

## Conclusions: the potential and limits of EU development cooperation policy

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On 23 June 2000 the Cotonou Agreement was signed, replacing the twenty-five-year-old Lomé Convention. There was a distinct feeling of change in Cotonou and the new Agreement is seen as radically overhauling its predecessors and setting a new basis for partnership between the ACP and EU states. It is too early to provide in-depth analysis of the Cotonou Agreement, not least because in many ways Cotonou provides a kind of interregnum between the existing Lomé Conventions and future, as yet to be determined, Regional Economic Partnership Agreements. This is most obvious in the case of the trade-related aspects of the Agreement. Negotiations started in September 2002 for progressive implementation from 2008 onwards, creating, in effect, a ten-year transition period.

It has been argued in various corners that Lomé was in need of overhaul. Not only were the instruments less than effective, but the international context had changed so drastically over the period involved that the articles of agreement appeared anachronistic. It is hard to disagree with this analysis, although many of Lomé's failings lay not so much in the actual policies (some of which, as we have pointed out, were highly commendable) but in their management and implementation. The Cotonou Agreement places key emphasis on political dialogue (Article 8). It makes good governance a fundamental and positive element, while respect for human rights, democratic values and the rule of law become essential elements (Article 9). Peace-building policies and conflict prevention and resolution feature more prominently than before (Article 11). The inclusion of migration extends the agreement and accommodates growing European concerns explicitly (Article 13). The Cotonou Agreement also proposes finally to end the preferential trade margins accorded to non-least developed ACP states in favour of more liberal free trade agreements strongly shaped by the WTO agenda (Article 36).

These changes need to be seen in the context of the April 2000 elaboration of new Commission guidelines for development policy. These include the desire

to maximise the impact of development policy by identifying priorities for action and concentrating Community action in a limited number of spheres in which the Community provides value added. The principal aim of development policy is now to reduce, and eventually to eliminate, poverty and to this end there will be new emphasis on pro-poor policies. The Council, Parliament and Commission have agreed to focus on six main areas: trade, regional co-operation, macroeconomic support, transport, food security and capacity building, especially for good governance and the rule of law (CEC, 2001).

Cotonou's new emphasis on poverty reduction and eradication (Article 1) is to be welcomed. It is difficult to believe that this has not been the goal of EU development policy thus far. Development assistance in all its forms should surely be directed at the poor wherever they might be located. 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 (CEC, 2001). We have two main reservations. Firstly, it remains unclear how this primary focus on poverty reduction as an end can be squared with the increased emphasis on political conditionalities evident in the Cotonou Agreement. Secondly, it is also uncertain how a pro-poor focus can be compatible with the desire to facilitate global economic competitiveness in less poor economies for which preferential trade margins will no longer exist. These are matters for further research.

Our aim throughout has been to assess the record of development cooperation from the Treaty of Rome to Lomé, and beyond to Cotonou, and to offer an informed analysis of the significant trends over the period. We have also sought to assess the implications of the trends identified for future development policy and so to conceptualise the role of EU external action in the realm of development. It is in the realm of external action that the EU increasingly displays its foreign policy goals (Smith, 1998). Development policy thus constitutes a key aspect of EU foreign policy.

Most authors identify the gap between the promise and the performance of development policy as a key determinant of development policy outcomes. Performance in development policy has been hindered by three fundamental defects which intensified after 1989. Firstly a lack of value added; that is, the absence of novel or unique policies and of the political will to create them. There is instead a tendency to follow global trends rather than to set them. To this end we have seen the dissolution of that which was novel, including Stabex and Sysmin, the commodity protocols and, most significantly, non-reciprocity and political neutrality. Although a third position would be a desirable counterweight to the prevailing neo-liberal consensus, the absence of it is not costly to the EU. This fact leads to a degree of inertia in this regard.

Secondly, Community development policy has become less focused on a single group of beneficiaries. Since 1989 in particular we have seen the widen-

ing of the geographical focus based on geopolitical interests rather than need. This widening leads to dilution and overstretch, and increases the capability–expectations gap. The recently launched Everything but Arms initiative allows duty free entry for all goods and services (except arms) from the least developed countries. While this does focus on the poorest, it is not at present economically costly to the EU and does not refute the above criticism.

Thirdly, we identify a Community overly concerned with creating the image of a significant world actor. Development policies have thus become more concerned with form than substance. This is evident in the declaring essential of certain political conditionalities such as democracy and good governance but having difficulty in applying criteria consistently. It is also evident in the new focus on conflict resolution which can be dealt with more easily than poverty and/or for which the EU will at least gain public credibility for trying.

These defects are exacerbated by those factors which the Council and Commission have identified as being problematic in the policy-making process, namely the lack of coherence between different sectors of Community policy and inconsistencies between Community policy and member states' national policies. This is evident in French inability, for so long, to decide whether it wished to put Europe or Africa at the centre of its external policy. It is also evident in the bureaucratic nightmare of multiple Directorates and agencies dealing separately with issues concerning and impinging upon development, and creating, in effect, incoherence between policies.

The negotiations for future ACP–EU trade relations began in September 2002. These negotiations aim to create free trade areas between the EC and sub-regions of the ACP group. The implications of this are significant for all ACP states, as well as the ACP group as a whole. The new Economic Partnership Agreements will be shaped by the emerging WTO agenda in which the European Union is inescapably a major player. The failure of the WTO in Seattle has set hopes for the Doha Development Round; however, there are no guarantees. Moreover, the Development Round will not alter the fact of European domination in ACP–EU relations. The ACP for its part will need a common negotiating platform and a list of minimum objectives if it is not to be marginalised in this process.

In line with evolving European Union policy in recent years, and especially after the events of 11 September 2001 in the USA, the political dimension of the relationship is likely to increase. Even the economic dimensions will have political implications. Thus the Lomé era has certainly ended, the neo-colonial past has been put to rest and a new era of development cooperation is in the process of being created. However, the EU is also deeply involved in its own processes of further integration and enlargement, and the dilemmas of widening or deepening will temper the colour of future development cooperation.

### References

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