CHAPTER 16

Building a Global Development Cooperation Regime: Failed but Necessary Efforts

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16.1 Introduction

This chapter addresses two main questions. First, would a global development cooperation regime serve the purposes of global development better than current institutions and agreements? Second, how can recent failures to build such a regime be explained, given the attempts to render them more inclusive and legitimate?

Thus far, there is no overarching, truly global and functional development cooperation regime.[1] This is surprising from the viewpoint of international relations scholarship. Development, broadly conceived, is an issue-area where, perhaps more than any other in international negotiations, absolute gains prevail over relative ones.[2] No immediate or direct stakes for national security are involved, and, in contrast to regimes such as the United Nations (UN) Security Council or even the World Trade Organization, which implicate more clearly and directly the strategic and commercial concerns of members, development cooperation regimes are shaped by principled ideas and collective identities.[3] In other words, global discussions in the ambit of development cooperation regimes are much more centred on norms and principles than on instrumental interests, at least relative to those taking place in security or economic regimes.[4]

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Disagreements on principles of international development cooperation between high-income and emerging countries are well known and present significant implications for the practice of such cooperation. They involve the moral obligation of the former countries to compensate for the deleterious effects of colonialism and imperialism, as opposed to the mutual gains of partners proclaimed by the latter. In addition, the so-called emerging countries conceive of development cooperation as being much broader than the definition of official development assistance (ODA), including economic exchanges of various kinds. They also reject the purportedly vertical, paternalistic approach of high-income countries towards development cooperation, endorsing instead a horizontal relationship based on demand-driven practices, local ownership, and the self-reliance of partners. There are also opposing views on conditionalities related to human rights, good governance, or democracy, which emerging countries reject while Development Assistance Committee (DAC) members endorse. Additionally, there is divergence on the principles of transparency and accountability and the way they should be applied.[5] The aid effectiveness agenda closely associated with these principles has produced the Paris Declaration (2005) and the Accra Agenda for Action (2008) and has been a hallmark of the regime centred on the DAC, which can be considered the first major international development cooperation regime.

Since 1961 the DAC has proved capable of consolidating agreed norms and principles regarding development cooperation, and of generating considerable coherence, coordination, and even harmonisation in related practices, with institutionalised monitoring by means of annual reports with statistics and peer-review mechanisms. However, its members are limited to 23 high-income countries (plus the European Commission), which are all members of the Organisation for Economic Co-operation and Development (OECD). Furthermore, the increasing importance—in terms of the volume of resources, the range of modalities, and geographical reach—of the development cooperation offered by emerging economies as well as of non-state actors adds to the shortcomings of the DAC globally. Although the DAC has successfully courted many recipient developing countries to adhere to its aid effectiveness agenda, major emerging countries such as those in the BRICS group (Brazil, Russia, India, China, South Africa) have chosen to remain on the sidelines. They rejected the Paris Declaration as a normative or operational guideline for South-South cooperation.

After several unsuccessful attempts, the DAC finally managed in 2011 to lure Brazil, India, and China into signing the Busan outcome document that originated the Global Partnership for Effective Development Co-operation (GPEDC), a multi-stakeholder platform "to advance the effectiveness of development efforts" (Global Partnership for Effective Development Co-operation 2017). Talaat Abdel-Malek (2015, pp. 180–186) recalls that

> efforts to invite the participation of emerging economies – led by China, India and Brazil – [...] included visits to Beijing and other capitals by OECD officials; bilateral consultation by OECD ministers; joint studies, notably the OECD-China study; initiatives by Korean and Mexican officials; and exchanges between OECD and representatives of these countries during UN-sponsored events.

Its innovations in the governance of development cooperation notwithstanding, shortly thereafter, just before the kickoff of its first High Level Meeting in Mexico (2014), Brazil, India, and China left the GPEDC. These emerging countries condemned it for being a DAC-led initiative and for adopting approaches that are alien to South-South cooperation, while at the same time failing to effectively apply the principle of "common but differentiated responsibilities" (Besharati 2013, pp. 12–13).[6]

The other major international development cooperation regime is found in the UN Development Cooperation Forum (DCF), established in 2005 as a sub-organ of the UN Economic and Social Council. The DCF holds biennial sessions aimed at providing an all-inclusive channel of communication for development cooperation stakeholders to engage in mutual learning and knowledge sharing. The analytical work produced for the DCF—including the report of the Secretary-General on "Trends and Progress in International Development Cooperation" and policy briefs—is widely disseminated for use in UN processes and beyond. The forum thereby seeks to provide a platform for reaching widely shared and adopted principles, definitions, and norms of development cooperation.

Yet, the DCF has accomplished remarkably little since its creation, largely because member countries have failed to provide political and financial support for its operation. Whereas high-income countries have generally and historically distrusted the UN (Fues et al. 2012, p. 253), emerging countries have—at least in rhetoric, if not in practice—defended the role of the DCF as the appropriate regime for policy discussion and coordination regarding development cooperation. Not only do developing countries benefit from the majority of votes in the UN "one country one vote" decision-making system, but they have argued that the DCF is more inclusive and legitimate than the GPEDC (Abdel-Malek 2015, p. 180).

> When declining to engage in OECD-led processes, countries such as India and Brazil always refer back to the United Nations as the natural, legitimate and universal forum where most international issues, including development cooperation, should be discussed. Historically, in fact, the UN has always been an important platform for the nations of the South providing support services to the work of the G77. UN bodies such as UNDESA, UNCTAD, UNIDO, the FAO and UNDP all have units specifically dedicated to supporting [South-South cooperation]. (Besharati 2013, p. 48)

In addition to its lack of member support, the DCF has, as does the UN as a whole, negotiating and decision-making processes that are generally considered ineffective. Indeed, the DCF illustrates clearly the trade-off between legitimacy and efficiency, which is ubiquitous in the governance literature.[7] In particular, increased stakeholder participation and deliberation may be crucial to ensure legitimacy but tend to undermine efficiency by rendering the decision-making process more complicated and time-consuming, oftentimes leading to stalemate. In the words of Neissan A. Besharati (2013, p. 48):

> The massive UN bureaucracy has its limits because it operates very slowly and suffers from the influence of multiple political forces that pull it in different directions. The sheer number and diversity of stakeholders often make it difficult to reach consensus and to agree on clear and bold action for the future. This has led to a decrease in political interest in UN forums which are often characterized as mere "talk shops".

Indeed, these shortcomings of the DCF create incentives for the search of other development cooperation regimes, and the OECD member countries continue to promote their agenda even without the involvement of emerging countries (Mello e Souza 2014, p. 21). In parallel, the DCF continues to play a mostly technical role of generating and disseminating analyses and data.

The perceived lack of a common ground for building a stronger and all-inclusive global development cooperation regime and the deadlocks in burden-sharing negotiations between DAC members and some of the most important developing countries may put the very viability of such a regime in doubt. More fundamentally, it may lead one to consider whether it is necessary or even desirable, from a global perspective, to attempt to build a development cooperation regime. Failed efforts are costly in terms of resources and time, and probably also counterproductive in that they raise suspicion and scepticism towards future cooperation. Would such a regime serve the purposes of global development better than current plurilateral institutions and bilateral agreements? In the following section, I draw from mainstream regime theory and consider recent transformations in the nature of global development cooperation to address this question. I argue that an international development cooperation regime is necessary and preferable to the status quo due to the efficiency gains it provides and, in particular, the coordination and policy coherence requirements of the 2030 Agenda for Sustainable Development. The Sustainable Development Goals (SDGs) constitute evidence of common global interests that make this regime viable. This section therefore approaches the issue of the benefits of such a regime from a *systemic* perspective.

However, even if a global development cooperation regime is necessary and desirable, surely it will not come into force without efforts from countries and other stakeholders, whose particular interests and motivations often override global or collective concerns. Why have previous attempts at building such regimes failed, and what can be learnt from these failures? In particular, how can failures be explained in light of the attempts to broaden the membership base of the GPEDC and render it more inclusive? The results of recent efforts to bring together DAC members and emerging countries can be understood from the perspective of the regime's (perceived) lack of legitimacy, its costs, the opportunities for influence that it offers countries previously excluded from the DAC as well as its importance to those countries. In the third section, I resort to concepts and insights found in the literature on stakeholder participation in governance to try to shed light on these shortcomings. Hence, this section approaches the difficulties of building a development cooperation regime from an *agent* or *actor-centred* perspective. Hopefully, a better understanding of these difficulties may point to promising pathways for building a more inclusive, efficient, and legitimate global development cooperation regime.

The final section concludes the chapter by bringing together the main arguments presented beforehand and pointing to their implications for the global governance of international development cooperation. Notably, the main obstacle to building such governance is not an incompatibility of interests between emerging countries and DAC members, as often argued, but is rather related to the value countries place on global institutions and their opportunities and capabilities for effective participation and influence in these institutions.

16.2 Why Is a Global Development Cooperation Regime Important?

Why should DAC members, emerging countries, and other stakeholders strive to build a global and effective development cooperation regime? As already mentioned, there are costs involved in any such endeavour, and the record of previous failures is not encouraging. Furthermore, it is reasonable to question whether the enduring lack of convergence is so problematic. The continuation of the status quo of emerging countries independently setting their own standards and modus operandi on international development cooperation, all while DAC members continue to operate under their own consolidated framework, may not be such an undesirable outcome. This may be particularly the case if North-South and South-South cooperation are considered to be fundamentally different, though complementary.

Why is achieving a global development cooperation regime important? The main answers to this question have to do with efficiency. Building on the work of Robert O. Keohane (1984), mainstream theories of international regimes resort to a functionalist logic according to which such regimes are created precisely because they increase efficiency by helping members overcome collective action problems and "political market failures".

Regimes play this role whenever countries have shared—though not identical—interests. Global development certainly entails shared interests between countries. This is evidenced, for instance, in the agreed 2030 Agenda, even if countries disagree as to how to proceed in promoting it. Moreover, the experience of negotiating the GPEDC up until 2014, when Brazil, India, and China were still engaging members, suggests that there are commonalities of interests, notwithstanding these countries' later abandonment of the regime. In addition, though we cannot expect development cooperation regimes to be legally binding—as very few international regimes are—they may help "to establish stable mutual expectations about others' patterns of behaviour and to develop working relationships that will allow the parties to adapt their practices to new situations" (Keohane 1984, p. 89).

Regimes enhance efficiency mainly by reducing the costs for achieving common goals and providing public goods. By constructing issue linkages (Keohane 1984, p. 89), a development cooperation regime can promote policy coherence among members, making it less likely that they will pursue conflicting goals. More concretely, there are a plethora of trade-offs and conflicts in the global pursuit of the SDGs that need to be kept in check.

For instance, developing countries seeking to provide access to energy for all (SDG 7) may increase fossil fuel emissions, thus undermining the combat against climate change (SDG 13). Similarly, some countries' carbon-based, energy-intensive growth strategies may be effective in lifting large numbers of people out of poverty in the short term (SDG 1), but the emissions of carbon and other pollutants cause serious damage to health (SDG 3) across national borders.

Conversely, policies aiming to achieve one SDG may also help to attain others, as illustrated by the positive impact of trade and environmental protection on poverty alleviation and health, respectively. In short, promoting development in general—and particularly as agreed in the 2030 Agenda—requires aligning multiple policies within and across countries to maximise synergies of goals and minimise undesirable impacts from negative interlinkages.

Yet, such a global policy alignment can only be reached by means of a development cooperation regime. Insofar as each SDG or issue-area of development is approached independently between emerging countries and between them and the DAC members, it becomes much more difficult to have a holistic appreciation of global development challenges and needs. Similarly, bilateral agreements between partners or the parallel coexistence of numerous regimes—such as the DAC, the GPEDC, the DCF, and others—will be insufficient for the provision of global goods.

In addition, by making it possible to avoid the duplication of efforts or overlapping projects, a development cooperation regime may reduce the costs of achieving the 2030 Agenda. In other words, it may lead to a "division of labour",[8] so to speak, between development cooperation providers. Reduced costs are particularly important, given the concern over the availability of resources to finance this agenda.

Moreover, considering the abundance of specific policy issues that need to be addressed in order to effectively coordinate the practices of numerous actors of the development community, a regime would also help with the more prosaic task of making it easier and cheaper for these actors to meet and negotiate. Benefiting from economies of scale, once a regime is operational the marginal costs of negotiating each additional issue is reduced and becomes lower than it would be otherwise (Keohane 1984, p. 90). As a result, a regime can significantly reduce transaction costs.

Finally, a development cooperation regime would also play the crucial role of reducing problems of moral hazard and irresponsibility by increasing access to information (Keohane 1984, pp. 95–96). The moral hazard problem in particular arises quite prominently in financing for development, as partners may feel assured of foreign support under some circumstances, and hence adopt more risk-seeking or reckless policies. Partners may also fail to keep commitments or attempt to free-ride in any development cooperation agreement. A regime tends to mitigate these problems by reducing uncertainty and making monitoring easier.[9]

Both the need for an international development cooperation regime and its potential benefits, in terms of efficiency, have been significantly amplified by recent transformations in the nature of development cooperation itself, and the challenges it confronts. First, the number of stakeholders—and especially providers of development cooperation—has increased dramatically. Though emerging countries such as China, India, Brazil, South Africa, Mexico, Turkey, and others have been engaging in such cooperation for many decades, during the twenty-first century they have significantly increased the volume of resources directed to it, as well as the scope of modalities involved and the number of partners, which are increasingly from geographically distant regions (Mello e Souza 2012, pp. 89–90). Countries that were previously mostly or exclusively recipients of ODA have also become providers of development cooperation.[10] In addition, non-state actors such as private foundations, non-governmental organisations (Büthe et al. 2012, p. 572), and firms, have also become significant providers of development cooperation during the last two decades in ways that are unprecedented.

One significant implication of the entry of new actors is that, as already mentioned, the norms and principles set by the DAC regime apply to fewer providers of development cooperation. In other words, development cooperation is increasingly being implemented outside the purview of the DAC. The GPEDC can be seen as a deliberate, though failed, attempt to remedy this situation by bringing emerging countries into the agenda that they still see as largely being DAC-driven (Abdel-Malek 2015, p. 180).

Another major implication of the considerable growth in the number of development cooperation stakeholders and providers is that there is a greater need for a regime that will not only coordinate and bring coherence to their practices, but also better exploit their potentialities, comparative advantages, and complementarities, thereby enhancing the contributions that they can offer globally. As suggested by Mancur Olson's (1965) theory of collective action, the provision of global public goods by a large number of providers is much more difficult than by a small number of providers, because the incentives for not contributing towards the provision of these goods are greater and also because monitoring is harder. This helps to explain the successful institutionalisation of the DAC: among high-income countries, negotiations rarely depend on more than a few major participants. But it also points to the necessity of a regime for numerous actors to achieve mutually (and universally) beneficial outcomes.

Second, global development itself has changed significantly. Globalisation and associated technological changes have remarkably increased interdependence and interconnections among countries and across issue-areas.[11] This means that policies increasingly produce impacts that operate across national borders and issues, and that many of the most pressing and urgent tasks of contemporary development, such as combating climate change, reducing illicit financial flows, and promoting sustainable economic growth, can only be accomplished collectively and holistically. In Keohane's (1984, p. 79) words, the development "policy space" has become denser, meaning that different issues have become more closely linked, as illustrated by the previously mentioned SDG trade-off examples. As a result, the incentives to form an international regime are greater, "owing to the fact that ad hoc agreements in a dense policy space will tend to interfere with one another, unless they are based on a common set of principles and rules", and that there is greater demand for standards that will achieve greater consistency. Regimes will establish such principles, rules, and standards, hence reducing "the costs of continually taking into account the effect of one set of agreements on others" (Keohane 1984, p. 79).

Two caveats are in order here. First, SDGs vary greatly on the extent to which their achievement requires the operation of an international cooperation regime. Some SDGs—most notably the combating of climate change (SDG 13)—are clearly related to the provision of global public goods and, as such, cannot be achieved without the coordination and collaboration made possible by such a regime. In contrast, other SDGs such as ensuring inclusive and equitable quality education (SDG 4) can be achieved simply by employing adequate policies domestically. As noted by Ashoff and Klingebiel (2014, p. 21), international development cooperation thus far has "been overwhelmingly geared towards assisting a specific country in its development process, without necessarily producing a global good". While such cooperation may be valuable for upgrading some kinds of policies and institutions in partner countries, it is not suited for addressing global challenges, where it is most needed. Yet, making increased use of it to provide global public goods also "carries the latent risk of frustrating the original purpose of promoting development at the national level" (Ashoff and Klingebiel 2014, p. 21). A functional and truly global development cooperation regime will be useful in alleviating the tensions between national and global goals, both of which are crucial for fulfilling the 2030 Agenda.

The second caveat is that enhancing the efficiency of global development cooperation is not a purely functional challenge. The very concept of efficiency presupposes certain goals and beneficiaries. In other words, when a development cooperation agreement or regime is considered efficient, it is necessary to ask for which stakeholders it is efficient. Though the discussion in this section has focussed on the global efficiency of a development cooperation regime, or the overall benefits that this regime can potentially bring to global development, political and redistributive issues are also relevant.

Agreed principles, norms, and standards inevitably benefit some countries (or, more broadly, stakeholders) more than others. More fundamentally, the preferences (or "utility functions") of countries and their very notion of "development" vary significantly, which means that, even from a global perspective, desired outcomes may vary.[12] Finally, not only are different preferences in outcomes at stake in disputes between DAC members and emerging countries in international development cooperation regimes, but also processes. In other words, *how* goals are to be reached also matters. The political or normative dimensions implicit in any assessment of the efficiency of regimes leads to considerations of the viewpoints of particular countries and the choices they face in creating, joining, and maintaining such regimes. These questions are considered in the following section, which shifts the perspective to agents or actors.

16.3 Failed Attempts to Build a Development Cooperation Regime: What Can Be Learnt?

One of the most noteworthy recent transformations in global governance has been the undertaking of reforms in several institutions, across issue-areas, with the explicit objective of allowing for, or enhancing, the participation of previously excluded or marginalised stakeholders. The resulting institutional arrangements include trans-governmental networks, public–private partnerships, and entirely private bodies of technocrats, all of which provide a much broader membership base and access to stakeholder participation than traditional intergovernmental organisations. Greater inclusivity in governance is generally seen as favouring democratic ideals, hence being normatively desirable, and may also help to promote policy learning as well as compliance with established norms and principles (Pauwelyn et al. 2015).

Most notably, members of the DAC regime have attempted to bring emerging countries into the aid effectiveness agenda by launching the GPEDC, which in itself embodies many of the kinds of reforms that seek to ensure greater openness and access to stakeholder participation. In the words of Bracho (2017, p. 1):

> [The GPEDC] was intended to be more legitimate (with secretariat services not only from the DAC, but also from the United Nations Development Programme), more political (co-chaired by three acting ministers) [...]. Most of all, the GPEDC was to be more *inclusive*, involving not only the Southern providers, but also non-state actors. All these new players were expected to join a renewed commitments framework inherited from Paris, with commitments tailored to their specific circumstances. In short, the GPEDC was supposed to be a fundamentally new animal, capable of incorporating the Southern providers into the agenda.

These institutional novelties supposedly make the GPEDC more inclusive, legitimate, and therefore better equipped to deal with complex and rapidly evolving problems of development cooperation than the DCF regime nested in the UN, a most traditional international organisation.

In particular, historically underrepresented stakeholders may offer valuable context-specific information about development challenges, best practices, and unintended policy consequences that is unavailable elsewhere, due to their direct involvement. As a result, expanded stakeholder participation reduces uncertainty regarding the impact of development cooperation practices (DeMenno and Büthe 2018, pp. 19–20). GPEDC institutional innovations are therefore not only normatively desirable, but should also make it possible for crucial technical information that is provided by previously excluded or marginalised stakeholders to guide the partnership globally.

Moreover, by attempting to open space for the participation of important stakeholders, the GPEDC not only sought to become more efficient by reducing information asymmetries and collective action problems in ways similar to the ones discussed by Keohane (1984), but also by allowing for the possibility of "policy learning" via the provision of "political information" by such stakeholders:

> [P]olitical information comprises information about whom the policy impacts and the preferences of the affected. Stakeholders provide political information by identifying the relevant actors and signaling the degree of opposition or support for a proposed action or inaction. Political information can serve as a proxy for the relative value or weight that should be placed upon technical information and thus enables global governance bodies to prioritize changes and plan implementation and enforcement strategies. (DeMenno and Büthe 2018, p. 20)

Hence, policy learning, especially in development cooperation, also depends on political information provided by stakeholders.

Furthermore, Keohane's (1984, p. 100) analysis suggests that the existence of uncertainty and transaction costs makes regimes easier to maintain than create. It follows that it may make more sense for reluctant emerging countries to *join* the GPEDC and try to shape it in ways that conform to their preferences rather than to attempt to *create* an entirely new regime from scratch. Why have they not done so?

In a seminal book, Albert Hirschman (1970) analyses the conditions that underpin decisions by actors to address the causes of their dissatisfaction and engage with the governance institutions where they hold membership, thus exerting "voice" or, conversely, to abandon these institutions and take the "exit" option. Significantly, Brazil, India, and China for some time chose to exert voice instead of exit in the Busan negotiations leading to the creation of the GPEDC, but soon chose to exit, as Abdel-Malek (2015) and Bracho (2017) show.

Using Hirschman's (1970) concepts, and drawing from previous literature, Mercy DeMenno and Tim Büthe (2018) build a model of stakeholder participation in global governance institutions. They argue that the incentives for stakeholders to exert voice rather than exit depend both on (1) the importance of the institution for the stakeholder and (2) the stakeholder's capacity to participate. The importance of the institution depends on how much the issues it addresses are valued by the stakeholder as well as the availability of alternative institutions or other ways to influence global rules, norms, and practices, which constitute opportunities for exit. Stakeholder capacity to participate, in turn, is a function of stakeholder resources—including technical skills—and the ability to overcome collective action problems (DeMenno and Büthe 2018, pp. 3–4).

In the light of this model, the exit of Brazil, India, and China from the GPEDC can be understood in terms of the importance of the regime for them as well as of the capacities of these countries to shape the regime and benefit from it. How important is the GPEDC to emerging countries? First, Brazil, India, China, and other emerging countries—in sharp contrast to the DAC members—have not historically and traditionally enjoyed the benefits of a development cooperation regime. For this reason, they can be seen as having less to lose from the failures of the GPEDC, as for them this would mean maintaining the status quo. Accordingly, Li Xiaoyun (2017, p. 9) indicates that

> the importance of the GPEDC to China's own interests has not been recognized by the Chinese side for two reasons. The first is that the message of the GPEDC has not been presented properly within the Chinese foreign policy and think tank community, thus the GPEDC still lacks policy attention in China. Second, due to the fragmentation of the development cooperation policy process in China, the designated institution-to-institution approach routinely applied by development ministries to China does not sufficiently ensure the acknowledgement of the GPEDC by a wide range of institutions relating to decision-making in China.

Regarding the alternative regimes available to influence the global rules, norms, and practices of development cooperation, the DCF stands out, even if it lacks in efficiency what it offers in legitimacy. What is more important, however, is that emerging countries, and especially China, have decided to create their own financial institutions, such as the BRICS's New Development Bank and the Asian Infrastructure Investment Bank, to address the paucity of resources available to finance infrastructure investments in ways that they find appropriate. Increasingly, multiple alternative, competing regimes—none of which can act as focal points for the global governance of the 2030 Agenda—are to be expected given the diffusion of economic and political power without corresponding institutional change. This is the case despite the fact that emerging countries have not joined forces to propose or put in place an alternative development cooperation regime of their own. Moreover, as already mentioned, the status quo of implementing development cooperation by means of bilateral (or trilateral) agreements is not such an undesired outcome from the perspective of these countries.

To what extent do the capacities of emerging countries provide incentives for them to exert voice in the GPEDC? Clearly, among Brazil, India, and China, China is the country with greater capabilities. Yet, China's average gross domestic product per capita is still less than 30 per cent than that of the United States and other DAC members. The total amount of cooperation provided by 29 emerging countries in 2014, which would correspond to the ODA definition, was only about \$32 billion (or 17 per cent of the total), compared to \$150.8 billion (or 83 per cent of the total) of the 28 DAC members (Luijkx and Benn 2017, pp. 4, 23–24). Concerning financial capabilities, therefore, emerging countries are still falling behind. The abandoning of the "common but differentiated responsibilities" principle as the GPEDC negotiations evolved only compounded the gap in financial capabilities between emerging countries and DAC members.

What are the emerging countries' capabilities in terms of technical skills? Surely these skills are related to financial ones. Xiaoyun (2017, p. 8) also notes that these countries have a "weak knowledge base, compared to the strong voices of DAC-based research institutes". Crucially, joining the GPEDC entails costs in terms of building or maintaining technical capacities. In particular, the commitment to gather and process data, to build indicators, to follow pre-defined and somewhat rigid monitoring frameworks, and to meet particular targets[13] is much more costly for developing countries than for the DAC members. Emerging countries, in particular, are not eager to take on additional costly commitments given the much lower volume of resources they dispose for their own development cooperation and the view that these commitments reflect approaches which are from the DAC and alien to them. Needless to say, unlike other regimes, the GPEDC has no barriers to exit, and these countries had no loyalty whatsoever to the GPEDC.[14]

In this regard, it is crucial that, for all its merits, the GPEDC has been much more successful in promoting stakeholder *participation* than allowing for its *influence*.[15] In other words, greater stakeholder participation in the GPEDC has not allowed emerging countries to influence the main regime outcomes. As a DAC-driven endeavour, the GPEDC has an agenda that reflects the concerns of DAC members, while at the same time some of the core concerns of emerging countries are absent from the regime. Indeed, Xiaoyun (2017, p. 9) notes that

> the GPEDC also needs to realize that many topics listed in the working program are not the primary interest of the emerging powers. For instance, the GPEDC continues to focus on the "aid management" agenda, and a strong linkage between development cooperation and development is still missing.[16]

Equally important, Bracho sees the GPEDC monitoring framework as "the weak link" of the Busan promise of bringing OECD and emerging countries under the same regime. It evaluates compliance on the basis of 10 specific commitments, five of which are for providers. Yet, provider commitments "had been conceived by and for traditional donors. As the Southern providers had not committed to them and considered them inappropriate to their unique situation, they were opposed to being evaluated by these criteria".[17]

This is the case because much of the expanded participation allowed by the GPEDC's innovative governance structure is non-decisional.[18] It does not suffice to grant emerging countries a seat at the table if they lack actual decision-making power because the agenda has largely been set beforehand.[19] Conceptually, this can be seen as a problem of democratic accountability associated with the lack of both input and output legitimacy,[20] since the proclaimed enhanced input legitimacy of the GPEDC derived from greater stakeholder ability to exercise voice is not matched by stakeholder influence.

16.4 Conclusions

A global development cooperation regime is necessary from a systemic perspective. This is the case not just because of the efficiency gains expected from regimes in general, but also and primarily because the 2030 Agenda comprises a plethora of stakeholders and distinct, though intertwined, issue-areas that can hardly be linked and coordinated by means of bilateral agreements or several plurilateral ones. The existence of common goals regarding this agenda suggests that regime-building is possible.

Yet, efforts to this date to create a global development cooperation regime have failed. In the most noteworthy attempt, the GPEDC attempted to become an inclusive, legitimate, and global multi-stakeholder regime. But emerging countries, as key stakeholders, have preferred to exit the new GPEDC regime instead of trying to shape it through the channels provided for them to exercise voice. Though explanations for this outcome usually focus on the incompatibility of interests between emerging countries and DAC members, there is ample evidence of the existence of shared interests among them, including the fact that they worked together up until the Mexico High Level Meeting.

Rather, I resort to models of stakeholder participation in governance institutions to suggest that Brazil, India, and China exited the GPEDC for other reasons. First, because they did not value the regime much to begin with—to put it bluntly, they just did not care about the aid effectiveness agenda. Moreover, although the DCF could hardly be considered a very attractive alternative, given its shortcomings, the status quo was not such an undesired outcome.

Second, given their limited capabilities as well as the lack of channels for participation in decision-making afforded to them, emerging countries had no realistic possibilities of exerting *influence* in the GPEDC's pre-set agenda. GPEDC compliance came at a price they were not willing to pay, and by exiting the regime these countries refused to offer it a further veneer of legitimacy.

An important clarification is in order. The preceding analysis is not meant to suggest that a development cooperation regime without emerging countries is necessarily bound to fail, but only that such a regime could hardly be considered global, and would be sub-optimal to the extent that it excludes important stakeholders. Furthermore, Brazil, India, and China are not just accidental stakeholders, since arguably many of the principles, norms, and standards embraced by the GPEDC primarily and consciously target the international development cooperation of these countries.

What are the implications of the preceding analysis for future efforts to build a global development cooperation regime? First, as a strategy to increase the importance of the regime to key stakeholders, it is important that they own the regime (which is a way to create loyalty, in Hirschman's [1970] terms). For that purpose, building a new regime, even if more costly and uncertain, may be necessary. Second, these stakeholders need to have the capacity, in terms of resources as well as technical skills, to influence outcomes in the new regime. A challenge is to strike the balance between extending stakeholder decisional participation without compromising regime efficiency, at the risk of creating another regime similar to the DCF.

Notes

1. I adopt the highly influential definition of international regimes proposed by Stephan D. Krasner (1982, p. 185): "[I]mplicit or explicit principles, norms, rules and decision-making procedures around which actors' expectations converge in a given area of international relations".
2. For an overview of the absolute vs. relative gains debate in international regimes, see David A. Baldwin (1993).
3. The concept and role of principled ideas in foreign policy can be found in Judith Goldstein and Robert O. Keohane (1993). For an account of collective identities in international relations, see Alexander Wendt (1994).
4. This is not meant to suggest, obviously, that economic or even strategic interests are never involved in negotiations of global development cooperation regimes; nor that norms and principles cannot be used to dissimulate other ulterior motives and interests.
5. It is not the case that "Southern providers are against the principles of aid effectiveness as such, but they rather want to see those dimensions embedded in the broader context of 'development effectiveness'" (Fues et al. 2012, pp. 251–252).

6. For a historical analysis of how once promising negotiations in the ambit of the GPEDC broke down largely as a result of disagreements relating to this principle, see Gerardo C. Bracho (2017).
7. See, for instance, Robert A. Dahl (1999). Much has been written about this trade-off, particularly in the literature on the governance of the European Union. Alternatively, it can be conceptualised as a trade-off between input and output legitimacy.
8. This term is used by Fues, Chaturvedi and Sidiropoulos (2012, p. 255) to support their arguments in favour of "a new international framework for development cooperation".
9. Even though, as mentioned earlier, problems of burden-sharing also may prevent the regime from succeeding in the first place, as was arguably the case with the GPEDC. See Bracho (2017).
10. For a discussion of the great diversity and complexity of development cooperation stakeholders, see Besharati (2013, pp. 4–10).
11. Particularly relevant in this regard are transport, communication, and information technologies. For instance, industry 4.0 international integration in new supply chains, information networks, and data repositories will be critically linked to relevant knowledge in many countries. Accordingly, new cross-border challenges related to the application of such new technologies will involve legal, regulatory, and anti-trust jurisdictional issues. In particular, international norms regarding security and privacy concerns and protocols and procedures around upgrading, risk evaluation, monitoring, and data analysis in the digital space will become imperative. See Sachin Chaturvedi et al. (2019, p. 162).
12. This is the case even if, as discussed earlier, distributive and relative gains problems in global development are mitigated by the fact that national strategic and economic concerns are not directly impacted. A fundamental critique of functionalist theoretical approaches is precisely that they tend to downplay the role of power, politics, and relative gains in international relations. Furthermore, Bracho's (2017) analysis of the GPEDC as well as recent negotiations on the 2030 Agenda suggest that the distribution of the finance burden of global development motivates deadlocks in attempts to build or extend international regimes.
13. For a description of GPEDC indicators and targets, see Abdel-Malek (2015, pp. 282–286).
14. For a discussion of the impact of loyalty on exit and voice, see Hirschman (1970, pp. 77–86).
15. For a discussion of the conceptual distinction between participation and influence, see DeMenno and Büthe (2018).
16. See also Federal Ministry for Economic Cooperation and Development et al. (2017).
17. Bracho's chapter in this volume. See also Federal Ministry for Economic Cooperation and Development et al. (2017).
18. For a discussion of decisional participation, see Richard B. Stewart (2014, p. 213).
19. The GPEDC is led by three ministerial-level co-chairs and a fourth co-chair representing all non-executive constituencies. Bangladesh, Germany, Indonesia,

Malawi, Mexico, the Netherlands, Nigeria, Uganda, and the UK have all served as co-chairs. The GPEDC's governing body includes 25 representatives of national and local governments, civil society, the private sector, trade unions, parliaments, and philanthropy. It meets biannually to guide the work of the GPEDC.

20. For the origins of the concepts of input and output legitimacy, see Fritz W. Scharpf (1999, p. 6).

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