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Development Policy and Foreign Affairs

by Dr Peter Hermes, Bonn *

According to the purist view development policy amounts to the pursuit of its main objective as against those of foreign, economic and agricultural policy, i. e., to ensure that donor interests should give way as far as possible to this target. It is however self-evident that "practical development policy", being only one part of our whole policy, cannot play such a decisive role. Therefore foreign policy and development policy do not clash if both are properly conceived.

The aims and principles of German development policy were set out by the Federal Government on July 13, 1973: "In accord with the strategy document of the United Nations the Federal Government endeavours to encourage the economic and social progress of the developing countries in a system of world-wide partnership as the target of the Second Development Decade so as to improve the living conditions of the populations of these countries. This is also in the interest of the Federal Republic of Germany. In the economic sphere prerequisites are thereby created for increased exchanges in the mutual interest of goods and services.

An effective development policy tends to strengthen the international position of the Federal Republic of Germany. It increases the chances for safeguarding peace in the long term. The development policy thus takes its place in the whole policy of the Federal Republic of Germany and in the network of its foreign relations. A development policy can only be successful if it is aimed persistently at reconciling the interests of all concerned in cooperation with the developing countries, the other donor countries, as well as international institutions and organisations. It is not a suitable instrument for short-term considerations of foreign policy.

The Federal Government does not attempt to force its political or social and economic ideas on the partner countries. It decides in close co-operation with the developing country concerned and other partners what measures it wants to support in accordance with its potentialities, ideas and the instruments at its disposal.

The development policy has its own methods and instruments. It needs supplementing by measures in other spheres of German policy. As a part of the whole policy of the Federal Government it must therefore be reconciled with other objectives of the Federal Government...

This wording of the German development policy concept which was carefully concerted by the Federal Ministries was an elaboration of the first comprehensive concept, of February 11, 1971, and has remained the guideline for all activities of the Federal Government of relevance to development policy since.

The Role of Development Policy

The relations pertaining to development policy are an especially important part of our whole external relations with the majority of the states of the Third World. About 100 states are considered to be developing countries; we have diplomatic relations with almost all of them.

"Concern for the Third World must" — so the Federal Minister for Economic Cooperation Dr Eppler — "become a dimension of our whole policy, of cultural policy as well as trade policy, structural policy, agricultural policy, transport policy and security policy." His remark puts the fact in focus that development policy is also domestic policy. As a part of the foreign and domestic policy the development policy has indeed a bearing on all policies. It would be severed from its native soil were it conceived as a strategically independent global operation.

This does not, however, rule out a definition of "pure development policy" which might be form-

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ulated as follows: "Development policy in its pure and simple sense amounts to the pursuit of the main objective of development policy as against those of foreign, economic and agricultural policy. It is the concern of development policy to ensure that donor interests — such as export promotion, safeguarding of raw material bases, the "markets of tomorrow", support for countries of importance to foreign policy, development of historically evolved relations or certain systems — should as far as at all possible give way to the main objective of development policy." It is however self-evident that the "practical development policy", being only one element of our whole policy, cannot play as widely decisive a role as desired by the purist.

Foreign policy and development policy do not clash if both are properly conceived. Our foreign policy has to take care of all the interests of the Federal Republic of Germany in the outside world. There is no such thing as a specific foreign office interest anywhere in the world. To look after particular interests is the legitimate task of other ministries, while the Foreign Office has the difficult and often unrewarding task of finding a common political denominator for the specific interests of security, economic, agricultural, financial and monetary, transport, labour, social and also development policy insofar as they impinge on our relations with other states, and to avoid repercussions on our external relations from the natural conflict between the aims of individual policies.

Development Policy and National Interests

It must not be overlooked that this classic function of all foreign ministries is losing in importance as and to the extent to which external political relations change into domestic political relations. The integration within the European Community is a pertinent example. For the very reason, however, that the European experience demonstrates every day how arduous and wearisome is the road leading to a domestic European policy that we should take heed not to visualize the development policy too early and unquestioningly as a "domestic world policy" and on this ground try to justify an independent status for it. If we did that, we could be tempted to assign to German foreign policy the impossible task of having to pursue a kind of "dual strategy" consisting, on the one hand, of a foreign policy which is a policy of peace with all states, whatever their form of government, in accordance with the rules of international law regarding non-interference, and on the other, of a development policy which does not sheer away from conflicts in the developing countries but consciously takes sides in what is

sometimes called "the reality of the international class struggle". It is obviously impossible to entertain a domestic-policy concept with such competing aims for part of the official German relations with countries of the Third World without doing harm to the external relations of the Federal Republic.

It should be appreciated that the men who unselfishly devote all their strength to development work, in the German Development Service, in the political endowments or as experts, do not shrink from speaking their mind on matters of social policy and taking a clear stand. They are true representatives of our own society and well understand the impact of their work on the social conditions which they encounter. This indirect impact, however, is divided by a chasm, which must not be crossed, from direct action or partisanship with an attendant risk of conflicts.

It may well be asked whether partisanship may not be legitimate where development work is concerned with respect for universally recognised human rights. When the Federal Republic acceded to the United Nations, Foreign Minister Walter Scheel said in New York on September 19, 1973: "... It is not for nothing that the Charter of the United Nations mentions international cooperation to solve economic, social and humanitarian problems in one breath with respect for human rights...; wherever a battle is fought to free man from physical distress, for his right to exist with human dignity, you will find the Federal Republic of Germany in the foremost rank of the fighters..."

How different is this from the concern with purely national interests in days gone by as reflected by a message Bismarck's to the head of a German mission in 1886 in which he admonished the diplomat: "It was our duty to desist from any step which might divert us from the pursuit of exclusively German interests" and "whether law and justice prevailed in the country (to which the diplomat was accredited) involved no national interest of the German Reich".

From our present point of view there is a "German national interest" involved in narrowing the gulf between rich and poor countries and helping the Third World to achieve economic growth and social justice. By assisting here we render a service for the attainment of the universally recognised human rights. A successful foreign policy in this sphere, however, depends in a special way on the continuing consent of the political forces in our country.

Federal Chancellor Willy Brandt said in the General Assembly of the United Nations on September 26, 1973: "On the road to world citizenship

we must practise solidarity. It will not be possible to speak of a humane world order until the maxim of justice is universally understood. . . A policy of peace, solidarity and repudiation of force is indivisible. . ."

Undeniably it is a major aim of German development policy to bring about social changes in the Third World and to moderate the social differential between the industrialised and the developing countries. But if we were with this end in view to resort to instruments and methods appropriate to a "domestic world policy", the result might easily be that our external political relations would be impaired and the field open to us for development activities be narrowed. If there is a sphere of policy in which a country must not make its own values the yardstick by which to assess conditions elsewhere, it is the sphere of foreign policy.

Links between Foreign and Development Policy

If foreign policy and development policy are understood in this sense, they should be subject to a natural strain between them only, which cannot be described even in general terms by speaking of short-term (or should we rather say: short-sighted?) interests of foreign policy and long-term interests of development policy. Any foreign policy must have a long view and long breath to be a good foreign policy. The priority aim of German foreign policy — to make a contribution to the maintenance and safeguarding of peace, to develop for this purpose friendly relations with as many other countries as possible and at the same time to help to reconcile the interests of the nations — can only be achieved through a long-term concept.

This conclusion is not invalidated by the fact that every government must be able to act at short notice in the sphere of foreign policy, including development policy. The Federal Government has been acting thus to this very day — according to the priorities determining its general political actions at the time. What particular interests we deem to be so important that they cannot be impaired without causing repercussions on our development policy and development aid to individual countries cannot be stated beforehand or once for all. Certain it is, however, that development aid cannot be provided where our general relations are gravely impaired. International solidarity is not a one-way-street. It follows that the developing countries must realise their share of responsibility in regard to their relations with the Federal Republic of Germany.

It was our endeavour in the past — and will be in the future — to pay in our development policy re-

gard to the effective support which we have received from individual developing countries. They are among those to whom the Federal Chancellor was addressing himself, when he said in the United Nations on September 26, 1973: "I have the wish to thank our friends who spoke for us when we were unable to speak here for ourselves. We shall not forget on whom we were able to rely."

European Principles

The development policy gets its bearings from the interests of the developing countries. While this fact is obvious, it is difficult to define the interests of the developing countries. Should the developing countries as a matter of principle define their interests themselves, either individually or collectively perhaps in the grouping of the "77"? Or is there a possibility of objectifying their interests, perhaps through the United Nations?

In Article 131 of the EEC-Treaty the six European states declared in regard to EEC association of the extra-European countries and sovereign territories of Belgium, France, Italy and the Netherlands: "... association has the primary object of serving the interests of the inhabitants of these countries and promoting their prosperity. . ." A similar view was expressed earlier in Article 73 of the United Nations Charter which says with regard to colonial territories "that the interests of the inhabitants of these territories shall be decisive".

The paternalistic tone of these assurances by the former colonial powers is unmistakable. It was therefore only logical that the genuine association agreements of the European Community with the independent African states ("Yaunde I and II") did not contain a formula affirming the primacy of the interests of the associated African states — not because less was now to be done for them, but because in describing the relations between independent states one assumes as a matter of course that each is capable of looking after its own interests and that concrete development aid can only result from action which is in the common interest of industrialised and developing countries. The current negotiations for a new association agreement of the EC with the African, some Caribbean and Pacific countries demonstrate that the developing countries are well able to take effective care of their own interests. Similarly, in the United Nations efforts have been made over a number of years to balance the interests of the industrialised and developing countries. A brief reference to some topical demands of the developing countries in multilateral organisations is sufficient to highlight the difficulties encountered: a binding charter concerning the economic rights and duties of states in which a

privileged position is to be conceded to developing countries; far-reaching demands in regard to trade, raw materials, finance and currency policy; free transfer of technologies; priority for native merchant fleets; special rights in fishing and coastal waters; exceptional treatment in regard to protection of the environment.

Ever since UNCTAD I, in 1964, the industrialised countries have been on the defensive; owing to the numerical superiority which the developing countries possess and exploit everywhere, the developed countries do not always find it easy to safeguard their own interests. We see with some concern how the Third World is growing aware of the strength which it derives not only from having a voting majority in the United Nations and its specialised organisations, but from its material power in certain, to the industrialised countries vital spheres (e.g. oil and other raw materials). It seems appropriate to call to mind that all members of the community of nations bear a common responsibility for each other.

Joint Multilateral Responsibilities

If there exists at all a concrete core of objective interests of the developing countries, we must look for it in the pronouncements and recommendations of the multilateral organisations, especially the United Nations, in which industrialised and developing countries are represented. Our own development policy may find here an impartial expression of the essence of development aid. Our foreign policy attempts to bring national interests in a given situation into harmony with the interests of the community of nations for which we feel ourselves jointly responsible.

Over recent years German development policy has been characterised by a shift towards multilateral bodies. The Federal Republic of Germany has the highest multilateral aid ratio (through the EC's development aid fund, the World Bank, IDA, IFC, regional development banks, UNDP, etc.) of any of the six largest donor countries; in 1972 it amounted to 25.6 p.c.

If development aid is given bilaterally, the so-called programmed aid, or else the financing of part of the developing country's budget, is the type of aid most closely aligned to the interests of the developing country, and it is also in some measure an objectified type of aid because it is given in accordance with international criteria (of need and performance) and terms. The German development aid can also be seen to follow a trend in this direction though only in regard to countries which have made some progress in development planning. Besides, the so-called appli-

cation principle, which leaves it to the developing country to suggest development projects to the donor country, ensures that the interests of the developing countries are taken into account.

Secondary Aims

Public development aid may quite legitimately serve secondary aims – such as safeguarding of raw material supplies and encouragement of investment activity – where they are considered desirable and beneficial from the point of development policy.

Bilateral aid will always be more suitable for strengthening the ties with one particular donor country than multilateral aid. The ratio of bilateral aid is unlikely to fall below two-thirds of the total German development aid. Our foreign policy will thereby be assured of sufficient scope. We shall still be able to distribute our aid on a world-wide scale and to select certain regions as focal points. In 1950–1972 about 75 p.c. of our bilateral public aid went to 25 developing countries (with a total population of 1.5 bn).

On the way to the European Union of the Nine it will be possible to "Europeanize" all development aid by its members. As Federal Minister for Economic Cooperation Dr Eppler said in the German Bundestag on January 25, 1973: "If we had our way, even the instruments of development policy, whatever they may be, would be transferred step by step to European responsibility". They would then be a means and an element of a European foreign policy which we endeavour to achieve in various ways.

To sum up, it may be said that the quality and terms of the world-wide German aid come up to the expectations and demands of international organisations and that few other countries have gone as far as the Federal Republic in adapting their development policy concepts to the United Nations. That is true of the 0.7 p.c. target for national development contributions as well as our public aid terms and, likewise, of the focal points of our development aid effort – the fight against unemployment and underemployment, the effort to effect structural improvements in rural areas, and support for integrated national aid programmes.

Development aid will remain one of the great tasks of our time. For all the resolutions, documentations and publications we are only vaguely aware of the direction in which we must move. We must be modest enough to admit that there are more questions than we can answer. It is certain, however, that development aid in its various forms will long remain an essential component part of foreign policy.