

Crisis time: Repossessing Democratic Space

**Governance and the Promotion of Rights
in International Cooperation and Aid**

A Discussion Paper for The Reality of Aid

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Note from the Management Committee for The Reality of Aid

In preparation for the 2004 Reality of Aid global report, the Management Committee for the project commissioned two background papers to inform reflection and discussion among network members on the theme of “governance and the promotion of rights in international cooperation and aid”. This paper by John Foster is complemented by a paper by Kavaljit Singh of the Public Interest Research Group (India), “Aid and Good Governance”. Both papers are available on the web site for The Reality of Aid at www.realityofaid.org. The Management Committee acknowledges funding for the commission of these papers from the International Development Research Centre (IDRC) via the Canadian Council for International Cooperation (CCIC), a participating coalition in the global network and member of the Management Committee.

Note from the Author

John Foster is Principal Researcher – Civil Society and Governance at The North South Institute, Ottawa, Canada. (www.nsi-ins.ca). The author has benefit from the early circulation of the excellent and comprehensive paper by Kavaljit Singh, with much of which I finds common ground. This paper is meant to be complementary and explores some other and related areas. Further I wish to recognize the extensive and extremely helpful editorial advice of Brian Tomlinson of CCIC without whom the manuscript would have been much less useful.

Preface

The period in which this paper has been prepared is one of profound disquiet, deep pre-occupation. In a recent address, the UNSG's Special Envoy for HIV/AIDS in Africa, Stephen Lewis, asked "why so much for war, why so little for human priorities?" He was reflecting on the experience of the Special Fund for AIDS, Tuberculosis and Malaria, which needs \$10 billion per year now, and will need \$15 billion per year in 5 years time, but which has raised a meagre \$2 billion for the first four years. This he compared with current estimates of the cost of the war against Iraq, at US\$50-90 billion. The German Minister for Economic Cooperation and Development addressed a similar challenge to the April High-Level Meeting of the ECOSOC, the Bretton Woods Institutions and the WTO, asking "How is it possible that billions of US dollars can easily be mobilized for war where as for the fight against the biggest enemy, poverty, millions are not given.?"¹

The perspective given by the current reality of 2 million plus *preventable* deaths per year in sub-Saharan Africa from HIV/AIDS alone, must be kept in mind. Contracts offered in private on an invitational basis by USAID for initial reconstruction in Iraq, exceed commitments to the Global Fund. Are we, in the NGO ODA networks merely *tinkering*, whether with sub-sets of the mechanics of the aid system or with marginal amounts of resources?²

The march to war dramatizes two important dimensions of global relations: ***the aggressive exercise of the power of the imperial superpower and its acolytes; and the rather phenomenal world-wide citizen response for peace and justice.***³

What do these two opposing trends mean for aid advocates?

The deeply-permeating influence of the United States on policy, and on the permitted boundaries of discussion in a whole family of institutions, combined with a strongly ideological approach, will influence the strategic priorities, opportunities and roadblocks for The Reality of Aid project, whose goals are equity and justice in the pursuit of the end of poverty.⁴ The terrain for international cooperation is increasingly influenced by issues of security, governance (meaning essentially assurance for investors and traders), neo-liberal trade and commerce laws, policies and international agreements and what we may now call a new generation of conditionality (the Millennium Challenge Account, the

¹ "Statement by Heidemarie Wiczorek-Zeul, Federal Minister for Economic Cooperation and Development, at the High Level Meeting of the ECOSOC of the UN, Bretton Woods Institutions and the World Trade Organization", The German UN Mission: Statements and Speeches, April 14, 2003, www.germany-info.org/UN/archive/speeches/2003/sp_04_14_03.html

² for an examination of the role of NGOs as creatures and participants in the aid system see: , Terje Tvedt, Development NGOs –actors in a global civil society or in a new international social system? Paper presented to ISTR/VOLUNTAS/University of Bergen Symposium, 2-4 May, 2002.

³ See, for example, Jonathan Schell, "The World's Other Superpower", The Nation, New York, April 14, 2003. www.thenation.com

⁴ For one survey of how this influence permeates the United Nations, see WEDO, "The United States Wages *Conventional* Warfare at the United Nations" A WEDO Factsheet, WEDO, New York, August, 2002. www.wedo.org

preponderance of bilateral funding proposed for new resources for AIDs, “aid effectiveness”, etc.)

Yet, one can also tap into one of the many new networks for peace and for change, whether through petitions, marches, vigils, lobbying, analysis or propaganda. In so doing, one realizes that the immense potential for widespread global understanding and action, demonstrated in past years by the Jubilee movement among others, remains, if advocates for global justice are sensitive to the moment and to emerging human pre-occupations.

The new growth in size and variety of popular action in Latin America offer further evidence of potential, for example, even in the last six months, around issues like the FTAA/WTO and the related costly experience of neo-liberal policy (IFM/Argentina, privatization/Bolivia/El Salvador, etc.). The development of international, regional and national cross-sectoral, cross-movement forums for education, policy development and strategy-negotiation, visible in the World Social Forum and related instances, offer fresh terrain for advancing an agenda for justice and poverty eradication, but are challenged as well in their complexity and diversity.

It is fair to say, however, that there is a yawning gap between the emerging debates on broad global reform or reconstruction and existing global institutions, as well as, potentially, between the civil society organizations pre-occupied with each.

How will this difficult political terrain affect the strategies that the Reality of Aid network will want to develop?

The answers are far beyond the mandate of this paper. What we offer here are simply a few *resources* that may contribute to the debate.

Fundamentals

A simple proposition

A very simple, perhaps too obvious, strategic direction with potential opportunities emerged from reflection and analysis for this paper: ***The Reality of Aid project focus on contributing to democratic participatory planning and management of budgets and resource allocations, at a national and sub-national levels, in which human rights criteria are applied or, better, integrated. Such processes would inform and direct aid monitoring at the global level, while taking advantage of participatory openings to influence aid and development processes aimed at ending poverty (PRSPs, MDG reporting, etc.) at all levels.***

Such an approach requires not only reinforced and democratic state capacity at various levels, but also the defence and re-possession of public policy choices against those who would privatize them or have policy ceded away from citizens and lodged with supranational trade and investment regimes and arbitrators or donor financing bodies.

Governance, “good” and “good enough”

Kavaljit Singh⁵ has provided a useful short form definition for “governance” as “the process of decision-making and the process through which decisions are implemented”, as well as a situational or contextual approach to “good” governance. I can add only some qualifications of his documentation of official multilateral approaches.

In their inquiry into democracy in the Commonwealth, Knight, Chigudu and Tandon, remind us that governance, properly understood, does not pertain only to the state or the government. In their view, it is “collective decision-taking and action in which government is one stakeholder among others” and “good” governance is “collective decision-taking and action that **leads to the common public good.**”⁶

Orientations

The conclusions of this recent Commonwealth inquiry into governance are cogent: *a strong state with a strong civil society, a “deepened” democracy and democratic culture, an enlarged role for citizens.*

The inquiry was equally clear that a strong civil society is not represented by NGOs in particular, as the latter are often regarded as peripheral, if viewed more favourably among citizens of influence and the middle class. The locus of attention is rather with citizens, community-based and mass social movements. NGO relevance should be assessed in the light of their contributions to avenues and structures for citizen participation, building cohesion and solidarity, and facilitating partnerships (with the state) for progressive development outcomes.

“The state not only needs to be strong but also sensitive. It needs to perform multiple roles – of provider, facilitator and promoter.

“ What kind of strong state do citizens want? Citizens want efficient and effective performance from their governments. They want public institutions to ensure that basic needs are met through the provision of essential services. They want the state to encourage associational life, so that citizens can play a full part in delivering public goods. They want the state to encourage political participation, and to take steps to ensure human rights, social justice and other requisites of a civilized state.”

⁵ Kavaljit Singh, A Discussion Paper on Aid and Good Governance. Reality of Aid. 2003.

⁶ Barry Knight, Hope Chigudu & Rajesh Tandon, Reviving Democracy: Citizens at the Heart of Governance, London & Sterling, VA, Earthscan, 2002 p. 131 For a useful discussion of terms including civil society, democracy and governance as applied in study of relations with international institutions, see Jan Aart Scholte, “Civil Society and Democracy in Global Governance”, Global Governance: A review of Multilateralism and International Organizations, Vol 8, No. 3. July-Sept. 2002, Boulder, ACUNS/Lynne Rienner Publishers, 2002

Donor priorities and aid effectiveness should, presumably, be understood and evaluated within this dynamic framework of democratic governance.

Part I: working with rights

Governance and the promotion of rights in international cooperation.

Development assistance “is not grounded in internationally agreed priorities or obligations and donors can act arbitrarily or out of self-interest. International human rights law is the only agreed international framework offering a coherent body of principles and a solid foundation for practical, effective DA policies and programmes.”

Andre Frankovits, Eric Sidoti and Patrick Earle, “The rights way to development” Australian Human Rights Council, 26 February, 2003.⁸

At the Fifty-Fifth General Assembly of the United Nations, in its Millennium Declaration, member states recommitted themselves to the rule of law and to all “internationally recognized human rights and fundamental freedoms, including the right to development.” They also willed to “work collectively for more inclusive political processes, allowing genuine participation by all citizens in all our countries.”⁹

Numerous international, and in many cases, regional expressions of commitment to fundamental **human rights** have several characteristics:

- They are **multi-dimensional**, affecting many sectors of society.
- They are usually the **result of struggle** - long and persistent drives for recognition or protection – women’s movements, indigenous nations, gay and lesbian networks, workers, fishers or farmers associations, labour unions and their federations, and human rights defenders.
- They are often, if not always, **weak in enforcement** provisions, **limited in resources**. (For example the UN Working Group on the Disappeared has a backlog of 41,000 cases and only 1 or 2 staff people. The UN Committee on Economic, Social and Cultural Rights (E, S & C Rights) has similar limitations). However, it is important to keep in mind that this is not always the case. The Human Rights Commission of the Federal District (Mexico City), for example, commands several hundred staff, a significant budget and a fairly wide mandate. Further many small community-based human rights defending organizations –

⁷ Knight, Chigudu & Tandon, pp. 162-63

⁸ Andre Frankovits, Eric Sidoti and Patrick Earle, “The rights way to development” Australian Human Rights Council, 26 February, 2003. DIFID, ID21 Research highlight. This highlight is based on previous work by the AHRC, including a manual on the rights approach to development issued in 1998.

⁹ United Nations, General Assembly, 55.2 United Nations Millennium Declaration. A/Res/55/2, from part V. Human rights, democracy and good governance.

land, food, indigenous, anti-repression etc. – often have a potency far beyond their numbers and resources.

- To begin to have any use, international human rights agreements, like domestic bodies, must have basic **mechanisms of access**, the means by which an ordinary citizen or group may, having exhausted all local mechanisms, take their case forward. This is particularly a challenge with economic, social and cultural rights, where at the UN an optional protocol for these rights consistently fails to gain support even to study such access.

The genius of effective human rights responses is that they have a perceived integrity, as they are rooted in their universal applicability, rather than externally imposed. International human rights law is consensual. A human rights approach asks governments to do what they have already committed themselves to do or to adhere to human rights instruments that they may not yet have ratified.

The issue of enforceability is one to which civil society organizations coming from a variety of sectors can usefully devote attention and creativity. For many labour, gender, environmental and human rights agreements, the strategy of ‘embarrassment’ and the use of public information are the primary tools. Using human rights review mechanisms (UN H.R. Committee, the International Committee on E.S. & C. Rights) and regional human rights legal bodies (the European and Inter-American courts), civil society organizations and individual or group appellants have achieved limited successes. Coalitions in Mexico, Brazil and Canada, for example, have used regular five-yearly reviews by the International Committee on E.S. & C. rights to document, publicize, and embarrass their governments, gaining critical declarations on policy from that body. The International NGO Committee on Human Rights, Trade and Investment (INCHRITI) has made remarkable efforts to bring investment and trade mechanisms under the human rights microscope.

However, institutional resources devoted to these structures, and public knowledge and expertise in their usage are very limited. Alongside 83 years of ILO cajoling of governments and fifty years of use of human rights concords, governments by contrast have agreed to Security Council sanctions (which can include application of powerful economic and military responses) utilized over five decades, and more recently to trade actions decreed by the WTO and its organs, which can have deep effects.

While at least one major international network – the International Confederation of Free Trade Unions – has implemented a strategy of seeking to include the injury to labour rights as a matter affecting trade sanctions (the strategy has been unsuccessful to date), many environmental and human rights groups do not support using the WTO mechanisms. “Why should trade lawyers adjudicate environmental issues?”, they ask, while seeking other means of making governments accountable to their international agreements. The creation of an international legal body with power to adjudicate cases where human rights and environmental norms are undermined or contradicted by trade agreements and actions might be one institutional response, but governments would have to commit to accepting its jurisdiction.

The relative investment of donor countries in WTO and other trade-related negotiations and mechanisms is dramatically greater than that placed in existing UN and regional human rights systems. While some countries – South Africa, for example – make clear constitutional links between domestic law and international human rights regimes, others – the United States – simply refuse to ratify key agreements, and countries like Canada remain in an ambiguous middle ground.

The conflict between existing human rights and environmental norms and the increasingly aggressive and intrusive regimes grouped under the WTO originates, of course, in national governments, in trade ministries and the lobbies arrayed around them. In a pungent instance, the UK Parliamentary Committee which reviewed their government's engagement in the ill-starred Multilateral Agreement on Investment reported that the relevant actors had never examined the implications for the UK's existing international environmental commitments. Pressure on governments to recognize the priority of international human rights commitments under the Charter, the Declaration and the Covenants is obviously important.

Human rights therefore are something to be practiced and experienced. "Participation is central to an HR approach to development as a right, an *entitlement guaranteed by international law, rather than an optional extra or a tool for aid delivery.*" Development must be a process by which human rights – civil, cultural, economic, political and social – are achieved, where citizens are the subjects who determine and freely pursue their development, not only through consultation or involvement, but also in active, free and meaningful participation affecting policy choices for public goods."¹⁰

This is not to deny that external resources, in response to popular demand and potential, may be extremely useful.¹¹ Further, official recognition of rights in law may be extremely useful as markers for behavior, as sources of leverage, adjudication and compensation, as standards for good practice

A human rights orientation to development cooperation therefore suggests some critical indicators of priority:

- at a local, sub-national or national level, strategies must recognize and reinforce popular struggles for rights;
- strategies which enhance structures for rights recognition, respect and enforcement can multiply effects and potentially lead to changes in culture; and

¹⁰ Ibid.

¹¹ Consider the relatively modest external aid provided to official (Federal Electoral Institute) and non-governmental (Alianza Civica) agencies in Mexico in the 1990s. In a ten year period the legal and experiential contexts for free exercise of the fundamental civil right to free elections change dramatically, providing for highly transparent, clean and quite efficient (as compared for instance to many US jurisdictions) elections involving tens of millions of citizens.

- resource reinforcement, i.e greater support for established human rights monitoring and legal bodies, investment in human rights education and advice, etc.

Rights and needs

To the degree that they address popular interests in their programs, by and large, international assistance agencies, both official and NGOs, have concentrated on issues affecting the provision of basic needs and poverty alleviation, rather than rights formulations. It could be argued, however, that in practice these two approaches are not so much in conflict, but over time inter-act and create synergy. The historical and revolutionary struggles to meet basic needs fed the formation of the ILO and generations of standards and conventions. Decades of effort led to recognition in the CEDAW (Convention on the Elimination of All Forms of Discrimination Against Women) and the Convention on the Rights of the Child.

An international treaty like the Covenant on Economic, Social and Cultural Rights, is a recognition in international law of the commitment of states for the progressive realization of such basic needs as health, nutrition, etc.

What merits close attention in the current context are expanding and creative ways that a wide variety of groups, not only human rights monitors, are applying rights frameworks as a basis for holding governments to account on urgent needs provision.

- The Social Watch¹² network, in its ongoing review of social, economic and gender commitments made at UN Conferences in the mid-1990s and the Millennium Development Goals, is informed by and to an extent, guided by, international agreements in economic, social, women's and children's rights.
- The International NGO Committee on Human Rights, Trade and Investment (INCHRITI)¹³ has been a catalyst in provoking the official international human rights mechanism to study, evaluate and in some cases, challenge the aggressive extension of private property "rights" and pressure to prioritize commercial agreements over all other international agreements on the part of the WTO.
- Recently a new international network on Economic, Social and Cultural Rights¹⁴ has been established, with a web site which encourages the sharing of cases (in which the justiciability of rights may be in play), themes/sectors (through discussion groups), and the linking of groups working in this field.
- Perhaps most suggestive for The Reality of Aid networks is the initiative of groups associated with the International Budget Project, to utilize economic, social and cultural rights in applied budget analysis affecting national, state and municipal levels of government.¹⁵

¹² See, for example, Social Watch Report 2003: the poor and the market, Montevideo, Item, 2003, also at www.socialwatch.org

¹³ InChriti

¹⁴ network web site

¹⁵ budget application international budgets

Taking them at their word

Some donor agencies have seriously engaged with the challenge of human rights to the development enterprise. The UK Department of International Development recognizes the general importance of human rights in their strategy for “Making government work for poor people”, particularly as civil and political rights constitute foundations for democratic government.¹⁶ DFID’s October, 2000 strategy paper “Realizing human rights for poor people”, is a decent and broad-ranging examination of how the agency might encourage the enjoyment of human rights in ways that would improve the life of the poor. The strategy deals with the weaknesses of official human rights bodies. In this regard, DFID will explore how it can support an approach that includes specific national targets and plans of action and reinforced national and international monitoring, promotion and assured implementation of human rights. It recognizes the importance of establishing national benchmarks that connect rights achievement and needs provision.

DFID also states that it will develop, “with interested partners, methodologies for the participatory assessment of rights [which] will focus on poor people’s understanding of what their entitlements should be, their experiences of discrimination as well as the processes, policies and institutions which enable or prevent them from holding their governments to account. DFID will work towards the incorporation of these methods, where appropriate, into Participatory Poverty Assessments and poverty reduction strategies.”¹⁷

The Advocacy Project at Georgetown University has assisted examination of the Bank’s human rights commitments through publishing a debate between two leading Bank officials and two US-based human rights advocates. The orientation and record outlined by Bank Vice-President Ian Johnson provide various entry points for engaging the Bank in further debate and enhancement of policy and practice.¹⁸

Rights and reality of aid

As The Reality of Aid project develops a common working definition of rights, it may be useful to regard the rights discussion as an organic and continuing one, one which is defined effectively in practice, utilizing existing formal frameworks as starting points and their implications to be explored in application.

¹⁶ DFID, Making government work for poor people: building state capability”, London, DFID, September, 2001. www.dfid.gov.uk

¹⁷ DFID, Realizing human rights for poor people, London, DFID, October, 2000. www.dfid.gov.uk. Pp. 28-29 CIDA in 1996 published a less ambitious parallel paper which stated that the agency would work to build a more effective foreign policy by, among other things, “seeking coherence with the broad international consensus on rights, democracy and governance issues reflected in the Universal Declaration of Human Rights...” CIDA, Government of Canada Policy for CIDA on Human Rights, Democratization and Good Governance, Ottawa, CIDA, 1996. E94-239/1996E www.acdi-cida.gc.ca

¹⁸ The Advocacy Project, The World Bank and Human Rights. A debate organized by the Georgetown Human Rights Forum under the joint sponsorship of the Institute for the Study of International Migration (Georgetown University, and the Advocacy Project., November 14, 2002. www.advocacynet.org

To this end, in addition to the work mentioned above regarding rights applications and budgets (International Budget Project network) and economic and social commitments (Social Watch network), the ongoing efforts of official bodies, in the UN system in particular, should not be ignored.

We are referring, for example, to reports prepared for the Commission on Human Rights and related bodies on such issues as:

- Liberalization of trade in services and human rights.¹⁹
- The Highly-Indebted Poor Countries (HIPC) Initiative: a human rights assessment of the Poverty Reduction Strategy Papers (PRSP)²⁰

In the issue of the defining of rights and the relationship between rights and needs, groups should access and make use of the “general observations” of the Committee on Economic, Social and Cultural Rights, in which meaning and application of specific rights, like the right to health are explored. The work of the Committee overseeing the CEDAW and of the Human Rights Committee, which oversees the Covenant on Civil and Political Rights, should also be kept in mind. Finding avenues to make this language and analysis of a right framework accessible to organizations working from community to national levels to hold their governments accountable to development objectives remains a challenge.

Further, the ongoing efforts of the Special Rapporteurs and experts associated with the UN system should be engaged. The Special Rapporteur on the Right to Housing, for example, is a product of non-governmental activism and international human rights and basic needs efforts. Resources for the application of a rights framework to the achievement of decent housing, sanitation, water provision, etc., can be found through web-sites like that of the special rapporteur – www.unhchr.ch/housing -- for example.²¹

The conventions of the International Labour Organization have, in many cases, the longest pedigree and embody a different model of decision-making that is too often overlooked. Contemporary discussion and experimentation with “multi-stakeholder” processes appears to make inadequate reference to the decades of tripartite (government, labour, business) negotiation in the ILO which has produced an extensive body of international regulation regarding working conditions, child labour, traditional knowledge and culture among other matters. The ILO’s current World Commission on the Social Dimension of Globalization, co-chaired by the Presidents of Finland and Tanzania is

¹⁹ United Nations, Commission on Human Rights, Sub-Commission on the Promotion and Protection of Human Rights, “Economic, Social and Cultural Rights: Liberalization of trade in services and human rights” Report of the High Commissioner. E/CN.4/Sub.2/2002/9

²⁰ United Nations, Commission on Human Rights, “Economic, Social and Cultural Rights: The Highly Indebted Poor Countries (HIPC) Initiative: a human rights assessment of the Poverty Reduction Strategy Papers (PRSP), E/CN.4/2001/56.

²¹ See Miloon Kothari, “Privatising human rights – the impact of globalisation on adequate housing, water and sanitation.” In Social Watch Report 2003: the poor and the market, Montevideo, Item, 2003

reviewing the impact of globalization on many elements covered by economic, social and cultural rights.²²

The ongoing development within the UN system of bodies and statements which embody the participation of indigenous nations provide further dimensions in a comprehensive view of human rights.

Finally, there are other bodies, for example the Commonwealth, who have initiated relevant work, for example on *engendered* budgets that may be useful.

At the same time, the rights frameworks remain incomplete and in need of innovation; the rights of sexual minorities remain by and large at the margins internationally and zones of repression in many countries. There remains considerable work to be done in developing, defining and establishing in international law a family of rights related to the environment. A number of CSOs are already engaged in this effort, and as one coalition recently declared, we “believe that a solid body of support exists for making a safe and healthy environment a human right.” They suggest that even without agreement on key issues, the debate itself was worthwhile, to establish those areas where consensus is possible.²³

Where these strands might come together is in an emerging congruence between organizations, research and operational experience useful for rights-applications to national and sub-national budget processes, and the application of rights frameworks to the process, content and delivery of donor resources. Members of networks like The Reality of Aid might seek opportunities, if these have not already been developed, with those pursuing the participatory budget processes.

Conflict and urgency: Rights and “rights”, defending space

The expansion and reinforcement of work in the human rights sphere, at a variety of levels is urgent in the present geo-economic, political and security context. The challenge is starkly that the historic and natural evolution of human rights frameworks and implementation is threatened not only with starvation, but by an aggressive normative challenge on behalf of private property “rights” – including intellectual property – and “corporate rights” as competing foundations for international rules-making.

This process, leads concerned groups, not only to continuous engagement with the WTO, the TRIPs Council, as well as regional agreements and negotiations like the NAFTA and the FTAA, but also to the policies directly or indirectly encouraged by the Bretton Woods

²² explanatory documents on the World Commission can be found at www.ilo.org/public/english/wcsdg/index.htm

²³ Maria Adebawale et al, “Green rights? An approach to sustainable development.” ID 21 Research Highlight, 25 November, 2002. See also Maria Adebawale, Beatrice Nduta Kairie, Boris Vasylykivsky and Yelena Panina, “Environment and Human Rights: A New Approach to Sustainable Development”, Opinion: WSSD, IIED with RING, 2001.

Institutions (BWIs). Do these bodies and negotiations encourage and support the extension of a ground-up rights-based approach? Or are they in effect cutting off and subverting the potential to realize rights by removing huge areas of popular sovereignty from democratic decision-making in favour of supra-national bodies like the WTO, and by asserting the predominance of trade and commercial agreements over all other international agreements whether human rights, environmental or labour? Many academic analysts, NGOs, human rights and social movement activists suggest the latter process is in play.

This battle continues, in at least three key strategic areas from a rights and development point of view:

- The ongoing struggle to prevent environmental principles and agreements from being made subject to the priority of trade and investment accords, recently fought out again at the Johannesburg WSSD;
- The battle in the TRIPS Council to make recognition of the right to health take precedence over the TRIPS agreement in the post-Doha debate on access to provision of essential drugs for HIV/AIDS;
- The implications for a whole series of rights in the negotiations for a further General Agreement on Trade in Services (GATS).

In each of these cases national and multilateral development assistance agencies are implicated in various ways, as are aid-related NGOs. In each, established human rights frameworks are at risk, and their defence requires greater clarity and reinforcement of energies.

The *urgency* of defending the legal priority of international human rights agreements and of reinforcing and extending them is clear. Engagement with a variety of networks to draw attention to implications for governance, democratic sovereignty and human rights of the aggressive assertion of investor protection at the national level and trade and investment agreements internationally is important. The current volume of the Social Watch contains several dozen national case studies on the access to services and privatization nexus. These focus on meeting needs and poverty eradication, but also deal with the way in which trade, investment and international funding/financial mechanisms condition the options, often reducing both the access and the democratic sovereignty of populations.²⁴

The course of donor-imposed privatization, puts a number of rights in question. The privatization of water, for example, in Bulgaria, has been deemed by local CSOs to have had

“a negative impact on the social and economic status of the population. The right to an adequate standard of living...means that States have to ensure that all trade agreements under WTO auspices, as well as the process of privatization and

²⁴ The Poor and the Market: The Social Watch Annual Report 2003, Montevideo, IteM, 2003.
www.socwatch.org

liberalisation of basic public services will not jeopardise the social and economic condition of their citizens, their fundamental rights...²⁵

The scope of this paper does not permit detailed examination of the implications of current multilateral agency policies (and bilateral complementary policies, in many cases) for the overall effort to strengthen developing states, their democracies and citizen participation in the decisions that affect their lives.

Some analysts of domestic implications of the new generation of trade and investment agreements for *developed* donor countries have already noted the effect of their provisions on the governance of relatively strong and resourceful states. Their economic functions have been altered and reframed, and sovereignty in terms of the locus of decision-making over many essential matters been transferred up and out.²⁶ The changes are comprehensive and have the effect of creating a new external constitution, out of the reach of citizens.

In this, perhaps, there is a convergence of the experience of northern citizens with the longer experience of their southern counterparts. The primary agent of these changes for the “north” has been the creation of the WTO only eight years ago, yet already a new and powerful agency of global governance. For developing countries the WTOs rubrics are combined with the long-standing policy prescriptions of the BWI’s on privatization and liberalization, most recently expressed in the Bank’s Private Sector Development (PSD) Strategy, and in pressure for “investment climate assessments”. Developing countries are strongly encouraged to “privatize essential services by auctioning off the profitable segments of service markets”, which leads to the creation of what U.S. analyst Nancy Alexander terms “service apartheid” where corporations “cherry-pick” affluent customers, leaving the loss-making markets to governments or NGOs, or, one might add, leaving people out entirely.²⁷

As Alexander points out, this is a multi-sided and multi-sector strategy on the part of the Bank to bring countries into compliance with the WTO Doha agreements, and to apply a variety of intrusive assessments of various areas of public policy, which by their very nature must make the external assessors as powerful or more powerful than the citizens of the country concerned. The US Millennium Challenge Account embodies this sort of intrusive conditionality “on drugs”.

If issues of participation and accountability in governance are paramount, then many CSOs argue the structures of the Bank and Fund, as well as the processes of the WTO must themselves be democratized. Proposals have become more elaborate over recent

²⁵ Irina Moulechkova and Plamenka Markova, “The big sale in the water supply market”, Bulgaria, in *Social Watch Report 2003: the poor and the market*, Montevideo, Item, 2003

²⁶ Stephen Clarkson, *Uncle Sam and Us: Globalization, Neoconservatism, and the Canadian State*, Toronto and Washington, University of Toronto Press and Woodrow Wilson Centre Press, 2002

²⁷ Nancy Alexander, *Convergence of the Trade and Finance Agendas: how the World Bank Group’s Facilitation of the Trade Agenda Undermines the Bargaining Power of Developing Countries*, Washington, Citizens’ Network on Essential Services, January 7, 2003. p. 2

years, too detailed to be presented here. But for instance, in addressing the High-Level Meeting of the ECOSOC with the BWIs and the WTO in 2003, the key NGO coalition called for a reform of BWI governance structures “to make them more accountable, participatory and transparent, through, inter alia, increasing the basic vote component of the voting structure, thereby reallocating voting power on Executive Boards to developing countries.” They also called for transparency on votes, and for the implementation of an Economic and Social Security Council. To promote more democratic policy development in the BWIs, the NGOs argued for mandatory parliamentary debates at country level and consultation with CSOs.²⁸

Part II: Applications

Governance and rights application: budgets

At the national government level (depending of course on the character of the constitution – unitary, federal to what extent, etc.), as noted earlier, a key theatre of potential and, to a limited extent, actual development in democratizing governance of resource allocation is the emergence of popular or **participatory budget exercises**.

To this observer, the nexus between transparency/accountability/participation efforts directed at aid provision and planning processes like PRSPs, and those directed at national and sub-national budgets is considerable. It is not within the scope of this paper to ascertain to what extent this convergence is real rather than potential.

What does have clear potential for groups interested in a rights-applying approach is the work, incipient perhaps but emerging in several countries, specifically on rights and applied budget analysis. The proponents of this approach argue that the values language characteristic of rights-seekers and defenders should find expression in national and sub-national budgets, if they are “to fulfil society’s obligations to the poor.” Further knowledge of budget issues and choices can increase the effectiveness of human rights organizations in representations to or negotiations with those in power.²⁹

An additional synergy between aid monitoring and budget monitoring groups may lie in the exchange of experience and learnings from groups in countries with more resources (South Africa, Poland, etc.) and those with less. The particular vocation of aid monitoring networks could be to make transparent and assist in analyzing the way in which donors condition the choices available to citizens and their governments, and to assist in making clear what changes in donor behavior are necessary to support democratic resource allocation and accountability at the national level. (In so doing, The Reality of Aid project would be deepening and drawing national conclusions from the 2002 Report which focused on conditionality.)

²⁸ “Statement to the Plenary by the Interim Facilitating Group for the Follow-up to Monterrey” (New York, IFG, 14 April, 2003), www.un.org/esa/coordination/ecosoc/bwi2003/BWIIFG.pdf

²⁹ International Budget Project, Applied Budget Analysis and Economic, Social and Cultural Rights, at www.internationalbudget.org/ p. 2

A pre-condition of effective pursuit of a strategy for budget transparency, participation and accountability is that bilateral and multilateral aid flows pass through or are taken into account in the recipient government budget. As Helleiner points out, “For better or for worse, however, this is typically *not* the case.” In the case of Tanzania, he notes, “where strenuous efforts have purportedly been made to transfer “ownership” of development programs from aid donors to the government, only 30 percent of ODA was estimated to flow through the government budget in the fiscal year 1999.” He concludes that the proportion of a donor’s expenditure that goes into the national budget system “is therefore another reasonable performance indicator for donors; this should be inclusive of debt forgiveness and contributions to debt-servicing funds.”³⁰

The search for reasonable levels of comprehensive resource planning, control and accountability, as desirable as they may be in democratic states with strong civil society organizations, presents complex challenges in countries lacking these elements. Further, the encouragement of diversity, autonomy from the state and critical distance from current programmes essential to a dynamic civil society suggests that assistance to civil society organizations may be best routed through channels independent of the state.

Donors may argue that such integration of aid flows may make them fungible, changing their use, perhaps allowing governments not to increase education budgets, for example, but simply displacing existing funds, making no appreciable enhancement of social or economic objectives. US scholar Stephen Kosack argues, however, that an active participatory *democracy* is the key: “...while generally, the fungibility of aid is considered negative, in democratic countries, it may be far from problematic – instead it may well work to the benefit of the citizenry...” In such countries citizen priorities, which “often include improvements in education, health and other services that improve quality of life” will be priorities.³¹

The very useful OECD Development Centre Policy Brief No. 22 “Strengthening participation in public expenditure management: policy recommendations for key stakeholders”³² suggests the area for dialogue and debate is between these budget monitors of resource management and legislators. Not only dialogue, but also review of practice in sites like those so often cited in Brazil and elsewhere, could be quite suggestive of conditions for positive results, limitations and potential for scaling up experiments to higher levels of jurisdiction and complexity. The experience of non-governmental groups taking other approaches – the Alternative Budget (Canada and

³⁰ Gerry Helleiner, “Towards Balance in Aid Relationships: Donor Performance Monitoring in Low-income Developing Countries”, Cooperation South, New York, UNDP, 2000. (No.2) p. 28

³¹ Stephen Kosack, “Effective Aid: How Democracy Allows Development Aid to Improve the Quality of Life.” World Development: The multi-disciplinary international journal devoted to the study and promotion of world development, Volume 31, No. 1, Montreal, Pergamon/Elsevier Science, January, 2003

³² Jeremy Heimans, Strengthening Participation in Public Expenditure Management: Policy Recommendations for Key Stakeholders, OECD Development Centre, Policy Brief No. 22, Paris, OECD Development Centre, 2002

some provinces of Canada), children or gender specific initiatives in various countries – could also contribute to future strategies, and also to the engagement of new forces.

The Development Centre brief also highlights an area of keen political interest affecting the potential to scale the participatory budget processes up and out, which is their relationship with established legislative authorities.

Donors in National theatres: independent monitoring and accountability

“The new donor-Tanzania development partnership implies a radical change of rules and roles between the partners in development”³³

The development of agreements facilitating the creation of an independent monitoring agency in Tanzania and the implementation of at least some of the agreed procedures illustrate what “new north/south partnerships” could imply at the country level. “The lessons emerging from this is experience” says Prof. S.M. Wangwe of the Economic and Social Research Foundation in Dar es Salaam, “are in many ways pioneering and stand out as a major contribution to giving concrete meaning to the development of a new partnership in development cooperation.”³⁴

The process also demonstrates in a series of fashions, the difficulties and the potential of developing a new approach to governance as it affects ODA and its role in a nation, ways in which transparency is brought into being (or not), in which power is shared or transferred (or not).

In brief, this initiative grew out of a crisis in Tanzanian state-donor relations, in the early 1990s. The Danish Government proposed a “Group of Independent Advisors on Development Cooperation”, chaired by Prof. Gerald Helleiner of Canada. Appointed in 1994, the group reported in 1996. The donors and the Government of Tanzania met in January 1997 to consider the recommendations and “normalize” relations with an emphasis on partnership and local ownership in designing and executing development programmes. “The report also recommended a broader definition of local ownership to include other stakeholders in the process of development management”³⁵

One of the most important recommendations early in the process was that “ a necessary condition for success is strengthening the human and institutional capacities in the key policy and sectoral ministries as well as in the local governments”.

Another was the shift in thinking to development assistance as enabling “self-help”, local and national capacities for management, “empowerment or local ownership” and “sustainability”.

³³ Samuel M. Wangwe, ed., NEPAD at Country Level – Changing Aid Relationships in Tanzania. Dar es Salamm, Mkuki no Nyota Publishers, 2002

³⁴ Ibid.

³⁵ Ibid.

The results of the 1997 meeting included emphasis on better information, such as actual and planned aid flows, including entities other than the government, donor flexibility in the light of Tanzanian review of development budgets and priorities, and making the Policy Framework Paper (PFP) publicly available. Donors and government agreed to initiate “discussion of major issues relating to the next PFP with the representatives of the private sector and civil society”. The Tanzanian government would take leadership in preparation of the next PFP and Public Expenditure Review “with support from donors only in such a manner as to ensure Tanzanian control over the process.”³⁶

“All of this planning” Prof. Helleiner testifies, “for a minor “revolution” in the aid relationship in Tanzania was accomplished, it should be noted, some years in advance of the formulation of the concepts of Poverty Reduction Strategy Papers (PRSPs) in the IM or Comprehensive Development Frameworks (CDFs) in the World Bank.”

In 2000, as a result of this work, a Tanzanian Assistance Strategy (TAS) was developed and an Independent Monitoring Group (IMG) created, selected “on the basis of their independence from the Tanzania government and from the donor administrations.” This group began work in February 2002, with support from all parties guaranteed through 2003. It includes two Tanzanians, three experts from donor countries and one non-Tanzanian African expert. The IMG is supported logistically by the Economic and Social Research Foundation, an NGO, which coordinates the IMG “as an honest broker”, with donor funding coordinated by UNDP.

This model appears worth serious examination and evaluation. The negotiation of the terms of reference of the group evidenced some of the strains characteristic of donor-state relations and possible limitations in transparency and accountability.

- *Specific accountability*: “An early casualty...was the ...recommendation that donor performance indicators should be recorded and assessments made with respect to each of the major sources of external support.” The bilateral donors agree only on “collective donor performance monitoring”;
- *Aid effectiveness*: the emphasis on “effectiveness” under donor pressure, put it on a higher level than the “previous prior concern with the transfer of ownership”;
- *Ownership*: local ownership had been seen as the “cornerstone” of the partnership, but ended up being only something to be promoted.

Evaluating the overall process through 2001, and the negotiation giving birth to the IMG, Prof. Helleiner concluded:

“Clearly the Government of Tanzania conceded some ground in this discussion. But far more significant is that any such concessions are the fact that it took place at all; that, in the end, the agreement was reached; and that a solid independent assessment of progress in aid relationships will again be presented to the next Tanzania CG [Consultative Group] meeting. The terms of reference will still leave plenty of room for the independent group to develop its own (potentially

³⁶ Ibid.

innovative) assessment methodologies, make critical assessments, and offer fresh proposals for improvement and change.”

Roy Culpeper, President of the North-South Institute in Canada has suggested another twist on the approach to donor-recipient relations, “reverse consultation”. Recipients could “use the consultative group format in reverse, with each major donor meeting its principle recipients on an occasional basis. This could be done in a number of ways. For example, the Canadian International Development Agency could meet with representatives of its principal African partners in the health sector to help establish a joint assessment of what works satisfactorily, and what is in need of improvement.”³⁷

While better coordination and Southern ownership of national development programmes are accepted, at least rhetorically by many donors, the question of “how to achieve effective civil society participation is less clear.” In an examination of this challenge, researchers for Christian Aid (U.K.) note there is “much scope for improvements in practice”. The rationales for participation are articulated by many different actors, but initiatives in practices have only “tentatively and sporadically begun “. Christian Aid notes that “Set within the wider framework of national ownership, experiments such as in-country [Consultative Group] meetings, civil society representatives on official national delegations and participatory preparation processes, have had variable success, but have in themselves represented a change in attitudes.”³⁸

National theatres in the context of comprehensive agreements

A significant number of states (78) are implicated in the EU-ACP cooperation agreements. The June 2000 Cotonou Agreement provides a framework to the year 2020. Eurostep, in a series of partnerships, has undertaken a series of civil society examinations of the extent and quality of civil society or non-state actors participation in a series of recipient countries.

The civil society evaluations, noting that Cotonou provides for the involvement of non-state actors “in all aspects of the Agreement’s application”, aim to monitor the “degree of real participation by non-state actors, and in particular civil society organisations, in the setting out of the Country Strategy Documents and the National Indicative Programmes for EU support of individual ACP countries.”³⁹

The evaluations are to be done jointly by donor country NGOs and local CSOs.

³⁷ Roy Culpeper, “Putting the shoe on the other foot”, Opinions, The North-South Institute, Ottawa. Accessed 14/02/03

³⁸ Jenny Richmond & Rosemary McGee, Whose round the table?: A review of civil society participation in aid, London, Christian Aid, October, 1999 p. 20

³⁹ Emmanuel Gahou and Aurelien Atidegla, Participation of Civil Society in the Preparation of the Cooperation Strategy of the EU-ACP Agreement in Benin: A civil society perspective, Groupe de Recherche et d’Action pour la Promotion de l’Agriculture et du Developpement (GRAPAD), Cotonou & Eurostep, Brussels.

An examination of reports of even a few initial evaluation “missions” note a number of factors impeding full realization of expectations spurred by the Cotonou provisions. To some extent, these limitations are quite predictable:

- Too little basic information, sent to too few groups, too late to be adequately taken on board or followed up;
- Too few CSOs invited or engaged;
- Too little transparency on the progress and terms of the Country Strategy paper;
- Little facilitation in the consultation processes to encourage adequate and informed participation of CSOs;
- The lack of involvement of CSOs in all stages of planning of consultation.

However, support has developed for institutionalization and deepening the process of engagement, and EUROSTEP (European Solidarity Towards Equal Participation of Peoples) has made a series of recommendations regarding how to do this.

It is clear that participation can be perceived to mean quite different things to the different actors. The Ugandan evaluation concluded “whereas the EU/NAO [European Union/National Authorizing Officer] believe they were involving CSOs in the process, CSOs on the contrary feel largely left out and not familiar with ACP/EU cooperation”⁴⁰ Further, confusion was also caused by parallel processes of consultation relating to the Bretton Woods Institutions.

The importance that consultation have some identifiable effect on the final policy outcomes is identified in the Dominican Republic evaluation. CSO participants were part of the follow-up committee which developed the Country Strategy document following consultation. However, they “explained their lack of motivation by pointing to the fact that most of the recommendations that were discussed were left out of the final document.”⁴¹

The Dominican Republic case study also highlights capacity limitations on the part of civil society actors themselves to engage, noting that “civil society has failed to fulfil the role that the Agreement has assigned it.”⁴²

⁴⁰ J.R. Ekongot, *Civil Society Participation in the ACP-EU Country Support Strategy Process in Uganda: A civil society perspective*, Development Alternatives Uganda (DEALS US), Kampala & Eurostep, Brussels, p. 11

⁴¹ CIECA, *Participation of Civil Society in the Preparation of the Cooperation Strategy of the EU -ACP Agreement in the Dominican Republic: A civil society perspective*, Unidad de Seguimiento a la Negociaciones Internacionales, Centro de Investigacion Economica para el Caribe (CIECA), Santo Domingo & Eurostep, Brussels. P. 6

⁴² Ibid.

Sector Wide Approaches (SWAps): building democratic capacity?

Canadian advisor, E.T. Jackson underlines the strictures that donor government officers must deal with, including accountability to Parliament and the public, the public auditor and the cabinet treasury board, “whose interest in assessing Agency spending on the basis of results and value-for-money has never been greater.” In recent decades this has led to a considerable emphasis on “results-based management” and the development of “performance review frameworks”. The latter graphically represent the “cause and effect relationships between activities, reach and developmental results. It describes strategic objectives, the chain of expected results, key stakeholders, and major activity components.” In the “partnership” between donor agency and developing country government, CIDA accepts “full responsibility for operational results and shared responsibility for developmental results.”

This approach yields a considerable emphasis on participation, monitoring and evaluation that can offer opportunities. The ideal (some would say rhetorical) vision behind approaches like the Comprehensive Development Framework and PRSPs, offer opportunities for “generating and sharing knowledge at all levels of participation and decision-making”, participation, capacity enhancement, etc. Jackson argues that inside and outside government, “local capacity must be built to monitor and develop the results of SWAps” as well. Central ministries, line agencies, academic and research resources and civil society sectors can all be engaged and their relevant skills and knowledge be upgraded.

He argues, that for taxpayers and supporters of ODA, it’s the “micro that matters”, what is happening to poverty reduction on the ground. So participatory poverty assessment (PPA), engaging the poor themselves seems appropriate. PPAs can “complement macro-economic analysis and quantitative surveys and provide ‘valuable insight into the multiple meanings, dimensions, and experiences of poverty’”⁴³ The concern for accountability can be dealt with because, Jackson concludes, participatory and gender-sensitive SWAps and SWAps-PRFs are more likely to generate “broad-based and significant results” than those which lack these dimensions.

Mark Schacter of the Institute on Governance (Canada), states that accountability is more a political than a technical issue, “conditioned by the interests and incentives of those who have power.” The lead must lie with the recipient country. Pressure for accountability must be transferred from external to internal sources, and thus, “true accountability must come from a country’s own citizens. Our role as donors should be to help promote that sort of accountability, by helping to make information available to the citizenry, and fostering dialogue around the issue of government responsiveness to the public.”⁴⁴

⁴³ Edward T. Jackson, “Operationalizing Results-Based Management in Sector-Wide Approaches: Focusing on the Performance Review Frameworks”. n.p.,n.d.

⁴⁴ as quoted in Learning Network On Program-Based Approaches (LENPA), [Synthesis Report: Forum on Accountability and Risk Management Under Program-Based Approaches](#), Ottawa, June 19-21.2002

Jackson views civil society as “an important partner...in assessing the performance of the public sector in delivering development results.”⁴⁵ McKay and Gariba detail a number of independent research and monitoring operations that parallel or overlap those referred to in independent budget research and analysis processes.⁴⁶

The current discourse on SWAp, Jackson notes, has “little explicit reference to democracy or human rights”. He goes on to argue that precisely SWAp can be not only a training ground for participation and influence, but also that “democracy and rights might actually become the subject of special SWAp initiatives...aimed at enlarging the democratic space and elaborating and enforcing human rights.”⁴⁷

Scaling up independent monitoring

If the power relations in the aid equation are to be effectively altered, donor performance must be assessed as rigorously as that of recipients. Independence of the evaluators is much coveted but difficult to ensure, particularly when the contractors are those being evaluated.

As a number of assessors have pointed out, the independence of the monitors is essential to success and credibility in donor performance assessment whether in a country like Tanzania or more generally. Donor associations, like the OECD/DAC and the major multilaterals -- the Bank, the Fund, etc., lack the trust and confidence to be objective organizers of such operations.

UNDP might be in a position to be more generally active in this field, particularly if it were to establish some degree of insulation between donors and its monitoring arm, as it has done with the Human Development Report. UNDP has begun extensive work developing country reports on the progress of implementation of Millennium Development Goals. Whether these assessments embody either an adequately participatory process at the national level, or the independence necessary, is probably debatable.

Helleiner, among others, points out that *general* monitoring of donor performance is not particularly useful, and the donors tend to resist performance monitoring of their own activities. The Reality of Aid is not without experience in this regard. Thus the relevance, urgency one might say, of individual as well as collective donor performance is key. The partnership rhetoric around the Millennium Development Goals, as well as around the “development partnership” celebrated in the “Monterrey consensus”, give ample excuse for pressing the case for reciprocity in monitoring and assessment.

⁴⁵ Edward T. Jackson, op.cit.

⁴⁶ K. McKay and S. Gariba, (eds), The Role of Civil Society in Assessing Public Sector Performance in Ghana: Proceedings of a Workshop, Washington, D.C., Operations Evaluation Department, World Bank, 2000.

⁴⁷ Edward T. Jackson, op.cit.

Cautionary advice

Coherence is a much abused term in contemporary assistance debate. Thandika Mkandawire, Director of the United Nations Research Institute for Social Development notes that development choices are about values and distribution and thus “highly political”. Aid agencies may opt for more internally or externally authoritarian approaches which assure “coherence” in their terms, “a fact that partly explains why donors have tended to prefer ‘strong men’, such as the Ugandan president Museveni.”

Mkandawire points out that this flies in the face of a fundamental pillar in current assistance policy on governance, i.e “that democratization is the touchstone by which all policy-making and outcomes are to be judged.” He notes that “incoherence is inherent to democratic politics, where compromise underlies decisions. The question for coherence and, even worse, the imposition of putatively coherent policies on recipient countries, would clearly undermine the prospects of developing a culture of dialogue and compromise.” Thus flexibility, particularly for new democracies, is essential.⁴⁸

To some extent demands for flexibility surface regularly in international forums, as for example, with regard to trade policy, and the recurrent pressure for “special and differential treatment” for developing country trade in WTO and related bodies. The approach suggested by Harvard economist Dani Rodrik is that development at the national level be regarded as central, and trade policies evaluated not as to their universal coherence, but as to their contribution at the national level. “The WTO should be conceived of not as an institution devoted to harmonization and the reduction of national institutional differences, but as one that manages the interface between different national systems.”⁴⁹ This approach is carried forward in much greater detail in the UNDP’s recent book Making Global Trade Work for People.⁵⁰

But as a growing number of CSOS point out donor practices, whether in technical assistance, through the exigencies of Bank/Fund pressure or conditionalities on recipient countries or through the intrusive exercise of WTO trade policy review exercises at the national level, all tend in the direction of reduced flexibility and a “one size fits all approach”.

PART III: Two (relatively) new international theatres.

Beyond the local and national levels, international discussion and negotiation have focused on issues of resource allocation in which governance has been highlighted in what we might call a new generation of conditionalities. Here there are two overlapping

⁴⁸ Thandika Mkandawire (Director, UNRISD), Policy Coherence: Trends and Policy Implications for International Development Co-operation, Paper prepared for the Parliamentary Commission on Swedish Policy for Global Development, Globkom. April, 2001.

⁴⁹ Dani Rodrik, The Global Governance of Trade As If Development Really Mattered, Background Paper, New York, UNDP, October, 2001

⁵⁰ Kamal Malhotra, principal author, Making Global Trade Work for People, London and New York, Earthscan and UNDP, 2002.

theatres of inter-institutional debate – the Millennium Development Goals (MDGs) and the UN Financing for Development (FfD) process – to which concerned NGOs might give fresh attention. The chief reasons for raising the MDGs and FfD in a paper on rights and governance are that they represent:

- Elements of an increasing institutional convergence between the Multilateral Economic Institutions (MEIs) and the UN system, and thus between the macro-economic assumptions and approaches of the aid system;
- Internationally-agreed statements of overarching policy, including an emphasis on governance, rhetoric of partnership and some quite specific targets and time-lines for a development results; and
- New opportunities for civil society engagement with the UN, the Bank, Fund and WTO and with governments

The Millennium Development Goals

“...[W]e have more than pledges, promises and lengthy plans of action. On the key question of economic and social development, we also have a common framework to guide us: the Millennium Development Goals. ...[T]hey are fully achievable, even in the short time scale that has been set.

“Governments must act to push the MDGS forward. All the main arms of the UN system will come together to do everything we can to help. But neither we, nor Governments, acting on our own, will succeed without your involvement – you, the dynamic forces arrayed here in Porto Alegre.”⁵¹

Secretary General Kofi Annan

The United Nations – UNDP in particular – and the IFIs, along with a diversity of governmental and non-governmental agencies, are in the third year of engaging with the Millennium Declaration and the MDGs. Several structures within or related to the United Nations have been created to follow-up on the MDGs, and the curious can tap into charts which attempt to answer the question “How are we doing?” in a quantitative and rather technocratic fashion.

In approaching this ongoing field of action, it is useful to keep in mind that the Declaration itself, supported by the heads of government and state of the UN membership, is somewhat broader and more comprehensive than the MDGs per se.

The debate over the significance, usefulness and possible impact of the MDGs has engaged a number of non-governmental networks and has been broached in such civil society encounters as the World Social Forum 2002 and 2003. The debate is simply a current chapter of challenges raised at the Special UN General Assembly on Sustainable Social Development held in Geneva 2000 when the Secretary-General joined with the Bank, the Fund and the OECD in launching a pre-emptive foray. They issues a joint

⁵¹ The Secretary-General Kofi Annan, “Message to the World Social Forum”, delivered by Mr. Nitin Desai, Under-Secretary-General for Economic and Social Affairs, Porto Alegre, Brazil, 27 January, 2003.

document, *A Better World for All*, regarding economic and social development goals, colloquially named by many NGO observers as “Bretton Woods for All”.

The debate includes *process* – going back to and through the Geneva 2000 event, *substance* – the modesty and inadequacy of the Goals, the length of the timelines, etc., *accountability* – rhetoric of partnership without adequate donor accountability, and *diversion of focus* – attention devoted to quantitative targets, diverted from causal analysis and macroeconomic critique.

The UN is seeking the active engagement of civil society organizations, and is organizing an MDG campaign, with governments, CSOs and other “stakeholders”. CSOs accustomed to working with and for the UN, in general, have found themselves uncomfortable with the assumption that they might be willing “flaks” for the promotion of goals and approaches to which they are more critics than enthusiasts.

There are those in the Multilateral Economic Institutions (MEIs) who refer, jokingly to the MDJs rather than the MDGs, referring to agreements at Monterrey, Doha and Johannesburg, which they view as more investor and privatization-friendly than the UN’s Millennium Declaration. Clearly, there are some reasons to fear a girdle of “policy coherence” designed not by the UN or by CSOs, but with the cloth of the Washington consensus, and in this light the MDGs may become just another embodiment of policies that have already failed.

On a more positive side, the MDGs do provide *targets and timelines*, both of which have been as frequently resisted by donors as they have been pressed by NGOs. The proponents of the MDG “campaign” argue simply that if the MDGs are inadequate, reach them sooner than planned, and go on with something better. Having got several multilateral vehicles on the same road, more or less, advocates argue simply “get with the program”. The Bank, for one, recognizes three “new” dimensions in the MDGs:

- time-bound targets which “demand specificity in development actions and emphasize systematic measurement”;
- outcomes rather than inputs which mean “the MDGs draw attention to the multi-sectoral determinants of outcomes”; and
- Goal 8 which aims at a global partnership for development, which implicates donors and “may warrant changes and innovations in some Bank practices and programs.”⁵²

Those concerned with bringing the MEIs into some measure of discipline with UN agreed policy priorities and approaches argue that the MDGs are a step in that direction, that the Bank and the Fund, at least, are committed rhetorically to the framework and are internalizing the language of MDGs and to a degree their implications.

The Secretary-General, in his message to the 2003 World Social Forum, encouraged CSOs to “hold your governments to their promises.” He referred to the reports on MDG

⁵² World Bank Operations Evaluation Department, [Precis: ARDE 2002 Achieving Development Outcomes: The Millennium Challenge](#), Number 231. Washington, World Bank, Winter, 2003. More detail can be found at: www.worldbank.org/oed/arde2002

progress that would be, he said, a collaborative effort involving various partners, including non-governmental organizations. This process “offers a platform for you to air your views, to praise governments where they are keeping pace, or to criticize when commitment seems to lag or priorities seem amiss.”

The existence of the Declaration and Goals, with their focus on critical issues, like poverty and the response to HIV/AIDS, do provide openings for advocates who wish to raise questions as to the policy frameworks that either facilitate or obstruct rapid movement to their achievement. The Secretary-General invited CSOs to do just this. “You can enrich the debate on the direction of our international system. Some of you have strong opinions about globalization.”⁵³

Network members of The Reality of Aid project may have assessments as to whether or not the country report mechanism regarding the MDGs (administered by UNDP) has, as yet, engaged civil society organizations and, if so, whether or not there is any evidence of impact.

Taking on the MDGs

Early in 2003 a group of West Africa CSOs developed a vision and strategy for working with the MDGs in their countries. In doing so they dealt with the limitations of the goals, stressing the importance of combating poverty through people’s participation, the importance of dealing with “uncontrolled external constraints, such as the debt load and the inequitable nature of international trade relations”, and of peace and stability.

The West African CSOs described their own role as “questioning, monitoring, criticism, alternative seeking and advocacy.” Working democratically, the role of civil society is “to develop and propose alternatives and to demonstrate that other economic and social options are possible...”⁵⁴

The North-South Institute is continuing in 2003 a survey of CSO engagement begun in 2002, which will attempt to evaluate the extent and nature of CSO response to the MDGs and provide information on whether or not there are direct engagements with the UNDP reporting process.⁵⁵

From the point of view of many organizations focused on challenges to the MEIs as they condition the possibilities open to developing countries and their populations, the MDGs are arguably a side-show, too limited in part, and too likely to being undermined in any case by macro-policy frameworks, which are multiplying poverty and marginalization rather than reducing them.

⁵³ The Secretary General Kofi Annan, op.cit.

⁵⁴ ENDA, “West African Civil Society Position on the Millennium Development Goals and their Implementation” Enda, Dakar, Senegal, 23-24 February, 2003.

⁵⁵ See WFUNA, “We the peoples...An appeal for action for the UN Millennium Declaration” New York, WFUNA, 2002. www.wfuna.org

These organizations are also concerned that the mechanism —The Millennium Project, set up to advise the UNDP and the UN on the policy dimensions of achieving the MDGs, largely organized by Prof. Sachs of Columbia University, will be dominated more by northern than southern approaches, by American rather than G-77 perspectives and will fail to challenge effectively the institutional and political mind-sets which obstruct real change.⁵⁶

From a governance perspective the engagement with the MDGs is complex. As a model for participative development, the process of their creation was not exemplary, to say the least. The policies endorsed in Goal Eight, regarding the global trading and economic system, for example, are unlikely to be accepted by many experienced CSOs. The lack of clear policy reform goals offers little to those who have been seeking essential institutional reform for years.

At the same time, the monitoring of the goals, as the Secretary-General has indicated, offers opportunities for input, and, more importantly, opportunity for evaluative comment, both in general, and in addressing reporting sessions and moments at the UN and various bodies associated with it, as well as at the national level. A five-year review of progress or lack thereof in 2005 could be an opportune moment for a challenge for change.

From the perspective of a network like The Reality of Aid, are the modest opportunities apparent with the MDGs and (see below) the follow-up processes for Financing for Development (there is a considerable overlap), worth addressing? If so, with what strategy and to what extent? If not, what messages need to be transmitted about this choice?

Financing for Development: multilateral opportunity or dead end

Non-governmental organizations concerned with macro-economic policy, as applied through the Bretton Woods Institutions and neo-liberal trade and investment agreements as implemented through the World Trade Organization, have used the United Nations and its fora as a sounding board and, in some cases, as a theatre of alternative approaches.

Those who have seen conflicts between normative standards and development priorities as expressed through the UN system have, on occasion, called for greater accountability for the practices of the BWI (formally within the UN tent) and the WTO (formally outside it) to UN established normative agreements. They have also contrasted IFI

⁵⁶ The Millennium Project sets out a research agenda implemented by a series of task forces, directed by Prof. Sachs. Each task force includes 15-20 members of academia, the public and private sectors, civil society organizations, etc. The Project reports directly to the Secretary-General and the Administrator of UNDP. The Earth Institute of Columbia University is the base for some of the research. <http://www.unmillenniumproject.org/html/about.shtml>

decision-making to that of the UN, which has been viewed as a more democratic (in terms of states) forum, the General Assembly and its committees.⁵⁷

State actors, often for other reasons, call for coherence among the institutions, provoking cries of “who’s coherence” from non-governmental groups concerned about further “mission-creep” by the MEIs, and about losing those zones within the UN system, where alternative thinking is entertained.

There has been a quiet growth, however, of inter-institutional cooperation in ways that could affect macro-economic policy as well as the institutional division of labour. The preparation for and follow-up to the Financing for Development Conference (Monterrey, 2002) catalyzed this process. The institutional follow-up on the Millennium Development Goals is also contributing to this incipient cooperation. It is expressed in a several of ways:

- regular meetings between the Secretary-General and the heads of the WTO, the Bank and the Fund;
- the high-level ECOSCO-BWI-WTO spring meeting, in April of this year;
- various engagements between UN institutions and processes, the Bank and the Fund with regard to the MDGs;
- establishment by the General Assembly of an open-ended ad hoc working group on “integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields.” (A/res/57/270)

These UN-rooted processes all offer opportunity for addressing cross-sectoral issues and macro-economic policy issues from a socio-economic and developmental point of view.

The UN recently created an office for Financing for Development within the Department of Economic and Social Affairs, regrouping staff related to a variety of these issues.

The UN, in dialogue with at least some, largely NY-based NGO networks, is also continuing to experiment with formal hearings and dialogues with NGO and business representatives, either in the same sessions or sequentially. These build on such initiatives as the relatively extensive “hearings” in preparation for the Financing for Development Conference (2000) and the “stakeholder” roundtables at the FfD Monterrey Conference itself (March, 2002).

In 2003 the ECOSOC is modestly expanding the time and the avenues for participation in the High-Level meetings with BWI and WTO, which for the first time in 2002 included business and NGO representatives. The process of preparation provided an opportunity

⁵⁷ see for example, Chapters 12 & 13 of John W. Foster with Anita Anand, Whose World Is It Anyway? Civil Society, the United Nations and the Multilateral Future, Ottawa, UNAC, 1999

for diverse NGOs to build a reasonably coherent platform of reform recommendations for the policy and governance of the major multilateral organizations.⁵⁸

In a related vein and parallel to the UN, the Commonwealth in 2002 inaugurated a civil society dialogue process in preparation for the Commonwealth Finance Ministers conference, utilizing the theme of Monterrey follow-up. Initiated by the UK Treasury, with the collaboration of the Commonwealth Foundation, this process involved five regional CSO consultations, involving local Finance/Treasury ministries, and a Commonwealth-wide consultation, which developed a common declaration that was then delivered to the Finance Ministers. The process also worked to encourage a more coherent and prioritized series of recommendations from diverse civil society networks.⁵⁹

Conclusion: Back to the Future

In the introduction to this paper, we put forward a fairly simple strategic proposal to guide approaches to governance, rights and resource allocation, a somewhat idealistic democratic enterprise.

This orientation would include such emphases as:

- **building strong sensitive states with strong civil societies;**
- **bringing the locus of resource decision-making to national and sub-national level, but with an eye to societal coherence;**
- **strengthening local municipal, sub-national and national participatory and transparent mechanisms for public expenditure allocation, review, and their purview over donor-provided resources and their use; and**
- **utilizing human rights frameworks in an active and dynamic fashion to illuminate and guide the enterprise;**

We have assumed that the repeated statements of donor governments and multilateral agencies regarding their priority of “good governance” and the rule of law includes their long-established commitments through more than fifty years of human rights treaties and eighty years of labour conventions. We may be misled.

⁵⁸ see for example : “Statement to the Plenary by the Interim Facilitating Group for the Follow-up to Monterrey” (New York, IFG, 14 April, 2003), www.un.org/esa/coordination/ecosoc/bwi2003/BWIIIFG.pdf and [Summary of the Hearings and Dialogue between the Economic and Social Council and representatives of civil society, United Nations Headquarters, 20 March, 2003.](#) and ECOSOC, [ECOSOC meets with Bretton Woods Institutions, World Trade Organization: Aims at ‘Policy Coherence’ in Implementing Monterrey Commitments.](#) Press Release ECOSOC/6041 14/04/2003 www.un.org/News/Press/docs/2003/ecosoc6041.doc.htm

⁵⁹ A description of the process of regional and global consultation is found in [Commonwealth People](#), October, 2002. London, The Commonwealth Foundation, 2002. The content of the message of the civil society groups to the Finance Ministers is found in the [Commonwealth Civil Society Statement on Financing for Development: Prepared for the Commonwealth Finance Ministers Meeting, 24-26 September, 2002.](#) www.commonwealthfoundation.com

We have also assumed that repeated government and agency pledges of priority for recipient “ownership” are sincere. We may be wrong.

We have assumed the readiness, capacity and motivation of civil society organizations at a variety of levels to participate in democratization. We may miscalculate.

We have also assumed a role for NGO aid monitoring networks in the overall strategy and transfer of resource control. This may not be as simple as it seems.ⁱ

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