

## CHAPTER TEN

# What hawks and doves can learn from Helena: Social inclusion in EU development aid

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**“The government is very bad. Pensioners and ill people are ignored.”**

Helena, older woman, Bosnia, 2002<sup>1</sup>

Civil society advocates are concerned that moves to formally subsume development policy under foreign policy will negatively impact on vital civil society participation in EU development cooperation.

How much value is put on principles of social inclusion in EU development practice? Much is said about the urgency of inclusive approaches to poverty reduction and human rights compliance in EU policy. Civil society participation is touted as the means to hold politicians and bureaucrats to account on their promises. This chapter examines some of the issues involved in making practice out of the theory.

During reconstruction and rehabilitation after the wars in the former Yugoslavia, the interface of EU foreign and development policy has been thrown into sharp focus. We analyse EU policy towards those Balkan states not involved in the EU accession process with particular attention to the inclusion of older people. The quote above from Helena in Bosnia is illustrative of the experience of many.

### EU policy commitments

At the heart of the 2000 EU development policy is a commitment to focus aid on reducing poverty in line with the UN Millennium Development Goals. Poverty is described as being: “multifaceted ... encompassing non monetary

factors such as the lack of access to education, health, natural resources employment, land and credit, political participation, services and infrastructure". Furthermore poverty related problems are recognised as "complex and multidimensional" with a consequence that EU policies should not have negative effects on already disadvantaged groups of the population.<sup>2</sup>

The policy statement makes specific mention of targeting gender and children. It commits to targeting resources to the poorest of the poor, the widening of access to basic social services and social protection for all social groups. Mainstreaming issues such as gender into practice is fraught with problems. Country Strategy Papers for EC aid (CSPs) are supposed to embody practical implementation of the policy. Yet civil society consultation around the CSP process is not mandatory but expected. Only in the Cotonou Agreement applicable to African, Caribbean and Pacific countries is civil society consultation specified as mandatory; although targets are aspirational and no minimum level is set.

### **EU assistance to reconstruction in the Balkans**

Following the 1999 Kosovo war, the EU has developed an ambitious process of engagement with the Balkan region under the Stabilisation and Association process (SAP).<sup>3</sup> Today, the SAP is the cornerstone of EU policy towards South-East European development through: 'anchoring the region permanently to the development of the EU itself'.<sup>4</sup> Development and reconstruction aid is thus explicitly tied to the objective of cohering EU influence in the region. Aid is linked to the offer of EU membership at some indefinite point in the future.<sup>5</sup> Under the SAP, EU development and reconstruction aid is managed under the Community Assistance for Reconstruction, Development and Stabilisation programme (CARDS), which will provide 4.65 billion euro to the region in 2000–2006. The management of CARDS highlights how the subordination of development and reconstruction to foreign policy concerns can result in marginalising civil society policy input in aid recipient countries.

The European Commission stresses that there is 'a close partnership with SAP countries'<sup>6</sup> claiming that 'partner' countries are closely involved in CARDS strategies, programming and in on-going dialogue on developing annual action plans. The concept of 'ownership' is stressed: "This partnership helps promote each country's sense of ownership over Community assistance that is crucial if it is to have the desired impact on the ground. This national commitment is all the more important for future CARDS support ..."<sup>7</sup> However, a 'sense of ownership' is not equivalent to institutionalising any real equality of input from recipient states and civil society representatives to development and reconstruction programmes.

The EU argues that the process of formulating the SAP contract is ‘both pedagogical and political’<sup>8</sup> for the Balkan states. The ‘pedagogical’ aspect of the process highlights the relationship of subordination involved. The elements of international strategy held to be ‘negotiated’ with these states are dominated by EU concerns and EU co-ordination with international institutions responsive to the demands of other non-Balkan states.

The SAP is closely linked with the EU-led Stability Pact, which comprises of a Regional Table and three Working Tables. These Working Tables are held to treat the Balkan states as equal partners: “representatives of the South Eastern European countries are, for the first time, on an equal footing with those of international organisations and financial institutions [...] in jointly setting priorities”.<sup>9</sup> However this ‘equal footing’ does not extend to the key policy-making body the High Level Steering Group (HLSG). The HLSG is jointly chaired by the European Commission and the World Bank and includes the finance ministers of the G8 countries, the country holding the EU presidency and the Netherlands. The Commission itself has admitted that the CARDS strategies were determined through EU and international regulatory mechanisms, not ‘partnership’: “[T]he CARDS strategies will be part of a coherent international community response to help the region meet its substantial development and SAP challenges. The mechanisms for this co-ordination effort – on overall CARDS strategies, on annual programming and on implementation of specific programmes and projects – are already in place.”<sup>10</sup>

## **EU priorities and conditions for the Balkans**

The first priority area in terms of overall CARDS support is: “Familiarisation of the *acquis communautaire* as countries start to move their legislation [...] more into line with the approaches used inside the EU. This will focus on core *acquis* issues relating to the internal market.”<sup>11</sup> This is followed by civil service reform to develop ‘administrative procedures in conformity with EU standards’, fiscal and financial management reforms, trade and customs regulation and reform of the legal and administrative framework of justice and home affairs.<sup>12</sup> The SAP reproduces the framework already adopted by the EU in its dealings with accession states, rather than considering the specific needs of Balkan states.

The Community’s linkage of aid to its own pre-established agenda of governance reform means that development is not based on local need but on EU strategic benefit. Development aid plays an important role in leveraging states to accept EU policy directives.<sup>13</sup>

The EU employs conditionality at three levels – the SAP, programme and project levels. At the SAP level, lack of progress in the reforms advocated by the

EU in the economic, political and social spheres can lead to CARDS assistance being frozen. Programme conditionality can also be invoked: the threat to close certain aid programmes if the recipient country fails to satisfy the external administrators with regard to ‘specific reform targets or adoption of sectoral policies’.<sup>14</sup> Project level conditionality can apply to ensure that the target state meets ‘specific conditions’ judged to be related to the project’s success.

### **Civil society participation in the Balkans**

While the formal regulatory mechanisms stress ‘partnership’ and ‘country ownership’, at the policy level real ownership is exercised by the European Commission. This leaves little room for ‘ownership’ for marginalised groups in recipient states which are already excluded from the international co-ordinating mechanisms. Far from influencing policy, civil society actors are, in fact, the target of EU development aid policy in the effort to construct support for externally-formulated aid programmes.<sup>15</sup> In Bosnia-Herzegovina for example, where the focus on civil society has been prioritised for the last six years, nearly 80 per cent of local NGO budgets are provided by external funding.<sup>16</sup>

Despite the financial input, recent surveys suggest this ‘top-down’ approach to civil society-building has been problematic. As one recent report on civil society-building in Bosnia notes; ‘non-governmental organizations have frequently emerged according to donor interests, rather than those of the citizens affected’ creating a situation where ‘numerous non-governmental organizations have burgeoned, without a flourishing civil society.’<sup>17</sup> Small and grass-roots organisations, which can reach and represent vulnerable and isolated groups but do not meet the requirements of raising priority issues for international funders, inevitably lose out or are forced to shift their priorities.<sup>18</sup>

Another commentator has described the problem thus: “The politics of support to civil society are in many ways inadequate ... it ‘covers’ a very minor elite within the population. Consequently, this ‘elite’ is professionalized, it separates itself from the ‘grassroots’ problems and social reality. Hundreds of round tables and workshops are ‘produced’, attended by the same 100–200 civil society ‘partisans’ . As a result, one receives a fictitious view of the great efforts of local partisans and international organizations, which results in a ‘virtual civil society.’”<sup>19</sup>

Yet NGOs do also have the potential to be low-cost, flexible and innovative operators able to support local initiatives which governments may neglect. Evidence from NGOs working with older people suggests that NGOs can best contribute when combining service provision with social and political self-empowerment projects. Civil society organisations that increase excluded

groups' access to information and access to rights – as well as services – are the most valued.

Donors and governments hold ultimate responsibility. NGOs and civil society are usually engaged after policy priorities have been set. CARDS programmes focus on clearly defined EU priorities, rather than priorities agreed in consultation with civil society organisations.

## **Inclusion and exclusion of older people in the Balkans**

Development aid policy in the Balkans should, in theory, identify the poorest and include them in policy and practice. A look at the situation of older people tells a different tale. A recent study by HelpAge International called 'A Generation in transition' surveys the views of older persons from across Central and Eastern Europe.<sup>20</sup> It describes older women and men's experience of marginalisation and exclusion after transition, expressed in terms such as 'deprivation, disillusionment, exclusion and powerlessness'. Social and government neglect of older people is keenly felt in the chronically under-funded old age pension and state benefit systems – often portrayed by governments as expensive luxuries that turn older people into 'passive recipients of services and benefits.'<sup>21</sup> In some cases the older 'sector' is pitted by government and donor policy-making against younger age groups. Hardly a recipe for civil society consensus building.

Research has shown that the disillusionment and isolation of older persons from civil society movements in transition countries is often due to their sense of being marginalised. The consultation they seek is not just about problems, but on how to engage in reconstruction and community survival. In 1999 HelpAge research in Bosnia on the impact of conflict and reconstruction highlighted the lack of understanding between relief agencies and older people: "generally older people felt unheard and were not consulted by relief agencies and couldn't understand why relief provision did not include support for their own self help initiatives. Relief was not seen to be connected to life before or after the emergency event."<sup>22</sup>

More recently still older people expressed their frustration at not being involved in consultative processes aimed at reconstruction. In the words of respondents in Slovenia and Moldova: "we could still participate in solving the problems of our society. Older people would like to work and not just sit around and do nothing. They would like to contribute and continue to be active in society."<sup>23</sup>

## **Conclusion**

A recent EU paper on governance state: "The organisations which make up civil society mobilise people and support, for instance, those suffering from exclusion

or discrimination ... Non-Governmental organisations play an important role at global level in development policy. They often act as an early warning system for the direction of political debate.”<sup>24</sup>

The EU has seen a steady progression at the micro-level of policy reform, with an incremental improvement in the Commission’s approach to social inclusion. This is epitomised by innovations such as the newly produced ‘Guidance Note on Disability and Development for EU Delegations and Services’, the minimal Cotonou commitment to civil society participation and the EU-ACP Joint Parliamentary Assembly resolutions calling for ageing to be mainstreamed into development cooperation. Yet still only the Belize and Bolivia Country Strategy Papers for EC aid mention older people. The gap between rhetoric and reality can be exemplified by the EU’s supposed commitment to gender mainstreaming: EC aid to Asia allocated a dismal 0.08 per cent of total aid to gender-related projects. Such narrow thinking excludes large numbers of people, and erodes government capacity to deliver entitlements, let alone encourage development.

At the high politics level, recent developments are even more worrying. Institutional reforms discussed under the Convention on the Future of Europe would appear to undermine ‘equitable, participatory’ civil society engagement, leaving little room for policy input from excluded or marginalised groups. The proposed subordination of development policy to foreign policy will inevitably mean that cherished principles of participatory democracy, which have their origins in the European liberal and democratic political model, become undermined.

Balkan policy has increasingly manifested a pattern of unequal ‘partnership’ in the negotiation of Country Strategy Papers and EU assistance programmes. Limited engagement of civil society actors in decision-making processes threatens to undermine the credibility of Europe’s external actions. As European heads of state negotiate the next EU Treaty, they must remember those without a voice. Some of the answer must lie in accepting that the building of open and consultative processes takes time and effort, and will not yield easy or ready results.

Ralf Dahrendorf has said: “It takes six months to create new political institutions, to write a constitution and electoral laws. It may take six years to create a halfway viable economy. It will probably take about sixty years to create a civil society. Autonomous institutions are the hardest things to bring about.” A key factor in social reconstruction is the engagement of a wide sector of social groups and interests. Yet this is far from being the norm. EU development cooperation must progress beyond a sectoral approach which consigns some groups to the margins of society and the development process. Instead, the EU must rise to the challenge of developing a comprehensive social inclusion strategy founded on its commitment to rights-based social development.

- 1 Taken from research for *A Generation in transition*, HelpAge International 2002 report (names changed)
- 2 COM 2000 212 final The European Community's Development Policy paras 3.1 13.2
- 3 The states involved are Albania, Bosnia-Herzegovina, Croatia, Macedonia and the Federal Republic of Yugoslavia (now Serbia and Montenegro).
- 4 *The Stabilisation and Association Process and CARDS Assistance 2000 to 2006*, European Commission paper for the Second Regional Conference for South East Europe, p.3 (available from: [http://www.seerecon.org/Calendar/2001/Events/src/ec\\_sap\\_cards\\_2000\\_2006.pdf](http://www.seerecon.org/Calendar/2001/Events/src/ec_sap_cards_2000_2006.pdf)).
- 5 The prospect of future EU membership was explicitly offered to Albania, Bosnia, Croatia, Macedonia and FRY at the Feira European Council in June 2000.
- 6 Ibid., p.7.
- 7 Ibid.
- 8 *Review of the Stabilisation and Association Process*, European Union General Affairs Council Report (available from: <http://www.seerecon.org/Calendar/2001/Events/2536GA-Annex.pdf>), §IIIc.
- 9 *About the Stability Pact*, Special Co-ordinator of the Stability Pact for South Eastern Europe, p.3. Available from: <[http://www.stabilitypact.org/stabilitypactcgi/catalog/cat\\_descr.cgi?prod\\_id=1806](http://www.stabilitypact.org/stabilitypactcgi/catalog/cat_descr.cgi?prod_id=1806)>.
- 10 *Review of the Stabilisation and Association Process*, §IIIc.
- 11 Regional Strategy Paper 2002-2006: *CARDS Assistance Programme to the Western Balkans*, European Commission, (available from: [http://www.europa.eu.int/comm/external\\_relations/see/docs/cards/sp02\\_06.pdf](http://www.europa.eu.int/comm/external_relations/see/docs/cards/sp02_06.pdf)), p.37.
- 12 Ibid., p.38.
- 13 See further, David Chandler, 'Governance: the Unequal Partnership' in Wim van Meurs (ed.) *South Eastern Europe: Weak States and Strong International Support, Prospects and Risks Beyond EU Enlargement*, Vol. 2 (Opladen: Leske and Budrich/ Bertelsmann Foundation, 2003), forthcoming.
- 14 Regional Strategy Paper 2002-2006, pp.24-25.
- 15 *Participation of Non-State Actors in EC Development Policy*, COM (2002) 598 final, 7 November 2002, p.13.
- 16 Sevima Sali-Terzi, 'Civil Society' in *International Support Policies to South East European Countries – Lessons (Not) Learned in Bosnia-Herzegovina*, p.156. Available from: <http://www.soros.org.ba/en/book/book.html>.
- 17 Ibid., p.143.
- 18 See, for example, David Chandler, 'Democratization in Bosnia: The Limits of Civil Society Building Strategies', *Democratization*, Vol.5, No.4, 1998, pp.78-102.
- 19 Zarko Papic, 'The General Situation in Bosnia-Herzegovina and International Support Policies' in *International Support Policies to South East European Countries – Lessons (Not) Learned in Bosnia-Herzegovina*, p.15.
- 20 *A Generation in transition*, HelpAge International 2002 report; including research in Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Poland, Romania, Russia, Slovakia, Slovenia and the Ukraine.
- 21 'We have lived through war, fascism, Stalin's gulag and famine. People who gave their health and lives to the country, and spent up to 50 years working for it are now forgotten and poor' (*A Generation in transition*, p4, HelpAge International, 2002).
- 22 *The ageing world and humanitarian crisis*; HAI 1999; pg 23
- 23 *A Generation in Transition* HAI 2002 pg 11
- 24 European Governance White Paper, COM (2001) 428 final.