

The EU-US Development Dialogue: Past, Present and Future

Alexander Gaus & Wade Hoxtell

The United States and Europe are still the world heavyweights of development assistance. Together, the US, the European Commission and the 27 EU member states provide almost two-thirds of global official development assistance. Despite the much-discussed and growing role of “new donors,” stronger transatlantic cooperation and coordination can have an important impact on development assistance: Together, the transatlantic partners can set priorities in development cooperation, define approaches and increase the effectiveness and efficiency of aid through greater alignment and coherence.

Since both the EU and the US are currently defining their long-term development strategies, there is a unique opportunity for the EU-US High-Level Consultative Group on Development (“EU-US Development Dialogue”) to create stronger alignment and coherence and improve the effectiveness of programs in fragile states.

This working paper provides background information on the EU-US Development Dialogue – its history, current setup, thematic focus, recent activities on the security-development nexus and issues of concern.

The History of the EU-US Development Dialogue

The idea of better coordinating European and American development cooperation is not new. Over the past decades, the EU and the US have made repeated attempts to strengthen their coordination and coherence through formal development dialogues:

- In 1990, the “**Transatlantic Declaration**” set the stage for deepened relations between the EU and the US and created a regular transatlantic dialogue on issues from economic cooperation to strategies for addressing transnational challenges. On development policy, the common goal stated in the declaration was to “help developing countries by all appropriate means in their efforts towards political and economic reforms.”¹ To achieve this goal, the US government and the European Commission moved away from ad-hoc meetings to more organized, regular and intensive consultations. They did not, however, succeed in institutionalizing the consultations. Hindering the process were the ups and downs of the transatlantic relationship, as well as the political tensions between Europe and the US that

Alexander Gaus and Wade Hoxtell are researchers at GPPi.

This paper was prepared for and presented at the first Transatlantic Civil Society Dialogue on Security & Development workshop entitled “Finding Common Ground on the Security and Development Nexus” which took place from 30-31 May 2013 outside of Berlin, Germany. The workshop was convened to provide inputs from a civil society perspective to the official EU-US High-Level Consultative Group on Development.

Co-funded by the European Union



GPPi
global public policy institute

stemmed from disagreements over issues such as trade liberalization and securing the Balkans in the early 1990s.²

- **In 1995, the “New Transatlantic Agenda”** outlined a new framework for this relationship, including four specific areas for joint action: promoting peace, stability, democracy and development; responding to global challenges; contributing to the liberalization and expansion of world trade; and improving communication and ensuring a long-term commitment to this partnership. Working groups were formed to tackle these topics, which generated new commitments, focus areas and an extensive joint EU-US Action Plan. Again, however, the process could not be sustained, and regular formal consultations ceased in most areas.³

- **In 2009, the EU-US Development Dialogue was re-launched.** In the early 2000s, a number of prominent voices, including the European Commissioner for Development and Humanitarian Aid, Louis Michel, called for closer transatlantic relations on development issues.⁴ These calls were heeded after the election of Barack Obama in 2008 when development policy once again became a priority issue for the US government. The EU-US Development Dialogue was re-established during the 2009 EU-US Summit in Washington, DC.

Setup of the EU-US Development Dialogue

The purpose of the EU-US Development Dialogue is to increase information sharing, coordination and policy alignment. The dialogue operates at several levels and includes discussions among ministers and high-level officials, exchanges among working-level staff at headquarters, and operational in-country coordination.

The most visible part of the dialogue is the high-level meetings. They involve two to three in-person meetings per year between the deputy heads of the EU and US development agencies. These meetings culminate in a yearly meeting between the administrator of the United States Agency for International Development (USAID) and the EU Commissioner for Development. On a working level, continuous exchanges between different units address technical issues and are largely facilitated by the EU delegation in Washington, DC, and the US embassy in Brussels. Beyond the development agencies, the respective foreign policy branches, namely the European External Action Service (EEAS) and the US Department of State, also wield influence.

The figure on the next page gives an overview of the main actors in the strategic dialogues with specific reference to the discussions on security and development.

Within the EU, the dialogue involves the Directorate-General Development and Cooperation – EuropeAid (DG DEVCO) as well as the EEAS. The International Development Dialogue Unit at DEVCO acts as the formal focal point for the dialogue, working in close cooperation and consultation with EEAS and their US & Canada Division. EU member states are also involved through the Council Working Group on Development (CODEV) and validate positions taken by the EU in the dialogue. In the US, the setup is similar, and both USAID and the US Department of State participate in the dialogue. For USAID, the Office of Donor Engagement is the focal point for the dialogue. The State Department is represented by the Bureau for European Affairs.

Depending on the thematic focus, additional units on both sides are either informally consulted or become formally involved in the dialogue. For se-

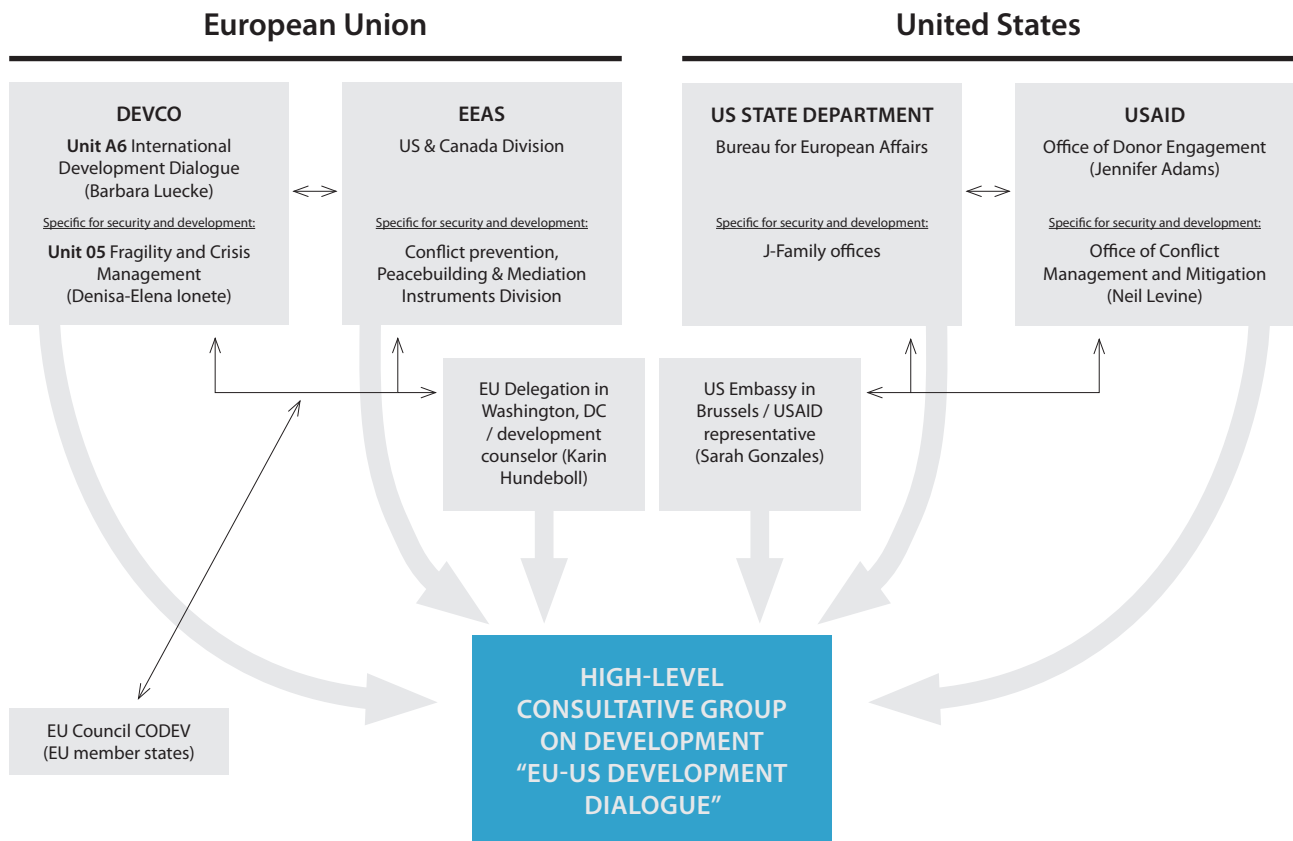


Figure: EU-US Development Dialogue Main Actors
Source: Author compilation

curity and development, these include for the EU the Fragility and Crisis Management Unit within DEVCO and the Conflict Prevention, Peacebuilding & Mediation Instruments Division at EEAS. On the US side, the US State Department “J”-family, a line of departments that reports to the Under-Secretary for Civilian Security, Democracy, and Human Rights, provides input next to the Conflict Management and Mitigation Office at USAID.

Thematic Focus

Initially, the EU-US Development Dialogue focused on food security, climate change and the Millennium Development Goals. Thereafter the

agenda evolved, reflecting changing priorities of the transatlantic partners. Already by 2010, the transatlantic partners planned to include the security-development nexus as a new focus area. The issue was included in the 2012 agenda.⁵

Three trends explain why the transatlantic partners pay increasing attention to the security-development nexus:

- **Widespread recognition in the EU and the US that security, stability and development cooperation need to be linked.** From a development perspective, it is now more and more acknowledged that security-related challenges such as organized crime, abusive security forces and armed violence

represent critical development obstacles in situations of fragility and conflict as well as in countries considered more stable, for example Nigeria, Côte d'Ivoire and Kenya. Over the past six years, the share of the world's poor living in fragile states like Afghanistan, the Central African Republic, Somalia or South Sudan is estimated to have doubled from 20 to 40 percent. Recent research estimates that this share will exceed 50 percent in the next few years.⁶ From a security perspective, Afghanistan, Mali, Libya and other cases highlight that civilian means, including development cooperation, play a key role in addressing the root causes of insecurity and fragility.

- **A more favorable policy environment.** Since the establishment of the EEAS, the EU has been pushing for a comprehensive approach in crisis management to ensure that political, diplomatic, economic, development, humanitarian and military instruments are used in a coherent way to address crises and conflict. Building on processes initiated in 2007, particularly the Council Conclusions on Security and Development and the Council Conclusions on an EU response to situations of fragility, the discussions around the comprehensive approach have clearly brought together the distant realms of security and development policy across the different EU institutions. The US moved in a similar direction in 2010 when the State Department called for a greater role of diplomacy and development in American foreign policy, alongside military means.⁷ Both sides of the Atlantic see these recent policy shifts as an opportunity to deepen the existing transatlantic relationship on non-military issues related to security. Moreover, in the US, the re-election of President Barack Obama created a more consistent and favorable policy environment for transatlantic exchanges, pursued with less intensity prior to the election.

- **A reorganized political and institutional environment.** The EU and the US had to grapple with a reorganization of institutional structures for much of the past three years, and these efforts are slowly coming to fruition. In the US, in early 2012 the State Department inaugurated its new Office of Civilian Security, Democracy, and Human Rights. This "super-office" formally leads US activities on civilian security, combining critical non-military means for addressing fragility. The new office includes the Bureau of Conflict and Stabilization Operations as well as the Bureau of Democracy, Human Rights and Labor, both of which have an important stake in defining the US approach to stabilization and development in fragile and insecure states. In the EU, the foreign policy branch underwent a complete restructuring with the creation of the EEAS in 2010. Especially until early 2012, internal coordination on security and development remained challenging as the administration was preoccupied with implementing the reforms and defining the division of labor between the different institutions, in particular between the EEAS and DEVCO, in greater detail. Since then, the bureaucratic environment in both the EU and the US has become far more supportive in addressing the security and development nexus.

Recent Activities on the Security-Development Nexus

These trends, as well as (ultimately unfulfilled) expectations of an EU-US summit in the summer of 2013, spurred new activities around the EU-US Development Dialogue in general and on the security and development theme in particular. A number of meetings between EU and US representatives have taken place since October 2012 at various levels:

- In fall 2012, Ambassador Rick Barton, who heads the Bureau of Conflict and Stabilization Operations at the State Department, and senior-level staff from the US State Department Office of Civilian Security, Democracy, and Human Rights, visited Brussels to meet with counterparts from the European Commission. They discussed focusing the dialogue on security and development on specific countries.
- In April 2013, a meeting between the deputy directors of USAID and DEVCO took place on the margins of the World Bank/IMF annual spring meeting. While they discussed topics for the EU-US Development Dialogue, they did not specifically focus on the link between security and development. Instead, this was left to the foreign policy arms of the administrations.
- Starting on 13 May 2013, the EEAS and State Department initiated a series of high-level video conferences between the EEAS Deputy Secretary General and his State Department counterpart to discuss joint activities in specific countries.

These recent meetings determined that future dialogues and coordination efforts will focus on individual countries and regions such as Afghanistan, Mali, Myanmar and Latin America. This is a departure from the earlier approach of focusing on themes. An internal paper, prepared by USAID and circulated in early 2012 between the US Government and the European Commission, had identified as relevant topics security sector reform, the New Deal on Fragile States, crime and conflict, and prevention of mass atrocities.

The greater emphasis on in-country coordination, to be primarily led by the foreign policy branches involved in the dialogue, arose when the strategic discussions on development policy set out in the initial roadmap were perceived as not achieving

enough substantial outcomes on the ground. Policy-level dialogue on various themes will, however, also remain a relevant part of future meetings.

Opportunities and Challenges

The EU-US Development Dialogue has considerable potential for influencing priorities, fostering policy coherence and promoting operational coordination of EU and US development policy in partner countries. Capitalizing on the more favorable environment for EU-US cooperation, the dialogue can be a model for:

- **Improving the effectiveness of international efforts around security and development.** In a time of defining a post-MDG development framework, numerous views exist on how to integrate peacebuilding and conflict prevention goals into a global development agenda. Closer EU-US coordination on this issue has the potential for generating greater support for existing approaches, such as the New Deal for Engagement on Fragile States, and ensuring that conflict-affected and fragile states are prioritized in the future.
- **Leveraging existing knowledge and approaches for addressing the security and development nexus.** The dialogue can draw on established processes such as the International Network on Conflict and Fragility or the international dialogue surrounding the New Deal for Engagement in Fragile States. This will elevate their relevance further. Ideas and recommendations generated in these forums have a greater chance for implementation if the EU and US agree in their own transatlantic deliberations on jointly supporting these efforts. The EU-US development dialogue can thus act as an effective multiplier of existing knowledge and approaches for addressing the security and development nexus.

- **Learning between like-minded partners.** Both the EU and US have experience working in conflict-affected and fragile states. They have tried, failed and succeeded with different approaches and policies. Closer coordination between the two sides allows for sharing experiences, learning from each other and continuously improving the policy and practice of supporting countries affected by conflict, crises or instability.
- **Coordinating technical programming.** As both the European Commission and USAID are developing new cycles of country development strategies and funding priorities, the EU-US Development Dialogue, in particular its working-level meetings, provides opportunities for aligning priorities and ensuring complementary in-country activities. This would be an important step forward in capitalizing on the comparative advantages of each side and reducing inefficiencies. In times of fiscal restraint in both the EU and US, this is a strong argument for improving EU-US coordination.

However, observers have raised concerns that need to be addressed to make the dialogue more effective and reach its potential:⁸

- **Bureaucratic inertia.** The addition of the US State Department and the EEAS elevates the standing of the dialogue. At the same time, it makes the dialogue process more complex and requires extensive consultations between the development and foreign policy branches on each side. This stymies initiative and reduces expectations on the dialogue itself. In Europe, internal guidelines require the EEAS and DEVCO to ensure “full transparency, informing and consulting each other, sufficiently in advance, on initiatives or announcements that could have an impact on each other’s areas of responsibility,” even if it includes just “the preparation of policy and pro-

gramme documents of [...] informal nature.”⁹ In the US, the internal coordination between USAID and the State Department is equally challenging. Moreover, the position of the Under Secretary for Civilian Security, Democracy, and Human Rights at the State Department is currently vacant. State Department officials are therefore more cautious in their positioning since US priorities regarding security and development might shift with the new Under Secretary.

- **Differences in approach and lack of clarity on leadership roles.** Foreign policy and development institutions typically approach the issue of security and development from different angles. The EEAS and the State Department tend to focus on the implications of fragility abroad in terms of regional and international relations as well as national security at home. USAID and DEVCO, by contrast, see stability and security primarily as a means for supporting development and laying the foundations for more effective pro-poor policies abroad. Both types of institutions have their own priorities, programs and approaches for addressing fragility and instability. While both the EU and the US are working to achieve more consistency internally, it is not clear which institution or which approach could become more prominent in the dialogue process.¹⁰ Thus, uncertainty about leadership among the primary actors hinders effective dialogue between the EU and the US.
- **EU-US strategic partnership versus short-term crisis response.** With the new focus of the EU-US Development Dialogue on individual countries, including those with acute crises such as Syria and Mali, there are indications that the dialogue is increasingly driven by imminent foreign policy concerns. This more flexible approach for taking on up-to-the-minute issues is appreciated by the participants of the dialogue, particularly as other formal platforms for high- and working-level

transatlantic exchange on such issues do not exist. While the flexibility to react to new topics and political developments could be an asset of the dialogue, in its current setup it is ill-suited for ad-hoc diplomacy on current issues due to its design, timeframe and initial mandate. As the dialogue was originally formed to focus on, take advantage of and strengthen strategic cooperation in the mid- to long-term, beyond acute crises, a critical challenge for the dialogue is balancing its original purpose with these new demands.

- **Topic overload.** The EU-US Development Dialogue is overwhelmed by suggestions for its agenda. In addition to the current themes of MDGs, food security, climate change and security and development, additional proposals have been floated to address topics such as aid effectiveness, energy access for all, the future of the OECD's Donor Assistance Committee and inclusive development. A group of EU member states (eg, Sweden, Denmark, Finland and Eastern European/Baltic states) have therefore voiced concerns that taking on additional topics might overburden the process. They advocate prioritizing security and development issues.

- **Lack of transparency and openness.** To date, the dialogue takes place behind closed doors and is little known among the development community. For the past three years, few civil society organizations, researchers and aid experts were consulted on the agenda, the priorities, the activities for greater transatlantic coordination, or the results and propositions. But such external input is critical in three respects. First, it allows EU and US officials to incorporate the latest findings and best practices of the discussed topics into the development of evidence-based policies and recommendations. Civil society is a repository of knowledge, learning and critical validation of policies that is not sufficiently included

in the transatlantic discussions. Second, civil society organizations and NGOs are usually the primary implementing partners for EU and US development policy. Their active participation in the dialogue ensures that the suggested activities and coordinated policies match both the priorities and capabilities of the implementing partners, and their inclusion serves as an important reality check to the EU and US. Finally, openness towards civil society organizations and aid experts generates a level of accountability that can help sustain activities; provide incentives for leadership and more effective engagement among the transatlantic partners; and draw attention to the process as such. The fact that the European Commission is funding a parallel civil society dialogue to feed into the EU-US Development Dialogue is a positive development in this regard. It is also an opportunity that should be seized and further supported by the European Union, the US government and, foremost, by civil society itself.

Endnotes

- 1 EC (1990), Transatlantic Declaration on EC-US Relations, 1990. Available at http://eeas.europa.eu/us/docs/trans_declaration_90_en.pdf [last accessed, 18 May 2013]
- 2 Burwell, Frances (2003), Rethinking the New Transatlantic Agenda. Paper prepared for the European Union Studies Association meeting, March 27-29, 2003.
- 3 Pollack, Mark (2005), The New Transatlantic Agenda at Ten: Reflections on an Experiment in International Governance. *Journal of Common Market Studies*, Vol. 43, No. 5, p. 899-919.
- 4 EC (2005), A New Transatlantic Agenda for Development. Speech by Louis Michel, EU Commissioner for Development and Humanitarian Aid.
- 5 EU (2010), EU-US Development Dialogue: Roadmap on the Millennium Development Goals in 2010-2011.
- 6 Chandy, Laurence; Gertz, Geoffrey (2011), Poverty in Numbers: The Changing State of Global Poverty from 2005 to 2015. Policy Brief 2011-1; Brookings: Washington DC.
- 7 US Department of State (2010), Quadrennial Diplomacy and Development Review (QDDR): Leading through Civilian Power. US Department of State: Washington DC.
- 8 These observations stem from interviews with EU and US officials conducted in January and March 2013.
- 9 EC (2012), Working arrangements between Commission Services and the European External Actions Service (EEAS) in relation to external relations issues, SEC (2012) 48, Ares (2012) 41133.
- 10 Anderson, William (2011), The U.S.-EU High Level Development Dialogue: Building on the Legacy of the Marshall Plan. Policy Brief, German Marshall Fund of the United States: Washington DC

This paper was prepared for the Transatlantic Civil Society Dialogue, a joint effort of the Global Public Policy Institute, InterAction and Saferworld. The project is co-funded by the European Union.

SECURITY & DEVELOPMENT
A TRANSATLANTIC CIVIL SOCIETY DIALOGUE

Global Public Policy Institute (GPPi)

Reinhardtstr. 7
10117 Berlin

Phone: +49 · 30 · 275 959 75-0

Fax: +49 · 30 · 275 959 75-99

gppi@gppi.net • www.gppi.net



The views expressed in this publication are those of the authors and do not necessarily reflect the views of the Global Public Policy Institute, InterAction, Saferworld or the European Union.