



1998 (2) May

The material that follows has been provided by [Overseas Development Institute](#)

THE UK WHITE PAPER ON INTERNATIONAL DEVELOPMENT - AND BEYOND

In November 1997, the British Government published its long-awaited White Paper on international development, the first comprehensive statement on British aid for 22 years. It has been widely welcomed as a significant shift in the orientation of British development policy and as a marker for other donors. This Briefing Paper provides an overview of the main components of the White Paper, goes on to discuss the implementation of these new policies, and ends by placing this British initiative in its wider international context.

The White Paper - a brief overview

Eliminating World Poverty: A Challenge for the 21st Century is a long (81 page) document with 17 tables and 24 boxes. Its core message is encapsulated in the introductory comments of Clare Short, the Secretary of State for International Development:

The White Paper is first and most importantly about the greatest single challenge which the world faces – eliminating poverty. It is about ensuring the poorest people in the world benefit as we move towards a new global society... We can succeed... But to succeed we need to mobilise greater political will across the international community... It is our duty to care about other people, in particular those less well off than ourselves. We have a moral duty to reach out to the poor and needy... The White Paper outlines the way we can make progress.

Its basic thrust – to build a world based on the principles of 'sustainable development' in which everyone is included – is informed by the perspectives of the new Labour Government and is closely linked to the government's new approach to foreign policy, with its emphasis on human rights. The White Paper's objective is to be achieved by a partnership between the private sector and a 'facilitating' state, which provides an enabling (especially low-inflation) macroeconomic environment, built

upon participation, transparency, a free press and a regulatory and institutional framework which actively encourages all able citizens to use their education and skills in productive work as the prime route out of poverty.

The White Paper emphasises two 'key elements' which need to be in place if world poverty in the world is to be eliminated.

- First, a clear set of agreed policies and principles, fleshed out in the form of international targets for sustainable development (see Box 1). Particular attention is drawn to the first of these – halving the proportion of people living in extreme poverty by 2015.
- Secondly, the political will to address the problems of international development in both poorer and richer countries. The White Paper goes on to state that the UK Government has the will, and that it will seek to mobilise it elsewhere, not least 'by refocusing our development efforts on poor people' (§1.25).

Poverty is to be eliminated through the promotion of sustainable development, comprising three specific objectives:

Sustainable livelihoods Six elements are highlighted: pro-poor economic growth; efficient and well-regulated markets; access of poor people to land, resources and markets; good governance and the realisation of human rights; prevention and resolution of conflict; and the removal of gender discrimination.

Better education, health and opportunities for poor people Again, six elements are highlighted: lower child and maternal mortality; basic health care for all, including reproductive services; effective universal primary education; literacy, access to information and life skills; safe drinking water and food security; and emergency and humanitarian aid.

Box 1: International development targets

The international development targets are designed to provide milestones against which progress towards the goal of poverty elimination can be measured.

Economic well-being

- a reduction by one-half in the proportion of people living in extreme poverty by 2015

Human development

- universal primary education in all countries by 2015
- demonstrated progress towards gender equality and the empowerment of women by eliminating gender disparity in primary and secondary education by 2005
- a reduction by two-thirds in infant and under-five mortality rates and by three-fourths in maternal mortality by 2015
- access through the primary health-care system to reproductive health services for as soon as possible and no later than 2015

Environmental sustainability and regeneration

- implementation of national strategies for sustainable development in all countries by 2005, so as to ensure that current trends in the loss of environmental resources are effectively reversed at both global and national levels by 2015

Source: OECD (1996) *Shaping the 21st Century: The contribution of Development Co-operation*. Development Assistance Committee. Paris: OECD

Better management of the natural and physical environment Three elements are highlighted: sustainable management of physical and natural resources; efficient use of productive capacity; and protection of the global environment.

Five ways are outlined in which the UK Government, and in particular the new Department for International Development (DFID), can seek to achieve its objective of eliminating poverty: by building partnerships with poorer countries; by working more closely with private and voluntary sectors and with the research community; by co-operating with other government departments to promote a consistent set of policies towards poorer countries; by using knowledge and resources effectively and efficiently; and by both working with and seeking to influence multilateral development organisations.

Three quarters of the White Paper (55 pages) are devoted to its two main themes: building partnerships and ensuring consistency of policies. The concept of partnership, especially with poorer countries, constitutes a key characteristic of the government's approach to assisting in achieving the elimination of poverty. Box 2 outlines the main elements of this relationship. Where a long-term partnership is entered into, Britain will provide more resources in a more flexible way.

The importance attached to policy consistency is encapsulated thus (§3.1):

To have a real impact on poverty, we must ensure the maximum consistency between all ... different policies as they affect the developing world. Otherwise, there is a risk that they will undermine development, and development assistance will only partly make up for the damage done.

The discussion focuses on the interplay of domestic, foreign and development policies, highlighting in particular the following areas: the environment; international trade; agriculture and investment; the promotion of political stability, social cohesion and effective response to conflict; and the promotion of economic and financial stability, including debt relief.

Box 2: Development partnerships

'Countries with which we are prepared in principle to embark on a deeper, long-term partnership, involving all forms of assistance, will be low-income, containing a large proportion of poor people. They will also be countries where the UK is wanted as a partner, has the influence to play a positive role, and a comparative advantage in being able to make a strategic contribution to poverty reduction.

We would expect partner governments to

- have a commitment to the principles of the agreed international development targets and be pursuing policies designed to achieve these and other UN targets which they have agreed;
- be committed to pro-poor economic growth and conservation of the environment, and be pursuing appropriate policies;
- wish to engage with us and with the donor community to this end;
- pursue policies which promote responsive and accountable government, recognising that governments have obligations to all their people; promote the enjoyment of civil, cultural, economic, political and social rights; and which encourage transparency and bear down on corruption in the conduct of both the public service and the business sector.'

Source: White Paper, Panel 14

The White Paper gives prominence to fostering the role of the private sector in development, but rejects the idea that aid funds should be used to promote private sector interests if these conflict with development objectives. In this context, it announced the cessation of the Aid and Trade Provision (ATP), under which mixed credits and soft loans had helped UK business secure contracts, although some provision for mixed credits remains. In addition, the White Paper pledges the government to providing all future aid in grant form. A final section of the White Paper is entitled 'Building Support for Development'. This renews the government's commitment to development education – and also pledges to reverse the decline in overall development spending.

From vision to implementation: the national perspective

In many ways, the White Paper was a starting point: it provided the vision of Britain's new orientation to aid and development. As the government clearly recognises, what matters now are the changes in development policy and the impact that these will have. What difference has the White Paper made and what is the substance of Britain's new development policy?

Perhaps the most immediate differences are symbolised in the change of name and status (the Secretary of State in the new DFID is a full member of Cabinet) and the vigour with which she has set in train measures to operationalise the range of issues and priorities contained within the White Paper. The emphasis now given to the poverty agenda and to policy consistency has meant that, in many ways, the old ambiguities, tension and conflicts between different objectives in Britain's aid and development policies have been swept away.

The following paragraphs provide some examples of the ways in which UK policy has been changing since the new government came to power in May 1997 – for some changes pre-dated the publication of the White Paper in November.

Implementing the poverty agenda Much activity has hinged around the poverty issue, leading to a range of activities.

- Within DFID, all programmes are being re-assessed to ensure a firm link with the Department's poverty focus. Country strategy papers are being re-written to provide a consistent approach to poverty reduction; a new system of Poverty Aim Markers is being introduced; humanitarian aid policies have been reviewed, leading to the introduction of 10 key principles for a new humanitarianism; and an advisory committee for Sustainable Rural Livelihoods (SRL) has been set up, replacing a narrower focus on natural resources.
- DFID is working to deepen understanding of the different (and complex) attributes of poverty and to develop, deepen and extend its work on indicators, to provide clearer benchmarks for measuring its achievements. For instance, a study on performance indicators for educational aid programmes was completed in the first half of 1998.
- In order to help expand and deepen awareness, commitment and support within the UK for international development and the government's poverty

focus, a Development Awareness Working Group (DAWG) has been set up, two of whose early tasks will be to assess the contribution of formal and informal education to development awareness and to assess methods and approaches successfully used in other countries. A series of visits by ministers to the regions has been set in train.

Implementing the consistency agenda A number of measures have been taken to provide a greater consistency in overall development policies, expanding DFID's capacity well beyond its aid focus, and enabling it to interact more effectively than formerly, for example, with the Department of Trade and Industry (DTI), the Ministry of Agriculture, Fisheries and Food (MAFF) and the Department of the Environment, Transport and Regions (DETR). A major initiative has been to create a new (and still expanding) department within DFID, the International Economic Policy Department, whose focus is on international trade and investment.

Implementing partnership agendas The government has been developing ideas for promoting business and private sector partnerships. For example, an ethical trading initiative has been developed. In relation to non-governmental organisations (NGOs) and community-based organisations, DFID is launching a formal consultation to assess the different ways the government can co-operate with these groups to further the poverty agenda, as well as expand and deepen support for development at home and abroad. The key partnership relationship emphasised in the White Paper, however, is that with poor country governments. Following the publication of the White Paper, work in this area has been focused particularly at the country level.

The international setting

The importance of the international setting is explicitly recognised in the White Paper, which states that aid will 'only be effective if there is also a consensus on priorities linked to the international targets, and if the whole international community works together to meet them' (§2.7). Indeed, even before the publication of the White Paper, one of the growing hallmarks of the government's new approach to development was the way in which it sought to play a pro-active international role in development policy, especially within the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD).

The government's commitment to furthering aid and development policies in the international arena has been seen, on the one hand, in the way in which the UK has identified itself with the DAC targets and, on the other, in the manner in which it has sought to work with other 'like-minded' donors to help re-orient the whole donor community to the importance of the poverty-focused approach. Thus, as the DAC recently commented, the 'UK has been making a significant contribution to international debate on development'.

The following examples illustrate some of the more important initiatives the government has taken internationally.

- DFID has been active within the DAC on developing indicators for the agreed development targets (see Box 1).

- DFID and the Treasury have been working closely with policy-makers at the World Bank and across other G8 countries on initiatives to address the debt problems of the poorest countries.
- The UK has taken a leading role in reviewing the poverty impact of the joint-donor Special Programme of Assistance (SPA) to Africa.
- It has also given strong support to Secretary-General Kofi Annan's proposals for reform of the United Nations and of its different relief and development institutions. Britain has rejoined the United Nations' Educational, Scientific and Cultural Organisation (UNESCO), withdrawn its notice to quit the United Nations Industrial Development Organization (UNIDO) and pledged additional voluntary contributions to three UN bodies – the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF) and the United Nations Fund for Population Activities (UNFPA) – in 1998.
- More widely, Britain has sought to carry abroad its aim of encouraging greater consistency in aid and development policies. For instance, in the first half of 1998, during the period of the UK Presidency of the European Union, Britain's agenda included the following objectives: ensuring that the successor to the Lomé Convention provides the basis for poorer countries to meet their poverty-alleviating targets; securing EU-wide commitment to the international development targets, especially the poverty target; securing EU-wide agreement on humanitarian principles; and lobbying for the ending of all tied aid.

Challenges and questions

Many challenges remain in implementing the new vision, and the development debate continues to be an active one.

Partnership First, as DFID has itself acknowledged, some critical questions still need to be answered in the evolution of the new partnership relationship envisaged with aid-recipient countries. Thus, with what countries will Britain form which sorts of partnerships? This is a key question, as the White Paper explicitly states that the UK will provide aid in greater amounts and in different (more flexible) forms to its long-term partners. Will all the criteria for partnership (see Box 2) apply equally to all countries? How much will partnership be based on performance (impact) and how much on need? Will these evolving partnerships involve a binding contract or be looser in form, and to what extent will recipients be involved in developing both the concept and their criteria of partnership? In what ways will the prominence given to gender issues in the White Paper be reflected in these partnership agreements being drawn up? What steps will be taken to try to strengthen the voice of the poor, including women and other marginalised groups, to ensure that they are better equipped to engage more equitably in discussion to formulate partnerships?

Aid spending A second cluster of questions relates to aid volume, aid allocation to different countries and for different purposes, and the balance between bilateral and multilateral aid. To some, the White Paper has been seen as following contemporary, conventional wisdom too closely, in focusing mostly on aid quality and only minimally on its quantity, leading to pleas for more tangible evidence of substantive

real increases in the volume of British aid and for initiatives to try to reverse the downward fall in global aid flows.

Poverty and development Another set of questions has been raised about the linkages between poverty reduction and the wider development process and the emphasis on meeting aggregate targets for reducing poverty. For instance, it has been argued that too narrow a focus on reducing poverty using measurable and relatively simple indicators could constrain, rather than advance, the role, place and status of women in the wider society, because it risks giving insufficient attention to the complex underlying causes of gender discrimination and their links to poverty. Likewise, it has been suggested that, given the relative lack of space given to such issues in the White Paper, substantive work needs to be undertaken to understand better the process of achieving the targets agreed. Particular emphasis, it is contended, has to be given to political processes of development and the need in many countries to redistribute income and assets, especially land, given the number of instances of host governments agreeing poverty-reducing policies which are then overturned or 'revised' because of the power of different political and economic interests groups.

Capacity While the White Paper's intention to target UK aid directly on poor people and seek their direct participation has been praised as a bold attempt to work at the 'coal face' of development, concern has also been expressed about the range and depth of skills necessary among those managing the aid programme at the country level. Not only other donors, but also specialised NGOs and community-based organisations have experienced substantive difficulties in trying to implement similar strategies with inadequately trained personnel. The costs and time involved have often been considerable. Relatedly, are NGOs perceived merely as an additional channel for aid or as providing something different, whose contribution, not least through experimentation, will require a different way of assessing impact? Will NGOs continue to be funded for projects to meet basic needs but which have little chance of recovering even recurrent costs?

Donor commitment However commendable the policies of a single donor, they need to be viewed as part of the whole aid effort because, in practice, no one donor on its own is likely to 'make the overall difference' in helping to eliminate poverty in any one country. Indeed, following a secular decline, in 1996 (the most recent figures) Britain provided less than 6% of all aid to sub-Saharan Africa, and only just over 6.5% of aid to the least developed countries.

Internationally, the donor commitment to reduce, and even eliminate, poverty is not new. Indeed, Britain itself was among those committed in the mid-1970s' wave of enthusiasm for using aid directly to help the poor. Yet poverty persists in many parts of the world and, most notably in sub-Saharan Africa, the past decade has seen the share of people living in poverty increase.

A major problem is that the international donor commitment to poverty elimination remains far from solid and consistent – not all donors have embraced the poverty focus with the vigour of Britain and other 'like-minded' donors. The less enthusiastic group includes Germany, the US and, until recently, France. These three countries' combined aid disbursements in 1996 accounted for over 40% of all aid, providing some seven times as much aid as Britain.

Additionally, donors collectively do not always follow through on their formal commitments. For instance, the call for universal primary education by 2015 sounded in 1990 at the Jomtien Conference on Education for All was fully endorsed by the whole donor community. Yet a 1997 study concluded that, in real terms, total bilateral aid for the education sector was lower in the mid-1990s than before the conference.

Donor coordination To the extent that donors remain divided on the purpose of aid, the equally important need to coordinate aid efforts across the donor community will remain frustrated. Britain shares with other donors the belief that the overall aid effort will remain sub-optimal to the extent that donors fail to co-ordinate their various efforts. Yet, in spite of some advances on this front, the aid relationship in most recipient countries is still characterised by donors trying to implement their 'own' individual programmes. It is these concerns which are driving some of the like-minded donors within the DAC to revisit an (old) idea of seeing ways of pooling all aid (especially bilateral) to a country into a single 'trust fund', free from the self-interests of both donors and recipients and thus providing conditions for an all embracing donor-recipient partnership more conducive to addressing the whole range of problems of aid dependency. The White Paper's proposal to expand sectoral aid is wholly consistent with such ideas.

Conclusion

Thus, the tasks ahead remain formidable. As the international poverty reduction agenda evolves, it will be crucial to develop a consensus – not merely across the donor community but also with the host government – on four central policy issues: the overall development strategy, the split between macro-economic and more direct micro- and meso-level interventions; the level of and nature (private/public, internal/external) of resources required; the ways in which aid and other resources might contribute to implementation; and agreement about what donors should do when difficulties arise. It has always been difficult to reach such a consensus, in part because ideas of what to do are influenced not merely by inadequate data and insufficient understanding of causal relationships within particular countries, but also by differing views of the importance and relevance of comparable data and experiences. In part, also, the difficulty is due to differing value judgements concerning what is more or less important in terms of both processes and development outcomes. And, in part, it is due to the interplay between political interests and economic policy-making.

The problem – as the White Paper itself points out – is that “development is complex and the challenge faced by the governments of the world's poorest countries is formidable” (§2.1). Thus, while Britain's new aid and development policies can certainly contribute to development and to the realisation of the rights of the poor, there is no guarantee that they will do so, no matter how hard the government tries, even if it is relatively successful in helping to build a greater consensus on policies across the donor and recipient communities. At best, aid can only contribute towards achieving developing country goals: it has never been the cause or driving force of development.

Nevertheless, aid will remain necessary. The UK government has based its commitment to providing aid on the inability of poor people to achieve especially their economic, social and cultural rights – the so-called rights-based approach to development. As long as poor countries have insufficient domestic resources and inadequate administrative capacity, and lack effective and developed markets to provide productive employment for their citizens, aid will continue to be needed both to assist poor people to realise their rights in the short term, and to help them develop in order to provide the conditions for the realisation of those rights without continued external assistance.

References

Eliminating World Poverty: A Challenge for the 21st Century. London: The Stationery Office (Cm 3789).

P. Bennell with D. Furlong (1997) *Has Jomtien Made Any Difference? Trends in Donor Funding for Education and Basic Education Since the Late 1980s*. IDS Working Paper, No. 51. Brighton: Institute of Development Studies.

OECD (1996) *Shaping the 21st Century: The Contribution of Development Co-operation*. Development Assistance Committee. Paris: OECD.

OECD (1997) *Development Assistance Committee 1997 Report*. Paris: OECD.

For further information please contact Roger Riddell at ODI.
r.riddell@odi.org.uk

From January to March 1998, the ODI hosted a series of public meetings on the theme 'Beyond the White Paper'. The series was addressed by the Secretary of State and the Parliamentary Under Secretary of State, by the Permanent Secretary of DFID and by other senior civil servants. The full text of these various speeches is available at <http://www.odi.org.uk/speech./../index.html>.

© *Overseas Development Institute 1998*

ISSN 0140-8682

Overseas Development Institute
Email: publications@odi.org.uk

Briefing Papers present objective information on important development issues. Readers are encouraged to quote or reproduce material from them for their own publications, but as copyright holder, ODI requests due acknowledgement and a copy of the publication.

[Briefing Papers List](#)



[Overseas Development Institute Home Page](#)
