# From arbiter to advocate: what the DAC's 2013 expansion tells us about its future (Part 1)

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The Organisation for Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC) commenced 2014 with 29 members, five more than at the outset of 2013. During the course of last year, in the largest annual expansion of its membership since its founding in 1960, the DAC welcomed Iceland, the Czech Republic, the Slovak Republic, Poland and Slovenia.

So does this expansion portend a bright future for the DAC? Does bigger mean better? My second post on this topic will answer these questions. In this post I will focus on the prior question: why did so many states join the DAC in 2013?

There is, in fact, a relatively straightforward explanation for the timing of this expansion (if we leave Iceland aside, for the moment). It stems directly from the enlargement of the European Union (EU) in 2004, when 10 states acceded, including eight from Central and Eastern Europe (CEE). The research of Dr Simon Lightfoot, who has written extensively on this topic, has revealed how, rather than evolving organically, the newly re-established development programs of CEE states have emerged in response to one overwhelming imperative; joining the EU. "The policies of the NMS [new member states] towards development cooperation," concludes Lightfoot, "reflect the need to be able to meet the acquis", the set of policies and regulations governing the functioning of the EU.

The European Consensus on Development, signed in late 2005, "defines the framework of common principles within which the EU and its Member States will each implement their development policies in a spirit of complementarity." The Consensus (a full copy of which can be found here [pdf]), commits member states to prioritising poverty reduction, seeking to meet the MDGs, and to promoting good governance and respect for human rights. More concretely, new member states, reports Lightfoot, are required to "strive" to achieve a 0.17% ratio of Official Development Assistance (ODA) to Gross National Income (GNI) by 2010 and 0.33% by 2015. They are also obliged to contribute funds to the European Development Fund (for more details, refer to this ECPDM briefing [pdf]), the main channel via which European aid supports the African, Caribbean and Pacific (ACP) Group of states, in accordance with the Cotonou Agreement.

Two noteworthy factors are likely to complicate the challenging socialisation process the DAC is undertaking with its new CEE members. Firstly, during the 1990s, these states were themselves recipients of ODA. To assist the CEE states make the rapid transition from recipients to donors, DAC members – notably Sweden, Canada and the UK - have provided technical assistance. This undertaking is analysed in a recent paper by Szent-Iványi and Tétényi.

These authors identify a second complicating factor in the admission of the DAC's new CEE states; their lack of political engagement in development. To underline their point, Szent-Iványi and Tétényi quote a senior diplomat from the CEE region: “Don’t have any illusions. If the EU didn’t require us to do development policy, we wouldn’t be doing it. The returns are just too small.” If this reluctance translates to obstructionism, the addition of these members to a forum that operates by consensus increases the risk that decision making will become less efficient. Alternatively, the DAC might find these states to be missing in action. Neither potential extreme is ideal.

The lack of political will documented by Szent-Iványi and Tétényi is reflected in the volume of ODA the new CEE members of the DAC provide. In 2012, the four new CEE members collectively dispensed close to $US800 million in ODA -- roughly equivalent to the amount provided by Ireland, in aggregate terms the 19th-ranked DAC contributor that year. Poland, which has by far the largest development program of the new members ($US438m, 0.09% of GNI in 2012), maintains an ODA budget around the same size as New Zealand. The contributions of the Czech Republic ($US219m, 0.12%), the Slovak Republic ($US80m, 0.09%) and Slovenia ($US58m in 2012, 0.13%) are considerably smaller.

Even smaller is the ODA contribution of Iceland ($US26m, 0.21%), whose membership journey has been longer and more arduous than those of its fellow 2013 inductees. Although Iceland has participated actively in DAC as an observer since 1990, its progression to full-member status has been hampered by sub-standard statistical reporting, its on-again-off-again relationship with the EU, and the calamitous banking collapse that continues to impact the country’s fiscal health. At least one earlier membership drive was unsuccessful. However, Iceland’s Strategy for Development Cooperation 2011-2014 [pdf] highlighted its resolve to become a full member of the DAC. In particular, it set out measures to improve its statistical reporting; measures which evidently proved sufficient to finally get Iceland into the club.

Whatever the characteristics of this cohort of freshmen donors, however, the most enduring implication of the DAC’s 2013 expansion will be the consolidation of its reputation as a ‘western donor club’. The map accompanying this post, in which DAC members are shown in brown, illustrates the inescapable reality of the DAC’s current membership. It consists of rich states from Europe, North America and the Pacific Rim: in short, it represents the West (in geopolitical terms) or ‘the Global North’ (a label used more often by those concerned with development issues). The states that joined the DAC in 2013 did nothing to change this orientation, ensuring that, at precisely the time power is perceptibly shifting away from the North in the international development domain, the DAC’s public profile appears to be becoming - if anything - *more* ‘Northern’. In part two of this post I will consider the choices the DAC faces in light of this reality.

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