Chapter 5

Concluding Remarks

In this treatise three main conclusions are developed. A broad consensus exists in today’s development strategies regarding the focus of their efforts - poverty reduction - and regarding the associated measures to achieve progress; thereby taking a holistic approach that comprises economic, political, protective and international issues. Differing accentuations persist in the strategies; most of which have the potential for greater donor specialization, while some pose a threat to donor cooperation. These new strategies have implications for the concrete work of donor organizations, as exemplified by the task of impact evaluation: this can be improved in its orientation towards the situation of poor people.

The consensus is visible on three levels. First and foremost, agreement is reached on the importance of poverty reduction as the main goal of development cooperation. On a second level, the International Development Targets are confirmed within all strategies and further amendments are proposed for some of them. On a third level, the measures or conceptual elements conducive to poverty reduction have found overall agreement, even though some points remain in dispute. The emphasis in all strategies has been placed on the importance of economic development (i.e. GDP growth), pro-poor spending by the state, creation of economic opportunities for the poor, participation of the poor in political processes, decentralization of state power, curbing corruption and the provision of security for the poor; to name the most important. At the international level, open trading systems, coherent policies, donor cooperation led by the developing country and the imposition of conditionality are priorities.

Areas which are still under dispute include the promotion of primary education at the expense of secondary level education, the provision of concessional flows for middle-income countries and – to a lesser degree – the importance of democracy and human rights. These issues receive opposing views from different organizations and, thus, hold a potential for conflict and impediments to donor cooperation. The further accentuations that distinguish the strategies refer to emphases that are presented by one agency without being challenged by the strategies of the others; thus indicating areas where specialization of the donor agency might develop.

The new strategies lack a deeper discussion of the role of poverty reduction vs. other developmental goals and are generally vague on how to set priorities between potentially competing measures. Improvements in the strategies need to be made on the issue of using information technology, the importance of which is acknowledged but deeper insights are still lacking.
Despite these shortcomings and some inter-strategic disputes, the new strategies markedly increase the potential for cooperation among donor agencies and between donor agencies and the partner countries. They portray a strong commitment to poverty reduction and serve as a means to keep this point on the international agenda, within the consciousness of populations in industrialized countries. The new vigor that these strategies are bringing to the development process and the additional insights that they portray over preceding strategies have the potential for a strong impact on poverty reduction. The greatest challenge will lie in convincing the partner governments to support this agenda and in transferring these conceptual strategies into real action and implementation.

The aspect of project evaluation has been investigated in order to illustrate the link between the new strategic concepts and the daily operations of development agencies. The current evaluation practice of German financial cooperation has been quantitatively and qualitatively analyzed regarding its focus on poverty reduction. The lack of focus on the poverty situation in the majority of the sampled evaluations indicates a potential for improvement in order to bring the evaluation practice in line with the high emphasis placed on poverty reduction by the new strategies. The recommendations in this regard are applicable to the operations of many development organizations. They comprise the issuance of explicit goals for reducing poverty in each project, the requirement of evaluating the reduction of poverty as a mandatory component of impact assessment, the establishment of standardized procedures for quantitative analysis and a concern for ex-ante – ex-post comparisons. A greater concern for the reduction of poverty in the evaluation process will pressure the entire project cycle to focus on this issue. This is one step in converting the new strategies into concrete actions.

The aim of this analysis was to provide scholars and practitioners with a review of recent developments in strategic thinking about development cooperation – separated into areas where consensus is reached and those where single or conflicting opinions prevail. This was coupled with the goal of pointing out shortcomings in strategic concepts and assessing their practical implications, with the latter focused on – but not limited to – the evaluation process. If this contributes to spreading knowledge about ways how to fight poverty more effectively, it might aid the process of searching for, communicating and implementing more successful ways to eradicate poverty.