

New Landscape of Development Cooperation in Post COVID-19 --Implications for the Northeast Asia Countries

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Background

- 1. The golden age of international development cooperation after the cold war
- Geopolitical instrumentality ↓
- 2 Convergence of Different Interests 1

New Global Consensus: Poverty Alleviation (1990s-)





2. Tension between the North and the South has been eased, but

- 1 The Global North
- (2) The Global South
- (3) Emerging Economies
- (4) Private Actors
- (5)Others

Busan Global Partnership for Effective

Development Cooperation (BGPEDC, 2011)

Aid Effectiveness

Develo
pment
Effectiveness

GPEDC

The enlarging influence of the South on the North in development cooperation.



But the trend has been reversed...

- 1) "distortion" of the industrial structure of the North.
- 2) Concentration of capital & hi-tech, loss of labor-intensive jobs \uparrow global control \rightarrow global dependence \uparrow
- 3) Income inequality threatens the lives of working and middle classes in the developed world.
- 4) Failure of adjusting income inequality and rise of populism in the North.

Who is benefiting more from the globalization? Who to blame?



The consequence is...

- 1) Aid-recipient model is re-evaluated and reformed.
- Reduction of aid budget by incumbent administration of the US since January 2017.
- The merge of UK DFID with Foreign Office in June 2020.
- The impact of SSC on the North and South.
- 2) The reform of DAC
- TOSSD
- GPEDC
- PF4SD
- 3) Commercial + green + multiple = sustainable + inclusive?

A possible new global consensus in development cooperation?



I. Impact of COVID-19 Pandemic on North-South Development Cooperation

- 1. COVID-19 has accelerated the trend of "de-globalization".
- 2. The divergence within the North is magnified by the pandemic.
 - A. Attitude toward multilateralism and green deal.
 - B. Structure of global governance = regionalism/separationism might be prevalent?
- 3. Divide between the rich and the poor within countries and between countries will be enlarged due to the inward economic policy and lockdown.



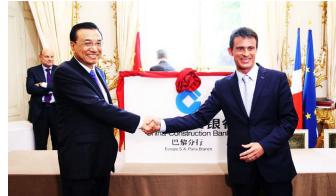


II. Impact of COVID-19 Pandemic on South-South Development Cooperation

- 1. COVID-19 impacts economic development, and further influence their potential financial capacity.
- 2. Tension between China and the U.S. will likely affect the relations between Southern countries, harming the solidarity of South countries.
- 3. Rise of nationalism in the South may affect the willingness and effectiveness of SSC.

"De-politized" SSC based on non-inference and non-conditionality of SSC will become politicized. As a development cooperation modality, the difference between SSC and NSC will be blurred. SNC will join as a new model of development cooperation.





China-France Joint Declaration 3rd-Party Market Cooperation, 2014

III. Impact of COVID-19 Pandemic on Trilateral Cooperation

Trilateral cooperation: A new model different from North-South & South-South cooperation.

- •China-UK-Africa Agro-Cooperation
- •The 3rd Party Market Cooperation (France, Italy, U.K., Japan, ROK, etc.)

Traditional donors would balance the increasing role of emerging players.

Emerging economies (BRICS, turkey, etc.) are cautious about the intention of traditional donors. Least developed countries (LDCs) are afraid of losing leverage.

Trilateral development cooperation will become more difficult post COVID-19.

New Landscape of Development Cooperation

1. COVID-19 will definitely impact the landscape of development cooperation.

Will "development cooperation" still be relevance for global development? Should developing countries rely on themselves?

Deeper and innovative development cooperation modality? (TrC? NNC, SNC, Third-Party Market Cooperation? Going back to growth-led development cooperation? Global Public-goods provision?).



2. "Human Security" will be the new focus for post-pandemic development cooperation.

- 1) In the past 4 decades, economic growth, good governance, democracy and human rights were the mainstream objectives of development cooperation.
- 2) Global health, climate change, food security, etc. will become the focus of post-COVID-19 Development cooperation.
- 3) A real/new global development architecture focusing on global public goods provision is in need.



Implications for North-East Asian Countries

1. Experiences and knowledge sharing in fighting against COVID-19

- Control the pandemic without large-scale lockdown through massive testing, tracing the origin, etc. .
- Social service provision: food, health, education, housing, other logistics
- **Social mobilization:** community participation, volunteers, street level administrators,
- **Strong coordination and leadership:** "One province, one city in Hubei"; production of medical infrastructure and supplies, etc.. believe in science, community opinion leaders, etc...



• 2. Effective "Build Back Better" measures

- Resumption of production during the lockdown period, keeping alert all the time (wearing mask, testing temperature, health management, etc..): latest data on China's foreign trade: increased by 0.7% for the first there quarters.
- During the national holiday, 705 million people travelled and generated RMB583.6 billion, increased by 11.9% and 13.9% from 2016.

See how crowded China was during the 8-day holiday





3. Actively participate in international collaboration

- International development cooperation
- Bilateral aid: China provided anti-pandemic aid to 150 countries
- Multilateral aid: 4 international organizations
- China signed agreement with GAVI and officially joined COVAX on Oct.8
- Joined G20 countries for debt relief to the LDCs.
- To make China carbon neutral by 2060.

For the region as a whole... ...

- 1) COVID-19 sparked new challenges and opportunities for Northeast Asian cooperation in terms of both capacity and modality.(Neighbors are easily affected by each other, new geopolitical tension, economic relations)
- 2) Northeast Asian countries(two OECD DAC members/two emerging countries) have a lot fill the gap of the existing international development knowledge gap ("developmental state", economic growth-led development, infrastructure, vs. good governance, democracy, human rights). –pragmatism-based development cooperation
- 3) Think-tanks from Northeast Asian countries should work together to explore the experiences and lessons of the region. The countries in the regions should have one voice to advocate and support multilateralism, particularly the UN.

Thank you!



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