the other institutions fare so much better? Think of what is happening with the des-organization of the World Bank! Think of the powerlessness of the G8 to really do what it promises year after year in terms of poverty reduction. Think of the lack of

legitimacy of the IMF. We think we urgently have to restate the legitimacy and the respectability of the United Nations and of its agencies and organisations.

21 Some will say that these proposals are too difficult and will not be put into practice. We think they are wrong. Many people, groups and organisations are developing alternatives and solutions that have been ripening in a bottom-up way and that are based on self-motivation. It means people can decide to develop another way of living or can participate in actions and programmes aimed at structural change. Their power is more and more visible, for instance at the alternative G8 summit in Germany recently. In theory, participating in fund-raising can be a good start. In practice, it is often more a hindrance than a stimulating experience.

Back to 1979?

22 This whole reasoning leads to the abandonment of the current policy of development cooperation. What we propose implies a shift in thinking and doing. The current projects and programmes are no longer relevant. We should first tackle the causes of the unequal development and guarantee human rights. The results will be tremendous, though the price will be high. Does that matter? In spite of our growing wealth since, let us say 1979, we are now not happier than we were then. Was life so bad, after all?

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