

What Has Become of the Fight Against Poverty and of Participation in Germany's Development Cooperation?

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CONCEPT OF THE PARTICIPATORY FIGHT AGAINST POVERTY

The combating of poverty was conceptually combined with participation for the first time in the 1980s. This was triggered by increasing criticism of the insufficient efficacy of government-led development cooperation concerning the reduction of poverty worldwide. Criticism focused on the inadequacy of assisting target groups. In 1983, the *BMZ* (Germany's Federal Ministry for Economic Cooperation and Development) consequently established its own task force. It was to examine how disadvantaged people's productive skills and income could be increased via self-help campaigns. The instruments of development cooperation were to be realigned to meet this objective.

This task force included representatives from five public DC (Development Cooperation) organizations, the *Konrad Adenauer Stiftung*, and the *Friedrich Ebert Stiftung* as well as members of Germany's Catholic and Protestant churches. Key figures in developing countries contributed during a series of hearings held by the Bundestag's Committee for Economic Cooperation. The principles of the participatory fight against poverty created at that time continue to play a large role in the development-policy discussion. Examples include initial statements made by the new Minister for Economic Cooperation and Development or Bonn Appeal statements. Self-help must precede external help — not the other way around. Individual responsibility and contributions from the poor and their organizations are decisive. In contrast to the satisfaction of basic human needs in the 1970s, the participatory fight against poverty focuses on the productive power of poor people. The involvement and participation of the disadvantaged is not only a means to a project's success, but also a goal of public development cooperation.

The BMZ assumed a leading role in the international development discussion in the 1990s with new concepts and instruments; its role was validated by its presidency of the Participatory Development and Good Governance workgroup, set up in 1993 by the OECD's DAC subgroup. In 1990, the World Bank had introduced into international discourse the notion of combating poverty as a political process in its world-development report. The focus here is on poor people obtaining economic and political power. Due to its economic mandate, however, the World Bank long found it difficult to translate this concept into practice. Only some time later did the World Bank succeed in incorporating the political element of the fight against poverty into the concept of good governance. In 1996, Karl Osner commented on German development-aid policy, which was a step ahead of the World Bank, by saying: "The participatory fight against poverty is a sociopolitical project: democracy for the benefit of disadvantaged groups of people!"¹

The conceptual building of the participatory fight against poverty was supplemented during the Nineties by implementation concepts. Deserving of mention in this context are 1995's target-group concept and 1999's participation concept. The new quality of dialogue with the *BMZ* correlates to coordination with German non-governmental organizations (NGOs) in the standing Fight Against Poverty Workgroup, created as a successor to the permanent task force. As a result, key initiatives arose — all of them from international development-cooperation specialists who pushed the fight against poverty toward the top of political agendas in Germany and elsewhere. Worthy of mention are poverty-reduction strategies (PRSs), the United Nations' Millennium Declaration from 2000, and the millennium development goals (MDGs) adopted in 2001. The *BMZ* is bolstering the Millennium Declaration via its "Program of Action 2015: The German Government's Contribution to Halving Global Poverty". This Program of Action consists of ten non-prioritized areas for action, which are seen as global structure policies within the

¹ Karl Osner, "Strukturelle Armutsbekämpfung. Durch selbstverwaltete Institutionen die Politik der Regierungen beeinflussen", in: Reinold E. Thiel (publisher), *Neue Ansätze zur Entwicklungstheorie*, 2nd edition (Bonn: Deutsche Stiftung für internationale Entwicklung. Informationszentrum Entwicklungspolitik, 2001), pp. 321–330.

overarching goal of combating poverty. Many of these items are similarly formulated in the German government's 2009 coalition agreement. It places less emphasis, however, on conflict avoidance — which is of great relevance in the fight against poverty.

Social infrastructures, it must be said, can be created exclusively via long-term processes. The cost-benefit ratios typically associated with other investments are therefore not applicable. It makes little sense here to promote financial cooperation by means of loans. The demand recently expressed that loans only be provided, even to the poorest of developing countries, is consequently counterproductive. It is very good news indeed, conversely, that development cooperation for the benefit of the largest impoverished group, women, has improved considerably during the past eleven years.

The largest international triumphs concerning the concept of the participatory fight against poverty have been achieved in the development of financing systems. Germany has surpassed the World Bank here to become the world's largest supporter of microfinancing institutions, with top scores in international peer reviews. Poverty-reduction strategies (PRSs) have considerably expanded the scope of political discussions not only among donors, but also in a series of partner countries. Participation is no longer discussed merely with regard to specific projects; instead, it is a problem of legitimation and representivity concerning the representation of relevant subgroups of entire peoples. This constitutes a considerable step forward, as questions are posed concerning the democratization of political decision-making processes.

A large obstacle continues to lie in the insufficient and inadequate methods in use. In other words, this refers to the analysis of poverty's multidimensionality; to an evaluation of the social, political, and economical structures of power; and to an assessment of the effectiveness of poverty-reducing measures. An additional drawback is the insufficient interest among the political leadership at the *BMZ* with regard to implementing the stated goals. The Program of Action 2015, created in collaboration with other German government ministries and the result of tremendous effort, has had very little

impact. The role of the institutions was largely accepted at the BMZ beforehand. The Ministry is not yet sufficiently taken into account, however, in practical development cooperation. A study on the promotion of water management criticizes the “dominance of technical guidelines” and concludes that “current programs are far away from satisfying the stipulated conceptual standards of the *BMZ* concerning the fight against poverty and peoples’ participation in development endeavors.”². In addition, the participation of civilians and parliaments regarding the creation of national poverty strategies is limited in most countries, at best, to informing and consulting. Active participation is present in just a handful of countries — in no small part thanks to the capacity-building requirements of Germany’s *GTZ*.

Globalization presents development-aid policymakers with immense challenges. It will become even more difficult to effectively combat poverty. It is extremely contraproductive to play the ostensibly altruistic goal of combating poverty and German vested interests off each other. The fight against poverty is and will remain one of development-aid policy’s core tasks and core items of legitimation! That will remain true despite the emergence of additional task areas, especially in the context of globalization. A transition — promoted in part by the Bonn Appeal — away from the wholesale categorization of African governments as corrupt to grass-roots civilian organizations is not the only solution. Whether or not anti-poverty strategies succeed depends not only on the self-help potential of the impoverished, but also national and international conditions in general. These necessary conditions are undoubtedly not possible without pressure from below, yet also necessitate the creation of institutions at the macro level. This multi-level approach and the multi-stakeholder approach collectively comprise a trademark of German development cooperation. When the poor organize themselves economically in self-help movements, then they acquire political power — which they need in order to realize their economic interests. German development cooperation can by all means successfully

² Frank Bliss, “Die Armutsorientierung bestehender entwicklungspolitischer Programme und Projekte im Wassersektor”, in the *Deutsches Institut für Entwicklungspolitik* (publisher), *Teilgutachten 2* (Bonn: *DIE*, 2004), p. 1.

promote this process from afar, as projects outside the scope of microfinancing also show.

Climate change will also engender extensive repercussions. Experts forecast that there will be 200 to 300 million climate-change refugees by the year 2020. Expenditures for catastrophe aid and humanitarian aid will rise considerably. Industrial nations will have to provide much more money for climate protection and adjustments to climate change in developing countries. Only then will developing countries ratify global climate agreements.

The fight against poverty and climate policy must be blended. The financial architecture for it remains quite undefined in Germany and abroad. Defining it must be a top priority in the months to come for Germany's *BMZ* and *BMU* (not to mention the *BMF*). These German Ministries must jointly ensure that expertise concerning development-aid policy thoroughly informs the planning and implementation of measures with regard to climate protection and adjustments to climate change. The existing duplication and antagonism among ministries in Germany's federal government and the European Commission is counterproductive — particularly for poor people in developing countries. Changes must be made to the financing of development cooperation and adjustments to climate change. One possibility would be to set up a new workgroup to remedy clear breakdowns in communication regarding fundamental issues.

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