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Change Without Improvement

In November 1961, Ludwig Erhard—at that time Federal Minister for Economic Affairs—said to Herr Walter Scheel, a Member of the Bundestag, that the latter was buying a thorn without a rose, in the planned Ministry for Development Aid. Almost five years later Scheel, who had meanwhile become Minister for Economic Co-operation, resigned. This resignation and the nomination of his successor should offer an opportunity to discuss the work done to date by the Ministry and whether the Ministry should be differently structured within the formation of a new Government in Bonn.

Scheel's intention—to entrust a Ministry with sufficient powers to act as co-ordinating body for the increasingly important questions of development aid—was only too understandable in view of the insufficient allocation of powers in this field—which lies between policy and economics: until the establishment of a Ministry for Development Aid, three separate authorities decided on development matters. The Ministry of Foreign Affairs was the proper authority for matters of foreign policy, whilst the Federal Ministry for Economic Affairs was competent where matters of commercial policy were concerned. Finally, budget items had to be agreed with the Ministry of Finance.

In spite of many reservations, coalition arrangements finally allowed the establishment of the Ministry. In place of the former interministerial committee which had been established to cut back on the long process of formulating decisions, there was now a single authority. However, this authority certainly did not take on all the tasks of the other three authorities. Thus the Laocoon-like struggle between these authorities to retain their powers became yet more embittered.

In view of its unfortunate origins and the fresh obstacles which continually arise, it is really amazing how much the Ministry has been able to achieve. It has managed to create a good image for itself—abroad, in particular. Apart from the concurrence of competences the fact that the work done hitherto has not been entirely satisfactory results among others from the following three instances: First, it has recently become apparent that there is a tendency towards an increasing development aid "fatigue", due to practical difficulties which arose hard on the heels of the initial enthusiasm. Secondly, the Ministry does not have the necessary logical/institutional contacts with foreign trade authorities and, thirdly, there are no permanent direct contacts between the Ministry and developing countries.

During the formation of the new Government these problems have been discussed but a reorientation did not take place. If one is willing to pursue a development policy promoting success there are two possibilities. The first entails the liquidation of the Ministry of Development, this authority and all State departments entrusted with development on a Federal level being absorbed into the Ministry for Economic Affairs. The disadvantage of such a solution—in spite of the centralisation thus achieved—lies in the fact that the esteem in which German development policy is held internationally may suffer, so that its sphere of political action may be cut.

Thus there is much to be said in favour of the second solution: strengthening the Ministry by absorbing all Federal development departments into this authority. This would create a body which really would be in a position to work out a long-term aid policy, whilst having at its disposal the maximum powers to put such a policy into practice. In this case, one might even consider a further association with a Ministry of Foreign Trade so as to create a body with the necessary infra-structure—a proposition which has already been realised in Japan, with the creating of MITI (Ministry of Trade and Industry). In practically every case, development aid includes trade with foreign partners. Both spheres have many points of contact, are much interwoven and could therefore be integrated institutionally. Furthermore, if this solution were to be adopted, a special attaché, answerable to the Ministry of Development, would have to be appointed to official German representations abroad, to ensure permanent and direct contact between the Ministry and the developing countries.

Dietrich Kebschull