

The Commission and development policy: bureaucratic politics in EU aid – from the Lomé leap forward to the difficulties of adapting to the twenty-first century

Adrian Hewitt and Kaye Whiteman

To integrate or to surpass the French neo-colonial system: the Commission's choice

From the time that a united Europe was a gleam in the eye of Jean Monnet to the signing of the Treaty of Rome in 1957, the institution of the Commission was central to the European idea. Rather than just a European civil service or a think-tank, it was also intended to be the motor of European unity. Much of the subsequent debate on how to take Europe forward has been around the role the Commission might or might not play. And, when it has seemed to be stagnating, there has been a wringing of hands by Europeanists over the waning of the power of the Commission in relation to the Council of Ministers, much more seriously under the control of the member states, and, more recently, in relation to the Parliament. Every time the European project has been taken forward there has been an initiative from the Commission, usually impelled by a creative President such as Roy Jenkins (Economic and Monetary Union) and, most spectacularly, Jacques Delors (the setting up of the single European market in 1993, the European Union and the Maastricht Treaty). Under weaker Presidents, however, the Commission was revealed to be perhaps the least accountable European institution of all, and this caused periodic crises of legitimacy as well as policy, most strikingly in 1999 under Jacques Santer.

In the Treaty of Rome, the presence of the kernel of what was later to become a development policy was found in Part IV. It had been included in the manner that has come to be the trademark of European policy making: as a result of last minute horse trading by member states. In 1957 France, Belgium, the Netherlands and even Italy all still had some colonial ties, described euphemistically in the Treaty as 'special relationships'. Algeria at that time was even politically part of France, though it would not remain so for many more

years. It had not been envisaged, however, that the new democratic Europe should have colonial entanglements associated with the past era of aggressive nationalism, least of all by the Dutch (who had already lost Indonesia) and by the newly democratic Germans who saw empire as one more trapping of the Wilhelmine and Prussian past. Thus a relationship with a few parts of what was to be described as the developing world was wished on the Community almost as an afterthought, but a very French afterthought, deftly anticipating burden sharing with Bonn. Still it was important enough for the French government of Guy Mollet to make it, in February 1957, a condition of signing up to the Rome Treaty. The key elements were trade access to the EEC with reciprocity – for these were still colonies and protectorates – and a European Development Fund to which Germany and France were to contribute one-third each, even though the principal beneficiaries were French territories.

The association provisions of the Rome Treaty were all the more significant as at that time France's African territories were not yet independent, and it was not even envisaged that independence would automatically come. The late Algerian war meant that France's empire was in a crisis of decline. It took the arrival of de Gaulle on the ruins of the Fourth Republic in 1958, and the foundering of his French Community project in the wake of Guinea's rejection of de Gaulle's plans in the referendum of that year, to force the issue. The unexpected arrival of nearly all of France's African territories at independence in 1960, with those of Belgium rapidly in their wake, as well as the former Italian possession of Somalia, meant that a reformulation was necessary. The rest of the six original EEC member states had no desire to take on excess post-colonial baggage and resolved to treat France's (and Belgium's) ex-colonies as, at best, Europe's 'near-abroad'. They insisted that development policy remain subservient to the guiding EEC policies and doctrines, not least Europe's own economic integration and the protection of its agriculture. After some serious intra-European negotiation, and a certain amount of arm twisting on the part of the African associates over the amount of money offered in the second European Development Fund, there emerged the treaty which became the Yaoundé Convention of 1963. The tough part of the negotiation was between France, supported by Belgium and Italy, and the Dutch and Germans, who were unhappy at the strong French bias of Yaoundé. Fourteen of the eighteen countries were former French territories with continuing monetary ties to the former mother country and seventeen of the eighteen were broadly considered 'francophone'.

The Commission at that time largely favoured the French position, as the structures established in 1958 were heavily weighted in its direction, and managed to carry along the other nationalities in support of the association experiment. From 1958 until 1984 the Commissioner responsible for the association (as from 1975 succeeded by a partnership of equals) was French, most notably Jean-Francois Deniau, there at the time of British accession; Claude Cheysson, the first Commissioner to be designated 'Development Commis-

sioner'; and Edgar Pisani, who very much picked up where Cheysson left off. In 1984 the development portfolio was split to accommodate Cheysson's return after his spell as Mitterand's External Affairs Minister. The split initiated more than a decade of uncertainty in the Commission's development policy. This was a reflection of the extent to which France attached importance to the relationship and made it a political priority through its critical early years, as well as the years of adaptation to British entry and the emergence of a global approach to the subject, during which France felt that its interests needed to be protected.

French hegemony was counter-balanced by a remarkable continuity of German officials who held the post of Director-General of DG VIII, the Directorate-General responsible for the association, which evolved into the Development DG. These Directors-General in the early years were loyal executors of policy, by and large reflecting the official German view that this was a policy included to keep the French happy. It used to be said that the Commission was a heavy French administration implemented by Germans – that is, they took it too seriously. There certainly grew up a generation of francophile Germans in DG VIII, who embraced the association policy with almost missionary zeal and were puzzled when it became subjected to serious criticisms, especially in Africa itself.

There was some variation of personalities. If Hans-Broder Krohn, a career Commission official, implemented the evolving policy of the early 1970s correctly (as befitted a former officer in the German army) but without imagination, his successor Klaus Meyer was simply a transplant from the Foreign Ministry in Bonn. The most influential of German Directors-General was certainly Dieter Frisch, who came in after Meyer in 1984. He was a DG VIII career official. He had started in the Commission as an interpreter, and had been very involved in Cheysson's grand designs of the 1970s. Frisch managed to impose his personality on both the Directorate and policy, paving the way for a Commission initiative to include development policy in the Maastricht Treaty of 1992, for the first time as an element in its own right. He believed that once a 'critical mass' of harmonised policy was achieved, a real European development policy would evolve. In this he was perhaps being ambitious, in view of the turmoil which later beset the different development instruments in the Commission. The larger member states with distinctive bilateral policies (notably the British and the French) still felt that theirs was superior to that which was dispensed from Brussels, but they were compelled by treaty arrangement to put an important share of their development cooperation budgets into the European pot. They retaliated to Commission aggrandisement by maintaining the separate off-budget status of the European Development Fund (essentially for the African ex-colonies), which they continued to control while the European Parliament and other parts of the Commission expanded tariff policy and budget spending to other parts of the developing (and later transitional) world. Of course, in the end the tail wagged the dog.

As important as the retention of the Commissioner post in this early period was the nomination, right from the beginning, of a French Director of the European Development Fund, in the shape of a highly autocratic former colonial official, the Corsican Jacques Ferrandi. He held the post from the beginning of 1958 through to 1976, when he resigned after a conflict with Cheysson (a French socialist with greater powers of forward thinking) that was almost predestined – a clash of rival development philosophies. Ferrandi's universe was entirely confined to French-speaking Africa, and he adjusted badly to the world of Lomé and more so to that of development policy. In contrast, the Lomé Convention was the Commission's high water mark in development policy. It was admired for the achievement, not only within Europe and among the developing countries, but by a much broader international audience, especially during the first five years (1975–79) of Lomé I.

Ferrandi established a network of EDF delegates in each of the eighteen countries of Yaoundé, even the smaller mini-states, accountable to him personally. Essentially he created an empire within the empire of DG VIII, subjected to specific codified regulations, 'instructions aux délégués', down to the regulation black Mercedes for each delegate, as part of the maintenance of the prestige of the EDF. Predictably, Frenchmen who often were in position for long periods held the key delegations in Dakar and Abidjan (nodal points of the French sphere of influence in Africa). The EDF was run through an agency outside the Commission (the 'Agence Européenne de Coopération' – technically, in fact, a Belgian company), which gave greater flexibility and independence, out of the control of the Community's own budget. The EDF was also endowed for a period of five years, which gave greater stability than were it to be dependent annually on the caprices of the Community budget. This also made it a potentially more reliable source of aid than member states' own bilateral programmes. The existence and power of Ferrandi underlined the figurehead nature of the Directors-General of DG VIII, up to the point of Ferrandi's resignation. Even then, despite several restructurings, the resilience of the Ferrandist system initially proved hard to eliminate. An equivalent structure limped on under the Frenchman Philippe Soubestre until February 2000, when even that empire was broken up and operations (AIDCO) were entirely separated from what passed as policy (DG DEV).

France's concern to keep a strong handle on European policy brought its own dividends. Under Yaoundé, although the French put in one-third of the total funds, because of the preponderance of former French territories among the associated states, the contracts awarded to French firms still showed a surplus. This situation continued under the Lomé Convention up to the mid-1980s, in part because it took the new entrants time to adapt to the EDF's systems. Every technically exciting innovation, such as Stabex (from 1975), initially put the lion's share of resources the way of francophone West Africa, and particularly Senegal and Côte d'Ivoire, ostensibly as a counterweight to the non-EDF-funded Sugar Protocol inherited when Britain joined. By the later

years of Stabex the pie was being shared more equally. However, it was only at the end of the 1980s that a more equitable overall balance was achieved.

Cooperation or development

The period of 'the association', essentially from the Rome Treaty up to the opening of the Lomé negotiations in 1973, was one in which the Europe of the six discovered through the French as intermediary the modalities of a 'co-operation policy'. Even the use of the word 'cooperation' is an illustration of the way in which the French introduced into the European context their own nomenclature, which they had developed to describe their own development policy in 1961. The same applied to the emotive and subsequently discredited word 'association', which had strong Gaullist overtones dating from the abortive Franco-African Community of 1958 which was also an 'association'. And of course the EU itself was a Community, or a series of Communities, after the French model, until very recently.

At the same time the other members of the EEC discovered the limitations and distortions of the French perspective. For various reasons, the Commission was not in the forefront of those who pushed for change. It lacked a strong internal policy unit, although there were those who were aware of the inadequacies of what was happening. For the countries of 'the association' (officially the AAMS) were very much perceived as being 'Europe's chosen few'. (This term was coined by Morton and Tulloch (1977). Tulloch also published *The Seven Outside* (1973), referring to Asian countries which later became high achievers despite being excluded from the EEC's charmed circle.) Not surprisingly, the relationship was much criticised in the new nationalist Africa, by leaders such as Kwame Nkrumah of Ghana and Sekou Touré of Guinea. There was much suspicion of the idea of 'Eurafrica' which some of the more enthusiastic proponents of the association tended to promote. It appeared not just paternalistic, but had unfortunate historical associations with both Hitler and Vichy, and tended to conflate the charge of neo-colonialism laid against the whole Yaoundé relationship. Later, the narrower concept of 'Françafrique' became a cynical jibe of French youth (not just of the French left) as France found itself faced with taking tough decisions on the reform of economic and foreign policy in an era of globalisation.

One of the main conditions that the Germans and the Dutch imposed for agreeing to Yaoundé was nonetheless a commitment on the part of the European Community to negotiate association agreements with other countries at similar stages of development elsewhere in Africa. This was taken up by Nigeria, which in spite of reservations about Yaoundé negotiated a trade accord. Typically this was never implemented because of the significantly pro-Biafra posture adopted by France and many of the other original EEC member states during the Nigerian civil war (1967–70). In 1967 the German/Dutch pressure bore more positive, if still modest, fruit in the association agreement

with the East African Community. This was still limited in scope and concessions compared with the sweeping nature of the Yaoundé Convention. The East African Community itself split up shortly afterwards. In 1972 an association agreement was reached with Mauritius, whose deal with the EEC included an aid component. This privilege was accorded in part because it did not cost very much, but also because, as a country with a minority francophone population, a formal link to the EC was a consolidation of French efforts to lure the country into its own sphere of influence. The Mauritians were smartly using this to get in ahead of the field at the moment of British entry. Surprisingly, in the 1950s and 1960s (and by some even as late as 1972) Mauritius was seen as a hopeless case of a labour-surplus economy with a declining core commodity. In fact it used its European links more extensively than any other and Mauritius is currently referred to not only as a Lomé role-model but also as one of the few ACP countries (perhaps the only) really to have developed from the relationship.

It is hard now to recall the curious political climate in Europe. De Gaulle's celebrated '*non*' to British entry of February 1963 (greatly to the disappointment of the Dutch and Germans) was one of the factors that led to the almost fatalistic acceptance of the loaded Yaoundé deal a few months later. Without the British and their colonial baggage the other countries of the Community were left with little choice but to go ahead with 'the association' on French terms, recognising that it at least offered them wider market access and connections in Africa. But it was still France's affair.

The President of Gabon, Omar Bongo, for long led one of France's most conspicuous client states. This went up to the extent that via the aid relationship he became the paymaster of several French parties. In the 1990s Omar Bongo wrote that in the 1960s he had asked General de Gaulle why he was so reticent about British entry ('*mais pourquoi, mon Général?*'). The General replied 'It is because of you others, the francophone Africans. For you in this affair of the European Community, everything happens pro rata because of demography, so when you see the giants, Nigeria, Tanzania, Kenya beside Gabon, one must be vigilant' (Bongo 90, 1994). India, Pakistan, Malaysia, and even the later poverty-stricken Bangladesh, were commensurately beyond the pale, out-classed by size and size of economic threat. This concern to maximise the influence and advantage for the francophones found further expression once British entry returned to the agenda, in the pursuit of the '*acquis*' – that the Lomé Convention had to provide an expansion of aid and should not lead to loss of advantage for the once-favoured ones. This became one of the sub-texts of the eighteen-month negotiations for Lomé in 1973–75.

One has to observe that in the first fifteen years of the EEC, up to the early 1970s, faced with French domination of the association debate, the Commission, far from playing the dynamic role which is its prescribed vocation in the Community, appeared frequently to be passively supporting the interests of a

member state in a partial way. That presented a distorted picture of the Community internationally, at a time when the Commission under President Hallstein was in many directions carving out its innovative role in relation to the Council of Ministers, and also taking on the ardent nationalist ulterior motives (*'arrières-pensees'*) of de Gaulle. Obviously there were those in the Commission, including in DG VIII, who felt that the policy as it stood was inadequate, but it took time for their views to be heard because of the overall context. The resignation of de Gaulle in 1969 led to a considerable easing of the pressures on the Commission in many directions, notably with regard to the British. This had important implications for the whole association policy: eventually it enabled the creation of a development policy.

Thus in 1972 British entry brought a remarkable sea-of-change, as the blockages imposed by de Gaulle seemed to melt away because of the various understandings reached between President Pompidou and Prime Minister Edward Heath. The very fact of accession opened up perspectives – initially simply because of necessity, as existing Commonwealth accords had to be squared or buried. But the fact was, as we have already shown, that other Community members, notably the Germans and the Dutch, wanted to give the Community a more serious approach to developing countries. They felt the need to open up the association in Africa because they saw the need for relations where they had better markets, especially since the Association Agreements, notably that with the East African Community, had come to seem very small beer. Even the French had a school of thought, to which Pompidou subscribed, that felt that the *'pré carré'* or backyard (as it was known) did not bring French business enough rewards, and that not just the rest of Africa but other parts of the world, including Asia, the Middle East and Latin America, offered more opportunities. President Giscard d'Estaing became a relatively youthful exponent of this idea, though held back in his time by the powerful French Africa business and security lobby as well as the realities of party funding. It is marginally reassuring to find the same Giscard presiding over some EU forward thinking in his old age.

The whole process of putting together the new relationship that eventually was to become the Lomé Convention involved setting up a deal that best responded to the needs of what were now the nine member states. This was the time for the Commission to play a constructive role in pursuing that objective. The crucial Commission memorandum of April 1973, prepared while Jean-Francois Deniau was still Commissioner, contained many of the seeds for the future. It held a number of pioneering ideas but at the same time came on the cusp between two very different policies. It hauled in a lot of old colonial baggage and burdened Europe's development policy with it for decades to come. Some parts of the memorandum still seemed astonishingly to talk in terms of the out-dated and much criticised language of 'Eurafrica' and the association, for example:

The policy of association with the AAMS goes far beyond the mere application of preferential trade measures and of technical and financial aid. Most authoritative voices in the AAMS stress, unceasingly and emphatically, the fact that association is, in the first place, a political option which aims at the maintenance and development of privileged relations of every kind between Europe and Africa. (CEC 1973)

An alternative Commission 'Fresco of Community Action Tomorrow', dating from 1974, in contrast received short shrift. It was seen as impossibly global for the time. Yet it still comes across as fresh today (CEC, 1974).

The Deniau report came at a time soon after British entry when there was still an apparent impasse between the 'associates' and those who, for a brief period, inelegantly came to be called 'the associables'. Deniau was, after all, a conventional Gaullist and a classic operator of the French system. He thought the process could be controlled. During this period some seemed to contemplate Yaoundé remaining as a fast-track closed accord, while the associables could remain part of an outer circle. Such ideas were largely marginalised with the appointment of Claude Cheysson, who may legitimately be described as Pompidou's gift to the British, which helped break through the resistance to non-reciprocity. The linguistic change was significant here; that is, the elimination of the hated expression 'association', so redolent of neo-colonialism. It was not simply a cosmetic change, but the style mattered. Many of the anglophone African leaders would not have signed up to anything less. That was Cheysson's particular contribution. He was credible with the reformers, grasping change with both hands, but was still able to preserve enough of what mattered to the French.

The Commission was in charge of the Lomé negotiations, as it had been in charge of the Yaoundé negotiations, but this was the biggest venture in the field of relations with developing countries that the Commission had ever handled. Both Commissioner and Director-General were supposed to be chief negotiators, with the Council of Ministers providing the secretariat, jointly with first the Associated African and Malagasy States and then the ACP. A special place was accorded to Maurice Foley, who had been brought in early in 1973 by the Commission, obviously with the support of the British, to be one of three Deputy Directors-General of DG VIII. A former Foreign Office minister and a convinced European, his particular role was to bring at least Africa, the Caribbean and the Pacific into a wide-ranging negotiation, and to ensure that the idea of keeping the Yaoundé countries as a privileged inner circle would be totally squashed.

Foley and other newcomers in DG VIII brought an important injection of new blood and progressive thinking. This occurred especially through selling the idea of a Pan-African dimension and by bringing in the Organisation of African Unity (even if north Africa was excluded since it was embarking on separate accords with the Community). A particular task allotted to Foley was

selling the idea to the Nigerians, who had been suspicious, and the Pan-African ticket was one of his means. It was no longer simply something for former colonies, even if that still formed the core. The crucial success was to raise the possibility of accepting non-reciprocity, which made its way somewhat enigmatically into the text of the Deniau report. The infusion of Caribbean negotiating skills, not least in the person of Shridath Ramphal, complemented the African heavyweights and crucially helped to create and sustain solidarity among the new ACP group.

With the arrival of the more imaginative and unconventional Cheysson, who had had a sometimes brilliant but very chequered diplomatic career, non-reciprocity and its successor – ‘partnership’ – became an article of faith. The progressive elements of DG VIII came to the fore after the 1974 oil crisis. Lomé did represent a compromise with the *acquis* so beloved of the francophones, which was guaranteed by the Community. The aspiration for a ‘global development policy’ espoused by the like-minded Judith Hart of Britain and Jan Pronk of the Netherlands, both development ministers at the time who formed a working alliance (the ‘Hart–Pronk axis’), was only half materialised, but Lomé still represented a giant step forward. Even in British circles it was accepted that in practice a treaty that encompassed the Indian sub-continent and south-east Asia might be over-ambitious, and need a different approach from Lomé. Nevertheless there was still pressure for opening up elsewhere, which over the years came to pass, even if the growth was, in true Community fashion, ad hoc and piecemeal.

There was at the time much talk of the changed philosophy embodied in Lomé that took account of the New International Economic Order. This was a new deal between supposedly or declaredly equal partners, a reflection of ‘genuine’ interdependence, thereby going a long way to answering the heavy criticisms that had been made of Europe’s attitudes. The presence of all Africa was psychologically very important, as was that of the Caribbean and the Pacific, at least as a concession to globalism and a step away from the dubious idea of ‘Eurafrica’. The use of an all-embracing and innovative accord to bring African countries together, especially in a way that bridged the anglophone/francophone divide, was also a plus point for the European Community as it helped to heal the old colonial wounds created at the time of the partition of Africa in the nineteenth century.

Other Community institutions – notably the European Parliament, the Court of Auditors and the Economic and Social Committee – were relatively powerless then (and on into the 1980s). The Commission was at the height of its powers and delivered the goods, the first Lomé Convention. To cap it all, the Commission mastered the spin that was needed to sell the Convention, not just to developing country governments but to ordinary Europeans.

The Commission, and especially the duo Cheysson and Foley, moved to the forefront of this change of attitude and concept. One has to recall that in 1974, right in the middle of the negotiations, Cheysson launched a document called

'The Fresco' on the basis of a blueprint furnished by DG VIII intellectuals (CEC, 1974). The artistic imagery was vivid, as it conveyed for the first time a vast panoramic picture of a global development policy that was only in the course of being painted, with a number of different elements, both geographical and thematic. Humanitarian issues were raised for the first time. The Fresco was doubtless ahead of its time. It paved the way for many things that came to pass later, again in an overly piecemeal and ultimately incoherent fashion. It was a project that only the Commission could have done and represented the sort of leap of imagination that is expected of the Commission at its best.

On another level, the same can be said of the serious attempts to radicalise Europe's policy towards southern Africa. This was a result of a conscious Commission bid to play the Pan-African card. Southern African issues came in as well, notably the running sore of the Rhodesian war (which was a problem that the British brought with them to Brussels), the wider issue of apartheid in South Africa, and the related matters of the destabilisation by the Pretoria regime of the newly decolonised Portuguese territories of Angola and Mozambique as part of its attempt to seek support from those in the west who simply saw the world in Cold War terms. The Commission had begun to find allies in the reinforced EEC-ACP parliamentary association (which came to be called the Joint Assembly) of the Lomé Convention. Like the joint parliamentary association, this had initially very much been a compliant 'Eurafrica' support body. However, the arrival of the British and the Danes reinforced those with a broader political agenda, and the Commission found useful allies in its efforts.

This was very much adopted by Cheysson, especially as he declared his hand as an ally of the French Socialist Party (which caused him to secure the post of External Affairs Minister when Mitterrand won the election in 1981). But the policy was that of Foley, with particular support from an influential but low profile British DG VIII official, John Scott. Like Scott, Foley had excellent contacts in southern Africa, including in the liberation movements. These were able to help shift Commission positions in the sub-region, enabling advantage to be taken when, for example, the breakthrough finally came in Rhodesia with Lancaster House, and Zimbabwe became independent in 1980, immediately applying to join the Lomé Convention. The role of Foley and Scott with the delegate in Botswana, David Anderson, in encouraging the establishment of the Southern African Development Coordination Conference which (now as the South African Development Community) is still perceived to be one of Africa's more successful regional groupings, is not to be underestimated. Foley's creative role is worth signalling for the history books, but it should also be recorded that he received little back-up from his home government, even though his old party (Labour) was in power from 1974 to 1979. He never became Development Commissioner or even Director-General in the 1978 rotation of the Commission, even though at that stage development was the second largest budget in Brussels after agriculture. It was not among Foreign Office priorities in Europe, and this sadly appears to have been accepted

in Downing Street. British diplomats dealing with Brussels have always considered DG VIII as something that was both a low priority and that had escaped from their grasp. Only from 1997 under the more aggressive Clare Short did they have to change, but by then she had a lot to criticise the Commission for too and the entire Commission had to resign in 1999.

In the 1980s the tradition of a pioneering role for the EC/EU in the international campaign against apartheid in South Africa, though this became less in the late 1980s after the departure of Cheysson and Pisani. The latter had very much maintained Cheysson's line in many respects. But by then the precedents had been established and the ball had started rolling. The key conflicts had been with British and German officials in DG I, who were more susceptible to pressure from the South Africans. There were also western pressures articulated through the Council at the time of the Shaba crisis in May–June 1978, after President Giscard d'Estaing's supposedly humanitarian intervention to save the Mobutu regime (and Africa from communism). But scepticism and divisions within the ranks of NATO itself meant that any European initiative could be firmly discounted. On the whole, it proved possible for the Commission, and hence Europe, to play a political role even without the institutional framework to carry it out, apart from the tenuous European Political Cooperation. There may now be more institutional back-up after Maastricht and Amsterdam. There are now three, arguably four, Commissioners working on policies relevant to developing countries. The Council even has a single External Affairs voice, Javier Solana (the 'Monsieur PESC' so wanted before), but does one dare to suggest that the European dimension to policy formation has borne fewer results?

The commitment to southern Africa, especially democracy in South Africa, was not followed up in the four and a half years of negotiations for the South Africa agreement, in which the EU has been shown at its worst and most selfish. One feels that Philip Lowe as Director-General did try to do his best. However, with a weaker Commissioner (Pinheiro) and the general decline of Commission prestige and influence, as well as the still apparent lack of influence of the Parliament, which with its left majority might have made a difference, the story has been a sorry one. At all costs a repetition must be avoided when the former Lomé countries have to accept reciprocity, that is extend reverse preferences to the EU, and negotiate to form REPAs under the 2000–20 Cotonou Agreement. But the ACP is weaker and less organised to negotiate now than it has ever been.

The turning point

The 1978–79 negotiations to renew Lomé marked the first nail in the coffin of the Lomé idea – equality and interdependence. The spirit went after that, along with producer power, and the NIEO, and the North–South dialogue. Never again did the Commission really appear to be on the side of international

radical thinking on development. The running was later taken up by the Parliament, and then by leading NGOs. Lomé itself became an increasing embarrassment and slowly slid down the scale of Commission priorities. The bolting on to development 'policy' of other continents, and the separate existence of a badly run Humanitarian Office (ECHO), brought the lie to the Maastricht Treaty telling us that the EU really had a coherent development policy. Much has been devoted to burying Lomé without appearing to do so. By Lomé IV in 1990 it was arguably brain-dead, if a Convention can so be. Yet it was renewed for a further ambitious ten years, and not five as before. Cotonou capped that in the EU fantasy world of 2000 by being signed for *twenty* years.

The 1980s and 1990s saw a huge African crisis – more than the 'lost decade' of Adedeji (Executive Secretary of the UN Economic Commission for Africa from 1975 to 1991). This meant that equality (always a fiction anyway) went out of the window. The ACP, faced with decline, felt increasingly that Lomé was less of a negotiating battleground, except perhaps when it came to the size of the EDF, where, after the play-acting, the ACP had to accept what it was given. In fact, the conflicts were as much among member states as with the ACP. At the same time, other disadvantages of Lomé became more apparent. Also, the spirit shown by the Commission became submerged in pressures from the Bretton Woods institutions in the era of Reagan/Thatcher, after the Berg report from the World Bank in 1981 which stridently articulated structural reform and free market liberalisation. This translated into the acceptance by the Commission of 'policy dialogues' (conditionalities which failed) and led the policies to be increasingly prescriptive of the form of governance which would be acceptable to Europe in return for trade concessions and aid. Without a Commission machinery to apply the results, however, even the new policies became discredited in the eyes of the member states.

Fragmentation: Cotonou, MEDA, PHARE–TACIS and the near-abroad

The fragmentation of development within the Commission in the 1990s called for radical solutions – or an exit strategy from development cooperation in favour of the member states' own programmes. Since development was always more than just aid, the latter option was hardly real.

Yet the decade of the 1990s had started well. With the Maastricht Treaty came the first mention of development as a core European policy (rather than a Part Four add-on, hitherto very partial and Africa focused). In the late 1990s there was even a formal Statement of Development Policy which claimed to put poverty-focus at the core (despite the realities of bestowing EU aid and trade privileges). As the Lomé relationship with the ACP was clearly foundering and a multiplicity of other new Community relations and EU development policies were blooming, though also adding further to the Commission's confusion, especially when it barely mastered them. As early as 1976 the European

Parliament had insisted on at least token programmes of support for Asia and Latin America (ALA). When Spain and Portugal became members, the Latin American links were reinforced. Spain also insisted on a Mediterranean programme (MEDA), including most of the developing countries of North Africa, which the Commission was largely unable to control. No more than its member states, the EC could not be insensitive to Live Aid and the entreaties of the relief charities. Earlier the Commission had a strong controlling influence over the NGOs. Then ECHO was allowed almost complete autonomy to spend wildly. Only the Court of Auditors seemed able to keep some elements in check. The biggest change of all ought to have been the most obvious to Europe, for the end of the Cold War started in the European Community's direct neighbour, Hungary, when it allowed GDR refugees to escape through its territory into the EC, and in Berlin itself when the Wall dividing West and East came down in 1989. Programmes of assistance and to underpin reform for transition states (for Poland and Hungary initially, hence PHARE: Polan–Hungary Assistance for the Reconstruction of the Economy) and technical cooperation with Russia and the states of the former Soviet Union (TACIS) were quickly succeeded by programmes of support and adjustment which regarded the former as potential accession states to the EU itself – though not before a lot of criticism over the quality of funding and targeting under PHARE and TACIS.

This meant that the ACP, the original core of poor, weak, deserving but non-threatening countries in the long-lived Lomé arrangement had been comprehensively overtaken by 'other interests' – by all the other interests, really. Eastern Europe, the direct neighbour of the member states, and Russia itself had become the EU's near-abroad on which the best accession or cooperation policies would be lavished – just as the African colonies had been, politically, the EEC's near-abroad when the relationship started forty years earlier. From the ACP point of view, the Commission had failed to defend it (though it was hardly astute in safeguarding its own interests). From the viewpoint of Brussels, however, the Commission had simply moved on.

Some would argue that the Commission made one last attempt to retrieve the situation with a consultative document, the 1996 'Green Paper on Relations between the European Union and the ACP Countries on the Eve of the 21st Century' (CEC, 1996). The consultation was however peremptory, and the Commission was itself in deep difficulty by 1998 to 1999. ACP interests were so little defended that the Green Paper foreshadowed what followed in the Cotonou Agreement: the return of reverse preferences (and reciprocity in other domains); the disbandment of the commodity protocols and the Stabex mechanism; sub-regional arrangements further undermining ACP solidarity and partnership; enforceable political conditionality with the active use of Article 96 sanctions; and not just a standstill on the overall aid envelope, but the replacement of fixed five-year allocations with ceilings which are now fiendishly difficult to draw down. In a charitable move, EU ministers even consigned the enormous pipeline of unspent EDF balances into debt relief, includ-

ing for the undeserving, so proving that moral hazard still applies. There is no ACP state which sees Cotonou as an improvement on what went before. Many see so little of interest in the new agreement, especially in its REPA elements for WTO-compatible trade (though the Commission never tested the alternative), that they are unwilling to sign up for a regional partnership when the time comes, unless they suffer a withdrawal of aid as a sanction. If they are classified as least developed (in UN and now WTO terminology) they need not bother to sign. For, only months after the June 2000 Cotonou Agreement was signed, another part of the Commission, Pascal Lamy's Trade Directorate-General, launched 'Everything But Arms', a facility under which all non-lethal exports from precisely half the ACP countries (plus other least developed, notably in Asia) enter the European Union market duty free and quota unrestricted. These are the new Lomé beneficiaries but unfortunately the old Lomé states were neither considered nor consulted, such is the fragmentation of policy now within the Commission.

After these disruptions, however, and after the reformation of the Commission subsequent to the resignation of the Santer Commission in 1999, the development section of the Commission became its own worst enemy. Already heavily outpaced by other Commissioners successfully fighting their own turf wars, notably Pascal Lamy on Trade and Christopher Pattern on External Relations, the Development Commissioner Poul Nielson divided his Directorate into two. He separated the operational side (effectively aid programming and the delegations) from policy (of which there had been little constructive development in recent years). This damaged internal morale and further eroded Development's position in the EC hierarchy. The process also dismayed its clients – especially those of longest standing, the ACP. There could even be worse to come for the latter. For the 'near abroad' states of Central and Eastern Europe, having recently received the benefits of aid diversion, now form the core of the ten accession states which swell the EU to twenty-five in 2004. Not having any strong tradition of development cooperation policy in the communist era, being in the main of an income level closer to developing countries than that of previous applicant states, and being keen to compete, they are unlikely to be supportive of generous development cooperation policies for Africa, the ACP or the ALA – at least not beyond that required by conformity to the European 'acquis'.

If the first Lomé Convention of 1975–79 was the peak of the Commission's development influence, the current period of enlargement and post-Lomé consolidation for the ACP during 2002 to 2007 is likely to prove the most challenging ever for the Commission. The Development Commissioner must start by reintegrating policy with operations. He (or when succeeded perhaps she) then needs to earn the respect of the governments of the critical member states (which no longer resist saying that they can do better under bilateral operations, and that the rules of subsidiarity shall apply), not least through a more transparent working pattern. And third, it is essential that the Commissioner

for Development tackles the EU's own internal incoherence and contradictions, particularly in respect of agricultural protectionism. In that context, perhaps the Lamy 'Everything But Arms' initiative is less a poisoned chalice (for poor non least-developed countries such as Kenya, Jamaica, Guyana and India which cannot benefit) than a litmus test of the EU's own generosity. When least developed countries from Bangladesh down to Lesotho are really allowed to export into the EU any agricultural product they can produce domestically, without unreasonable labelling or phytosanitary impediments or surge factors, and when conversely their own markets for sugar or grains or beef are not distorted by the EU's own subsidy policies, then that test will be passed. European Community development policy will then get its second wind, and the Commission will again be a major player with the USA, Japan and its own member states.

Bibliography

- Bongo, O. (1994), *Confidences d'un Africain: Entretiens avec Christian Casteran*, Paris: Albin Michel.
- CEC (1973), 'Deniau Commission Memorandum', Brussels.
- CEC (1974), 'Communication on development aid: fresco of Community action tomorrow', *Bulletin of the European Communities*, 7: supplement 8.
- CEC (1996), 'Green Paper on Relations between the European Union and the ACP Countries on the Eve of the 21st Century. Challenges and Options for a New Partnership', Brussels, 14 November.
- Cox, A. and A. Koning with A. Hewitt, J. Howell and A. Marr (1997), *Understanding European Community Aid*, London/Brussels: Overseas Development Institute/European Commission.
- Davenport, M., A. Hewitt and A. Koning (1995), *Europe's Preferred Partners? The Lomé Countries in World Trade*, London: Overseas Development Institute.
- GEMDEV (1998), *La Convention de Lomé en Questions*, Paris: Karthala.
- Grilli, E. (1993), *The European Community and the Developing Countries*, Cambridge: Cambridge University Press.
- Hewitt, A. (1983), 'Stabex: an evaluation of the economic impact over the first five years', *World Development*, 11:12, pp. 1005–27.
- Hewitt, A. (1994), *Crisis or Transition in Foreign Aid*, London: Overseas Development Institute.
- Hewitt, A. (2001), 'Beyond poverty? The new UK policy on international development and globalisation', *Third World Quarterly*, 22:2, pp. 291–6.
- Lister, M. (1998), *European Union Development Policy*, Basingstoke: Macmillan.
- Mortimer, E. (1969), *France and the Africans*, London: Faber and Faber.
- Morton, K. and P. Tulloch (1977), *Trade and Developing Countries*, London: Overseas Development Institute.
- Page, S. and A. Hewitt (2002), 'The new European trade preferences: does "Everything But Arms" help the poor?', *Development Policy Review*, 20:1, pp. 91–102.
- Raffer, K. (2001), *Cotonou: Slowly Undoing Lomé's Concept of Partnership*, Development Studies Association Paper, Mimeo.

- Ravenhill, J. (1985), *Collective Clientelism: The Lomé Conventions and North South Relations*, New York: Columbia University Press.
- Tulloch, P. (1973), *The Seven Outside: Commonwealth Asia's Trade with the Enlarged EEC*, London: Overseas Development Institute.
- Whiteman, K. (1998), 'Africa, the ACP and Europe: the lessons of 25 years', *Development Policy Review*, 16:1, pp. 29–37.