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Towards Geopolitical German Development Cooperation?

Recent history, current
trends and future
prospects

Manfred ÖHM

The Study
Committee on
Franco-German
relations (Cerfa)

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Abstract

German Development Cooperation (GDC) in a post-Merkel era can be expected to become more geopolitical. Recently adopted German policy documents like the Indo-Pacific guidelines as well as the support to the geopolitical ambition of the European Commission suggest such a tendency for future German policy making.

As Germany is a major player in international development cooperation, at least with regard to the amount of official development assistance (ODA), the future prospects of GDC are highly relevant to German international political and development partners.

GDC has recently seen significant shifts linked to the issue of migration and flight and also to a much stronger involvement by the private sector in development cooperation. Several German policy initiatives like Compact with Africa are exemplary for these trends. Moreover, they show that GDC focuses strongly on the African continent. The so-called BMZ 2030 reform process of the Federal Ministry for Economic Cooperation and Development (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung – BMZ) underlines the ambition of GDC as relevant to current international trends.

These policy shifts, reforms and initiatives have had predecessors in recent history, yet with a different political impetus. During the 1990s GDC underwent a first major shift and became strongly orientated towards global governance and international policy frameworks in favor of sustainable development. Eventually, the Millennium Declaration –adopted in 2000 – became a strong normative framework for GDC, while the debate on aid effectiveness strongly shaped GDC thinking and practice. Global structural policies and the necessity of an improved global cooperation have been the inspiration of GDC for many years, yet the current global political context, i.e., the renewed geopolitical competition, influences the future role of GDC and most likely leads to stronger alignment of development cooperation with German external relations.

The next German government will have to clarify the relationship of GDC with joint European approaches to development cooperation. Germany generally supports the politicization of European development cooperation and a more geopolitical thinking at the European level. Yet other political priorities, such as the French-German relationship, regularly limit German support for joint

European policy-making in practice, as can be observed in Germany's policies for the Sahel region.

This paper argues that GDC under a post-Merkel government will have to seek new legitimacy and thus German policy makers should look beyond mere geopolitical approaches. While little new thinking can be expected from the political parties of a new governing coalition – probably including the Green Party – development cooperation will be challenged by right-wing populists. The situation provides opportunities, however, to link geostrategic thinking with a more progressive development cooperation that builds on the 2030 Agenda for Sustainable Development.

Résumé

Après les années Merkel, la coopération allemande pour le développement devrait selon toute vraisemblance prendre une orientation plus géopolitique. Cette tendance se dessine d'ores et déjà dans divers textes récemment adoptés en Allemagne, tels que les lignes directrices portant sur la future politique dans la région indopacifique, ainsi que dans le soutien allemand à l'ambition géopolitique de la Commission européenne.

Comme l'Allemagne représente un acteur majeur de la coopération internationale pour le développement, du moins au regard du montant de son aide publique au développement (APD), l'évolution future de sa politique de coopération revêt une grande importance pour ses partenaires politiques comme pour ses interlocuteurs internationaux en matière de développement.

La coopération allemande pour le développement a récemment connu des changements significatifs liés à la crise migratoire ainsi qu'au renforcement du rôle occupé par le secteur privé. Plusieurs initiatives politiques allemandes telles que le Pacte du G20 pour l'Afrique (*Compact with Africa*) illustrent ces tendances ; elles témoignent également de la nette focalisation de la coopération allemande pour le développement sur le continent africain. La réforme BMZ 2030 souligne l'ambition de cette coopération et sa pertinence au regard des tendances qui se profilent actuellement au niveau international.

Ces évolutions, réformes et initiatives politiques trouvent leur genèse dans des impulsions remontant déjà à quelques décennies ; encore celles-ci relèvent-elles désormais d'une impulsion politique différente. Au cours des années 1990, la coopération allemande pour le développement connaît un premier tournant majeur, se focalisant nettement sur la mise en place de cadres de gouvernance mondiale et de politique internationale en faveur du développement durable. La Déclaration du Millénaire adoptée en 2000 la dote d'un cadre normatif fort ; la conception et la pratique de la politique de coopération sont fortement marquées par le débat sur l'efficacité de l'aide. La coopération allemande pour le développement se fonde désormais, depuis de nombreuses années, sur les politiques structurelles mondiales et sur la nécessité d'améliorer la coopération mondiale. Cependant, la conjoncture internationale, marquée par la recrudescence de la concurrence géopolitique, joue un rôle déterminant dans la définition du rôle à

venir de la coopération pour le développement, laissant présager un alignement de celle-ci sur la politique allemande en matière de relations extérieures.

Le prochain gouvernement allemand devra clarifier la relation entre la coopération allemande pour le développement et les approches conjointes adoptées au niveau européen dans ce domaine. L'Allemagne est, de manière générale, favorable à la politisation de la coopération pour le développement et à une réflexion davantage orientée vers la géopolitique au niveau européen. Mais, en pratique, d'autres priorités politiques telles que la relation franco-allemande viennent régulièrement modérer son soutien à l'élaboration conjointe de politiques européennes ; sa position vis-à-vis de la région du Sahel en est une illustration.

Le propos de cet article est de faire valoir que la coopération allemande pour le développement, sous un gouvernement post-Merkel, devra acquérir une nouvelle légitimité et que, par conséquent, les responsables politiques allemands gagneraient à examiner les enjeux au-delà des seules considérations géopolitiques. Si l'on ne peut guère s'attendre à des réflexions innovantes de la part des partis qui composeront la nouvelle coalition gouvernementale – y compris, probablement, du parti des Verts – la coopération pour le développement sera remise en question par les populistes de droite. La conjoncture offre toutefois la possibilité de conjuguer la réflexion géostratégique avec une coopération pour le développement plus ambitieuse s'appuyant sur l'Agenda 2030 pour le développement durable.

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Introduction

Germany can be considered a major player in international development cooperation, certainly with regard to the amount of official development assistance (ODA) involved. This paper discusses the major trends and dynamics of German Development Cooperation (GDC) since the 1990s – when it became more orientated towards international policy frameworks and underwent institutional reforms – and the prospects for future strategies and policies. During recent years, under the leadership of Angela Merkel, Germany’s international development cooperation has seen major shifts, linked to both migration issues and much stronger private-sector involvement. As GDC has increasingly focused on Africa, the respective Africa-related policy initiatives are paradigmatic for the entire GDC. Even the recently adopted Indo-Pacific guidelines follow the same pattern of policy-making. Yet it is the global political context – i.e. the renewed geostrategic competition – that apparently determines the role of GDC within German external relations. This paper argues that, under a post-Merkel government, GDC will most likely be more “geo-strategic”, yet will have to seek new legitimacy. Looking beyond geo-strategic thinking, however, the situation provides opportunities, while more progressive development cooperation that builds on the 2030 Agenda for Sustainable Development will be needed.

GDC – history and actors

Following World War Two, facing the era of decolonization and the Cold War, Germany engaged in international development cooperation. While the origins of GDC date back to the 1950s, the first Ministry for Economic Cooperation in the former Federal Republic of Germany was founded in 1961, with Walter Scheel, later President of Germany, as the first Minister of Economic Cooperation.¹ It is important to note that both former German republics, the Federal Republic of Germany and the German Democratic Republic, had their own history of international cooperation – based on different values and visions. However, both countries’ approaches were strongly determined by the logic of the Cold War.

1. Available at: www.bmz.de.

To roughly sketch the different periods of GDC, it can be observed that a focus on basic needs and on social and economic progress was characteristic in the 1960s. The underlying logic was that developing countries mainly lacked financial resources and knowledge to create a pathway for growth and modernization.² Subsequently, new dimensions have enriched those approaches – in particular a new focus on women, and later on the gender dimension. With the debt crisis that affected all developing countries, the so-called structural adjustment programs of the Bretton Woods institutions gained massive momentum, and dominated throughout the 1980s. During the 1990s, following the end of the Cold War and with the so-called “Third Wave of Democratization”, GDC also refocused, and included good governance in its development cooperation paradigm. That is to say, the strict policy of non-interference in internal matters gave way to a more partnership-focused approach.

For several decades, official GDC has been accompanied, supplemented, often challenged and even enriched by the so-called Third World Movement, NGOs, and manifold non-state-based development projects. Official cooperation, however, was linked to the well-known international frameworks, such as the Lomé Convention with the African, Caribbean and Pacific (ACP) countries of 1975, the Cotonou Agreement of 2000, and the policies of the Bretton Woods institutions. Besides continuous and strong bilateral development cooperation, German approaches became more closely linked to the policy frameworks of the European Union and the international financial institutions. The predominant paradigm certainly was that, through trade and economic growth, development could be instigated and sustained.

Today’s German bilateral cooperation is mostly implemented through its so-called implemented agencies, the largest being the GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit) and the KfW Banking Group (formerly “Kreditanstalt für Wiederaufbau”), a German promotional bank that has been active nationally and internationally since 1948. The GIZ, with an annual budget of more than €1.2 billion, is a merger of the former GTZ (founded in 1965) and other former implementing agencies, in particular such as the Deutscher Entwicklungsdienst gGmbH (German Development Service – DED) and Inwent. Besides the official cooperation, non-state actors – in particular the development branches of the Lutheran and Catholic churches, as well as, the German Politische Stiftungen (political foundations) and dozens of NGOs – complete the picture.

2. A critical assessment can be found in William Easterly: *The Elusive Quest for Growth*, Cambridge, Mass. and London, 2002.

German official development assistance (ODA)

Germany's role in international development cooperation is also significant in financial terms. It is the second largest donor country. Most of the US\$23.8 billion in funding (2019, approx. 0.6% of Gross National Income – GNI)³ comes from the bilateral Official Development Assistance (ODA; more than US\$22 billion). According to current and midterm budget planning, Germany's ODA is expected to rise and reach the famous 0.7%/GNI target.⁴ The largest share – almost half – of German ODA is spent by the BMZ, of which the highest amount is again ODA for bilateral cooperation (2021 draft budget €12.436 billion: €6.1 billion bilateral spending, €2.569 for multilateral ODA, €0.8 billion euros for International Development Banks).⁵

3. Available at: www.donortracker.org.

4. Since 2019 there has been an actual decrease in Germany's ODA due to less spending on refugees at home, which is part of the ODA calculation. The long-term trend is positive.

5. Available at: www.donortracker.org.

From Global Structural Policies to Aid Effectiveness

Following the Earth Summit in Rio 1992, with its call for sustainable development, and after increasing criticism of the Washington consensus of 1989, GDC underwent a major shift towards so-called “Globale Strukturpolitik” (global structural policy) – that is, towards shaping global structural policy and strengthening of global governance. This shift towards international policy frameworks, which led away from the myriads of development projects at micro level, was based on the fundamental insight that sustainable development cannot be achieved without altering global structural policies. The Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (Federal Ministry for Economic Cooperation and Development – BMZ) proactively engaged with the international financial institution (IFIs), focused on international trade issues, and committed to promoting sustainable development – climate change was on the GDC agenda. The new approaches became the vision for development cooperation during the period when Heidi Wieczorek-Zeul was a government minister, from 1998 to 2009. The Social Democratic Party of Germany (SPD)-led government had a clear plan to modernize and reform GDC. Global structural policy became the guiding principle for development cooperation. At the level of tools and instruments, free and sectoral budget aid became a major tool to move away from project-focused micro approaches.⁶

Crisis prevention

Thematically, the period after 1998 saw a further broadening of the development agenda, as – besides climate change – crisis prevention became a major focus of GDC. In line with the international “Do no harm” debate, the role of development cooperation and aid in conflict areas was reflected and proactively turned towards GDC engagement as an element of crisis prevention and conflict resolution. With the founding of the Civil Peace Service, local peace projects of all sorts were initiated, and implementing agencies engaged in activities such as early-warning systems, local mediation projects, security sector reform and training, and even in shaping institutional frameworks such as the African Peace and Security Architecture.

6. L. Klemp: “Entwicklungspolitik am Scheideweg ± politische Randerscheinung oder globale Strukturpolitik?”, *Aus Politik und Zeitgeschichte*, B 18-19, 2001, pp. 13-20.

With the signing of the Millennium Declaration in 2000, a multilateral development Agenda based on the the Millennium Development Goals became a new normative framework for GDC. The fundamental debate on Aid Effectiveness, with the Paris Declaration of 2005, and the Accra 2008 and Busan 2011 summits greatly shaped GDC thinking and practice. One of the consequences of the debate at the institutional level was the merging of several German implementing agencies in 2011, when one large agency – today’s GIZ – was established.⁷

During the years 2010 to 2013, criticism of GDC increased; experts felt that the dominant paradigm of supporting poor countries through economic and development cooperation was inadequate for the current global challenges. In 2013 several experts called for the founding of a new “ministry of global issues”.⁸ The idea, which was popular among Social Democrats and the Green Party, was never taken up by the conservative Merkel government and Minister Gerd Müller. Instead, the BMZ and GDC strengthened the focus on the African continent, and rural development and topical themes, such as labour standards and human rights in Asian textile industries, gained importance.

Following the 2015 refugee crisis, the BMZ and GDC underwent major changes again. The BMZ not only launched well-funded “special initiatives” to “combat the root causes of flight” and to promote a “world without hunger”; in 2017 Minister Müller launched the “Marshall Plan with Africa”. This policy document, which was written without any significant consultation with development partners, international partners or even other ministries of the federal government, intensified the GDC focus on Africa, and aimed for high visibility of Africa-related development cooperation. Later, in 2020, some of the suggested instruments were implemented, with the reform package BMZ 2030.

7. Initially, the plan was even more far-reaching, as development banking from the KfW should have been merged with the other agencies, i.e. GTZ, DED, and INWENT.

8. See e.g. the DW interview with the former director of the German Institute for International Development (DIE/GDI), October 13, 2013, available at: www.dw.com.

BMZ 2030 – Migration – Private Sector: Current German Development Cooperation

In 2020, the Federal Ministry of Economic Cooperation and Development adopted a reform strategy, with the aim “to focus development measures and funding even more strategically, effectively and efficiently”.⁹

- “It is more vital than ever for development policy to offer a new response to major challenges: a growing world population, increased consumption of resources, climate change. And also the negative aspects of globalisation, such as growing inequality, environmental degradation and precarious working conditions.
- That is why we need a change of thinking and a change of direction. In that context, development policy, which is a cross-cutting task for the policymaking of the entire government, has a key role to play, in line with the 2030 Agenda and the Paris Agreement.
- That is why the Federal Ministry for Economic Cooperation and Development has drawn up a comprehensive package of reforms entitled “BMZ 2030”. The aim is to focus development measures and funding even more strategically, effectively and efficiently.”¹⁰

At the core of the reform strategy is not a particular policy focus, although challenges and priority areas are mentioned, but so-called reform partnerships; that is, the official GDC focuses on fewer countries than before and in particular on countries that are reform-oriented and show and prove their own initiative to ensure progress in development. It is too early to make a comprehensive assessment of the adopted reform package, yet some observations are possible:

- The new strategy and country list ends the formal bilateral development cooperation with many countries. This decision leads to an actual withdrawal of German implementing agencies, in particular the GIZ, from the respective countries, i.e., it will have a lasting effect.

9. Available at: www.bmz.de.

10. *Ibid.*

- A quick look at the country list shows that 19 out of 29 bilateral partner countries are African, 6 out of 6 reform partners are African, and 7 out of 10 nexus and peace partners are African. The distribution confirms the GDC focus on the African continent.

From a perspective of aid effectiveness and from a political perspective, it is certainly convincing to focus development cooperation on countries that show a clear willingness to implement political and economic reforms towards sustainable development. The idea is somewhat contradicted, as former German president Horst Köhler has pointed out, by the German migration partnerships, which focus cooperation on different countries, where reforms do not play a role as justification for cooperation. Yet the challenges of the concept are manifold: first and foremost, the German commitment offer has to be attractive enough for the partner countries to actually seek a reform partnership with Germany. Secondly, the selection criteria are somehow opaque, and overlap with the partners to the G20 compact with Africa that has been instigated by Germany. Moreover, expert opinion on the “reform performance” of the partners – Côte d’Ivoire, Ghana, Senegal, Tunisia, Morocco and Ethiopia – differs. What are the consequences if things do not go well, as in Ethiopia, where the assumed reform partner is in the midst of a messy civil war?

Both the reform partnerships of the BMZ and the G20 Compact with Africa (CWA), initiated by the Ministry of Finance, rely heavily on an investment agenda, i.e., on the idea of improving conditions for investment and stimuli for growth that are known from the agenda of the international financial institutions. Such an agenda is not new; nor is there any empirical evidence for it being delivered. However, the idea of prioritizing cooperation with certain countries and even halting cooperation with low-performers appears to be an entry point for more legitimate GDC. However, the Compact with Africa has attracted much more international and partner interest than the reform partnerships, as the expectation linked to the CWA has been the hope for additional development finance. Again, the results of the CWA are modest at best.

When comparing the BMZ 2030 reform package, the reform partnerships and the CWA with the era of global structural policies, the finding is striking: current GDC focusses largely in a *bilateral* manner on individual countries. The relevance of global structures, just globalization and multilateral development frameworks has given way to bilateral approaches. The readjustment of GDC has been justified by significant global trends, in particular population growth, climate change and environmental degradation, as well as digitalization and the increasing dynamics of moving global goods

and capital, which create opportunities yet also lead to increased inequality. The main driver for the recently changing German development agenda, however, has been the refugee crises and migration.

Migration as a justification for GDC?

With the 2015 refugee crisis, caused by the Syrian civil war, refugees and irregular migration rose to the top of the German political agenda. While this was – and still is – an issue for all of Europe and other countries, the way in which the refugee issue shaped German domestic political debate and has been exploited by right-wing populists probably stands alone in Europe. Not only the current migration trends but also the potential future migration of Africans to Europe became a major political issue. The effects on German development cooperation were substantial.

In public discourses, the link between development cooperation and migration has been most prominent. In practice, however, the approximation of GDC and the private sector is much more significant. The belief that lasting and genuine development effects can be achieved through private-sector involvement – i.e. through mobilization of private capital and the promotion of foreign trade – has become a kind of guiding principle for German governmental development initiatives. In particular, among German business, this perceived “opening” of development cooperation vis-à-vis the private sector is more than welcome. The ministry has, for that reason, even started a special initiative for employment, with the exclusive target group of German business.

This shift in guiding principles for GDC is, of course, not the first one. For several decades, development cooperation has been shaped by donor-recipient thinking. In Germany, poor countries have been understood as aid-recipients. A major shift arose in 1998 (as described above) with Development Minister Heidi Wieczorek-Zeul, who initiated the global structural policy approach in GDC. It aimed at better framework conditions for development, ownership and responsibility through increasing budget aid instead of continuing dependency through myriads of projects implemented by international organizations. Under the Merkel governments, GDC became increasingly Africa-focused and was inspired by the prevailing perceptions of Africa. After the famous claim by the *Economist* (2011)¹¹ that Africa was a rising continent, the BMZ labelled Africa a “continent of opportunities”. This image was radically altered by the

11. “Africa rising. After decades of slow growth, Africa has a real chance to follow in the footsteps of Asia”, *The Economist*, December 3rd, 2011, available at: www.economist.com.

refugee crisis of 2015, which has led to a narrative of Africa as the continent of population growth and the origin of migration. Interestingly, a German government consensus that something needs to be done about and for Africa has led to a readjustment of German Africa policy and GDC. The conclusion that it is necessary to mobilize the private sector and private capital to support and engage African developing countries challenged the singular role of the BMZ as the “Africa ministry”, and involved the Ministry of Finance in a crucial role for new policy initiatives. Through the personal initiative of Chancellor Merkel, African political leaders were engaged in joint policy-making, and several German ministries were urged to come forward with additional Africa policies. The current policy focus on the role of the private sector, policy initiatives for employment, etc is a direct consequence of the events in 2015 and the belief that the sheer number of African citizens has the potential to also shape the future of Europe. The main challenges to this have been and are that the specific motivation for manifold German policy initiatives and their interplay were difficult to understand for African and international partners, and that the initiatives have thus far shown little result. The lasting effect is an increased role of German business in development policy-making and the quest for support for foreign investment by German companies. The Africa Association of German Business (Afrikaverein der Deutschen Wirtschaft), for example, outlines the opportunities of a “smart Africa” based on business opportunities and digitalization.

With the debate on flight and migration having lost political momentum, and in a global situation of political polarization between the US and China and multiple crises, German external relations and, with it, development cooperation are increasingly politically framed in the context of systemic and geostrategic competition. Different narratives about “the increasing role of China” and about “population growth”, etc currently coexist in Germany. The consequence for future policy-making is not quite clear, yet the geostrategic thinking will most likely be the predominant one in a post-Merkel government. The Covid-19 pandemic, which might be a gamechanger in favor of international cooperation, has not yet led to significant adjustments in GDC (different to the European level; see section on the Team Europe approach below). Rather, there is concern that China is using the pandemic for political gains in the context of geostrategic competition.

The most relevant framework for development cooperation should be Agenda 2030, freshly inspired by a need for multilateral cooperation because of the pandemic. GDC, of course, has been engaged in many ways in supporting implementation of the Sustainable Development Goals (SDGs). The Agenda calls for *just*

globalization and development perspectives for least developed countries (LDCs) within a global economic framework. The current pandemic, with its devastating consequences for developing countries, could even lead to a new global social contract, as has been called for by UN Secretary-General António Guterres.¹² Political discourse on development cooperation in Germany has not yet responded with a strong answer to this. The tendency to align development cooperation further to geostrategic priorities, security concerns and private-sector requirements points to a different political path.

12. See H. Maihack and M. Öhm: “Time for a Post-Corona Social Contract”, policy analysis published by the Friedrich Ebert Foundation, Berlin, 2020.

The Future Alignment of GDC: More European? More Geostrategic?

GDC is much more than bilateral cooperation. As a major contributor to the European Development Fund (EDF), Germany has a substantial influence on the EDF and its spending. Moreover, Germany is – by the very nature of the European Union – party to the joint European treaties, EU partnerships and institutional arrangements, like the Cotonou and post-Cotonou Agreements. This paper is not the place for a detailed assessment of European Development Cooperation and its dynamics, yet an assessment of GDC must necessarily clarify the relationship and distinction between both levels. The question relevant to this argument is whether GDC is strategically connected to and located within a broader European approach to development cooperation.

It has been argued that, in particular under Ursula von der Leyen's presidency of the European Commission, Europe's external relations have been politicized.¹³ The so-called "geopolitical" commission focuses on political relationships with other world regions and key partners of the EU. That the first journey abroad led von der Leyen and other commissioners to Ethiopia to meet the African Union Commission (AUC) is a point in case – followed by the Council conclusions on a new "Comprehensive Partnership with Africa". Over the past decades, the strongest element in European-African relations besides trade relations has been development cooperation, and even trade relations and security cooperation have often been dealt with as developmental matters. The sheer fact that the funding of African peace operations has been done within the EDF framework says a lot. When a major partner in development cooperation receives a visit by a so-called geopolitical commission, it can be expected that the relationship is intended to become more "geostrategic and political". The tendency to politicize European external relations started much earlier, and Germany has been one driver behind this dynamic. A strong example is the establishment of the European Trust Fund for Africa, with the purpose of addressing the root causes of irregular migration in 2015, with a budget of

13. See C. Hackenesch, J. Bergmann and J. Orbie: "Development Policy under Fire? The Politicization of European External Relations", in *Journal of Common Market Studies*, Vol. 59, No. 1, January 2021, pp.3-19.

approx. €5 billion. In general, the geostrategic approach might lead to an alignment of European development policy with other priorities in EU external relations.

Germany's position on joint European approaches is ambivalent when it comes to development cooperation. It can be argued that the German government generally supports the geopolitical politicization of European development cooperation; that is, binding it to politically necessary criteria and conditions (e.g. in the field of human rights), linking it to other political priorities (such as migration and trade), and to the need for a stronger geostrategic visibility of Europe vis-à-vis other players. This approach, however, is not shared by all member states, in particular when speaking about development cooperation. This makes a common approach rather difficult. Because of the differences among member states, Germany quite enthusiastically supports the so-called Team Europe approach, which was born out of the necessity to respond to the Covid-19 pandemic.¹⁴ The Team Europe approach, which aimed at enhancing European coordination among member states to allow for more efficient, strategic and visible policies, is the best example of the *status quo*. The Covid-19 pandemic has required (and still does) a quick policy response; other global players, in particular China, have pursued an extraordinarily proactive public diplomacy and soft-power approach. As a European response, Team Europe was meant to create a strong response to the pandemic. Meanwhile, the German government considers the approach a blueprint for European coordination in development cooperation that allows for a more European approach by GDC and foreign policy, despite all obstacles.¹⁵

The limitations to a stronger European approach in GDC lay in other priorities. It can be argued that at crucial junctions the Merkel government took unilateral decisions without sufficient European consultation – for example, during the 2015 refugee crisis. However, in the context of development cooperation, it would be difficult to sustain such an argument. Major policy initiatives in the context of development cooperation were taken *outside* a joint European approach. The release of the Marshall Plan with Africa by the German Minister for Economic Cooperation in 2017 was followed by a call by Minister Gerd Müller for a European Marshall Plan with Africa. The Marshall Plan, as probably the most visible German policy initiative, has been developed in a strictly unilateral way, giving rise to major questions by Germany's African partners and European partners, and

14. Council of the EU, press release June 8, 2020, "Team Europe" global response to COVID-19: Council welcomes the mobilisation of almost €36 billion and approves conclusions, available at: www.consilium.europa.eu.

15. For an assessment, see A. Jones and C. Teevan: "Team Europe: Up to the Challenge?", *ECDPM Briefing Note*, No. 128, January 2021.

even within the German government. Similarly, the Compact with Africa, the second major German policy initiative relating to the African continent, was launched as a G20 initiative when Germany hosted the G20 summit 2018 in Hamburg (see implications of the initiative in the section “Migration and Development Cooperation”).

The opportunities and limits of Germany’s policy-making can also be observed when considering European policies on the Sahel region. Although Germany has been engaged in development cooperation with Mali and the Sahel for several decades, its current approaches to cooperation with the Sahel region are strongly influenced by French policies towards the Sahel. Political priorities as well as approaches to cooperation may differ, yet the French-German relationship is such a top priority in German external relations that any major dissent in policies *vis-à-vis* the Sahel would be avoided, and the support for a French approach is rated much higher than a broader European approach. In general, both countries pursue policies in close consultation with other European partners and the European Commission. The specific institutional arrangements for cooperation with the Sahel region – i.e. the Sahel-Alliance and the Coalition for the Sahel – are based on a strong French political initiative and centred on French intervention and cooperation. Cooperation with the partners in the Sahel region is therefore coordinated and mediated within an institutional framework of its own, while the Sahel Strategy of the European Union has not been updated between 2012 and 2021, and neither France nor Germany has considered taking the necessary initiative. While the argument might seem like a criticism of French Sahel policy, this is not the case. The point to be made is that due to the close relationship with France, Germany would never opt for a joint European approach in development cooperation if it were at the cost of disturbances in German-French relations.

Geostrategic competition and new regional policy guidelines

The 2020 adoption of the Indo-Pacific Policy Guidelines by the German government, as well as the recent update of the Guidelines for the German Africa policies, are an indicator of Germany’s search for a suitable place in international politics.¹⁶ What has to be understood as a policy response to a dynamically changing world and new geopolitical competition correlates with a German debate about its international role, its responsibilities as the economic powerhouse

16. Leitlinien zum Indo-Pazifik. Deutschland – Europa – Asien. Das 21. Jahrhundert gemeinsam gestalten, Berlin, August 2020.

of Europe and as a NATO member. International partners as well as part of the domestic foreign policy community expect Germany to assume more responsibility. This view, however, is not particularly popular in Germany, where the public tends to be more inward-looking; in particular, participation in international military missions is by no means popular. Whilst there is strong public support for business-friendly development cooperation, the German public and political elite are much more reluctant to pursue a geopolitical approach.

For several decades now, Germany's foreign policy has pursued multilateral policy approaches, followed Germany's strategic interests as a trading nation, and – due to historical reasons – prioritized the French-German relationship in its strategic policy-making. These “pillars” of German foreign policy-making are not as clear when it comes to European cooperation. Berlin policy circles continue to discuss the geostrategic context of Germany's international cooperation. So far, this has translated into neither a more robust interest-based political approach, nor in a clearer definition of German interests.

The new Indo-Pacific policy guidelines as well as the Africa policy guidelines are therefore ambivalent documents. They acknowledge geopolitical competition as one reason why Germany has to be present and visible in the respective region, and why German external affairs require clear strategies for other world regions. Content-wise, they strongly point to Germany's role in multilateral cooperation and the necessity to strengthen multilateralism. Especially in the field of security policy, the policy guidelines call for rule-based international cooperation. Crucial policy fields mentioned are climate change, trade and economic cooperation, and human rights – and in all fields rule-based cooperation is called for in the Indo-Pacific guidelines. The particular focus is at this time difficult to grasp for Germany's international partners, not least the developing countries, because the aim of finding a policy response to geopolitical competition that can be based on multilateralism and suits German policy tradition is a difficult one to attain. The ongoing policy debates in Berlin about the possibility of deploying a German navy frigate to the Indo-Pacific region is a point in case; it will travel, but not on the intended route, possibly raising confusion about the intention of the deployment.

For Africa as the main “target region” of future GDC, the geopolitical competition has led to a slightly different policy response. The above-mentioned policy initiatives that promote private-sector involvement and aim at strengthening economic transformation in selected African countries would like to be understood as a clear German offer to African partners in a world of geopolitical

competition. That the recent German policy initiatives and the Africa policy guidelines have made the support of democracy rather a side aspect of external affairs and development cooperation, may well be an indirect response to geopolitical competition.

A stronger and more geopolitical ambition of German external relations requires that the country comes to terms with its colonial past. German foreign minister Heiko Maas has recently announced that Germany will formally recognize the atrocities that Germans did to the Herero and Nama in Namibia und German colonial occupation as genocide. In an agreement that has been negotiated between the two countries, Germany has committed itself to paying 1.1 billion Euros to Namibia for infrastructure, health care and training. The agreement thus foresees a role for GDC even in the field of reconciliation.¹⁷ While the recognition of the genocide is a necessary political step, doubts remain. Representatives of the communities of the Herero and Nama have expressed strongest reservations about the agreement.

17. Available at: www.bbc.com.

The Post-Merkel Era of GDC

Prospects for development cooperation under the next government

The next German federal elections in fall 2021 will lead to a major political reshuffling and most probably to a new coalition of political parties. Will GDC under a new chancellor and probably a new coalition sees significant changes or, in spite of the changes, rather see continuity? For an assessment, it is worth looking at the political parties' positions on GDC.

As we consider the post-Merkel period, at the time of writing this paper in May 2021, opinion polls suggest that a future federal government will not be possible without the Green Party, and may possibly even led by a Green chancellor. On election day in fall 2021, things may look rather different, yet the Greens will be a relevant political force. The Green Party's position on German external relations has – considering its roots in the German peace movement – become very pragmatic. It has a tradition of positioning itself clearly on human rights issues, and the candidate for the chancellery, Annalena Baerbock, translates this into a clear positioning *vis-à-vis* China and Russia in a geopolitical competition between authoritarian countries and liberal democracies.¹⁸ This world outlook and political stand has little to do with the Green origins in the peace movement; it is much more in line with the geostrategic approach of von der Leyen's geopolitical Commission. On development cooperation, however, the Green Party has been comparatively silent. A statement by the party caucus calls for “just globalization”, and underlines the relevance of the SDGs and the Paris climate agenda. The main agenda points for development cooperation are partnership on an equal footing, combating the root causes of migration, a halt to the European Economic Partnership agreements, combating of tax oases, and a call for mobilizing private capital alongside sufficient ODA.¹⁹ A slightly more progressive stand can be found from the SPD party caucus. Yet again, just globalization, the relevance of Agenda 2030 and fair trade are at the center of development policy to create

18. “Stand up to China and Putin? Foreign policy at heart of Germany vote”, *The Guardian*, May 2, 2021, available at: www.theguardian.com.

19. “Entwicklungspolitik & Globale Entwicklung: Wir stehen für gerechte Globalisierung”, available at: www.gruene-bundestag.de.

development perspectives for the less- and least-developed countries.²⁰ The main progressive element, pushed for by the SPD as a ruling party as well as by the Green Party as an opposition force, is the supply-chain legislation that is based in the National Action Plan for Human Rights (NAP). Companies are obliged to acknowledge and monitor human rights and labour standards along the entire supply chain. Although hotly debated, the new piece of legislation will shape development cooperation thinking in the field of economic transformation, human rights and just globalization.

A negative impulse can, unfortunately, be observed in statements by the right-wing populist Alternative für Deutschland (Alternative for Germany – AfD). The party challenges the status-quo international development cooperation (which it still labels “development aid”), calls for it to be centred on national interest, and also development aid to be relocated from the European to the national level.²¹ Through parliamentary questioning and public statements, the party regularly suggests that ODA funds are being misused, and thus delegitimizes GDC.

Overall, at the time of writing, the political parties are not pushing new directions for development cooperation. Therefore, a fair level of continuity in official development cooperation can be assumed, whatever coalition will be in power. Besides the increasing relevance of climate protection for development cooperation, the existing regional policy guidelines for Africa and the Indo-Pacific region will probably continue to provide guidance – with an increasing emphasis on geopolitical competition.

The realignment of GDC focus predominantly on the African continent (some observers have called the BMZ an “Africa Ministry”), has by and large gone unchallenged by any political party. The Indo-Pacific Guidelines of the Federal Government do mention development cooperation, yet it is a minor point for the region. Also, Latin America has not been a main focus of GDC recently – again unchallenged by any political force. The main point that Africa is the immediate neighbor of the European continent, and that both continents are intertwined on many levels – not least when it comes to migration issues – has become common sense among the political

20. “Entwicklungspolitik. Globalisierung muß gerecht gestaltet werden”, available at: www.spdfraktion.de.

21. “Ziel der AfD ist es, die Entwicklungspolitik der EU wieder auf die nationale Ebene der Mitgliedstaaten zurückzuführen, mit einer Koordinierungsrolle der EU, um Doppelmaßnahmen zu vermeiden. Es gilt das Prinzip der Subsidiarität und der Wahrung der Eigeninteressen der Geberländer bei der Vergabe von Entwicklungshilfe.” [“The aim of the AfD is to bring EU development policy back to the national level of the member states, with the EU playing a coordinating role in order to avoid duplication of measures. The principle of subsidiarity and the safeguarding of the donor countries’ self-interests apply when awarding development aid.”] Available at: www.afd.de.

elite in Berlin.²² For future GDC, what will remain important is the nature of the specific policies concerning the African continent, and whether they are aligned to German trade and security interests, understood through the angle of geostrategic competition or, rather, through normative multilateral frameworks such as Agenda 2030.

GDC and its institutions, its bureaucracy and its implementing organizations have shown remarkable continuity over the years and under different governments. The vested interests of actors of development cooperation have mostly avoided excessive intervention. The last fundamental intervention – the merger of the implementing agencies (mentioned above) – took place ten years ago.

What can be realistically expected is that ministries that are relevant for external relations will continue to start regional policy initiatives within the framework of regional policy guidelines. There is simply no reason, however, why GDC as an element of external relations will be more centralized, and therefore more coherent through alignment with other strands of German foreign and defence policy-making. The compromises that have to be found between the ministries and within government might lean more strongly towards geopolitics.

A development that has happened in other European countries – of foreign policy and economic cooperation being merged so as to achieve more policy coherence or align development cooperation to foreign policy – is highly unlikely in the German political context. For any coalition government, the coexistence of the Foreign Office and the BMZ guarantees that at least two parties have a stage for acting internationally. Moreover, the institutional interests of the implementing agencies and the strong desire of the development cooperation community in Germany to have an independent BMZ will create enough of a lobby to avoid a merger.

The interesting element in the institutional interplay of GDC is the relevance of the Bundesministerium der Finanzen (Federal Ministry of Finance – BMF) as the new kid on the block. The BMF, as the architect of the G20 Compact with Africa, has risen to become an important player for international development finance and for regional policy initiatives. While policies such as those in the G20 Compact with Africa are not innovative and very much in line with IFI thinking, it is relevant for future German development architecture to have the BMF so strongly involved.²³

22. “Adjusting German and European Sahel policy”, Statement of the Social Democratic Party of Germany (SPD) parliamentary group in the German Bundestag, February 2nd, 2021, available at: www.spdfraktion.de.

23. See H. Reisen and R. Kappel: “The G20 ‘Compact with Africa’. Unsuitable for African Low-Income Countries”, Friedrich Ebert Foundation 2017, available at: www.library.fes.de.

As the next German government will obviously come with new personnel in the cabinet, this will also lead to new policy initiatives in the respective ministries and the neglect of initiatives that are perceived to have been inspired by the personal motivation of current ministers. It can therefore safely be assumed that the next German government will silently drop the notion of a Marshall Plan with Africa, which is very closely related to the ideas of the current minister Müller. Other, more substantial initiatives, in particular the Compact with Africa (CWA), will continue to play a role. The CWA is more operational, and as a G20 initiative initiated by Germany, has been transferred to the IFIs to sustain its implementation.

In search of new legitimacy for GDC

German external relations will become more “geopolitical” under a post-Merkel government. Recent political debate, the new policy guidelines for the German Africa policy and the Indo-Pacific Guidelines point in the same direction. This means that GDC will have to align much more with foreign policy, foreign trade policy and security policy. This development, however, would *not* be based on political consensus among German political decision-makers, yet would most likely reflect majority elite opinion in the post-Merkel period. The tendency towards more geostrategic development cooperation is not new. In the case of a conservative/Green government, it is most likely to be strengthened, while other political constellations would be much more hesitant. More interest-based and geostrategic development cooperation would allow a future German government to fit into multilateral and joint European approaches more easily than heretofore, avoiding a German *Sonderweg* (special path) in international cooperation. This is particularly the case when considering the development/security nexus.

Two major problems remain and will have to be addressed: coherence and coordination. German international cooperation agencies, and more importantly the German public, are not used to more geostrategic approaches, and therefore contradictions will remain and objections be made. It will remain difficult for international partners to understand the strategic reasoning of GDC as long as there is no political consensus and a lack of coherence.

More importantly, among the political left, especially social democracy but also among non-governmental organizations, the call for progressive German development cooperation will grow stronger as a counterpoint to geopolitical politics. This call will not be a call for a German *Sonderweg*, but rather a call for progressive and just development cooperation.

In need of new legitimacy

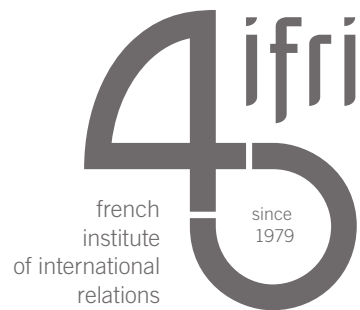
GDC in the post-Merkel period will need new legitimacy. Some of the reasons for this have been discussed. The strong link between development policy and migration issues has led to problematic perceptions about what development cooperation can deliver. The BMZ has seen an immense budget increase linked to the fight against the root causes of migration – but to little effect.

The broad tendency to strengthen the role of the private sector in development cooperation, to focus on an investment agenda and a strengthening of foreign trade, will most likely continue. Yet again, so far this agenda has not been innovative, nor has it delivered. A possible adjustment could be a stronger focus on employment, social security and inclusive growth, which would suit an inclusive economic transformation agenda of partner countries. We may expect the relevance of climate change for development to increase further, in particular with the Green Party as a member of a ruling coalition in Berlin. Yet this is not enough. Given the legitimacy gap, populist challenges and an international post-pandemic situation, a stronger call is needed. The more geostrategic line will not be sufficient. Germany, embedded in European and multilateral approaches, could support the call for a post-Covid social contract, in line with Guterres' policy initiative. This should be much more, however, than a new policy initiative by one ministry, as happened with the Marshall Plan with Africa, and instead be a joint government initiative in line with the above-mentioned Team Europe approach.

The right-wing populist forces, especially the AfD, will continue to challenge public spending on development cooperation, as well as the underlying principle of development cooperation – that is, sustainable development and also multilateral and European policies. It is possible that, in social media discourse and through the campaigning of some German media houses, GDC will face a populist challenge. As a response to this, it will be important to seek legitimacy for GDC not only in geopolitics, but even more in multilateral cooperation and Agenda 2030, and to strengthen joint European approaches within such an international policy framework.

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