

Where next? Setting the agenda for partnership to 2015

By Simon Maxwell and Mark Robinson¹

Summary

Can partnerships be improved within Asia and between Asia and its development partners? Following what principles? In what areas? And in what specific ways? The breadth and scope of current partnerships is evident in various domains: infrastructure; finance; trade; environment; the private sector; poverty and social exclusion; service delivery; and governance. The substance of partnerships will include lesson-learning between countries, support for joint action within the region, and cooperation across regional boundaries.

Several sector-specific examples of existing partnerships illustrate both the opportunities and the constraints. With respect to infrastructure, there is scope for partnership in planning and coordination across national borders, in working with the private sector and civil society, and in making links to financial institutions.

There is a strong regional dimension to monetary management in Asia. Regional mechanisms have been established in Southeast Asia to discuss matters affecting financial stability and a framework for closer consultations on economic policies. Trade partnership issues revolve largely around the WTO, and the immediate agenda relates to Asian priorities in the post-Hong Kong negotiations.

Sustainable natural resource management is a good example of an area where Asian partnerships and international collaboration can contribute to better management of global public goods, for example through improved energy efficiency and the development of carbon-friendly applications.

New approaches to business partnerships can be developed that address issues such as the equitable distribution of public expenditures, competition policy, financial constraints to investment, better regulatory systems, and a more effective and systematic public-private dialogue process.

For countries that face the continued challenge of pervasive poverty, conventional development assistance is still required in the form of financial assistance for the development and implementation of national poverty reduction strategies. For the rapidly growing economies, the sharing of knowledge and experience is key. In countries where there is inadequate financing for public services, continued donor support will be required. In other cases, issues of access and quality are more pressing.

Partnerships have a strong role to play in promoting and shaping governance reforms. This may be implemented, for example, through greater harmonisation of donor approaches to reform, or through greater and more systematic information exchange.

In contemplating the prospects for future partnerships, the paper considers five major themes, starting with aid and aid partnerships.

Aid will continue to be required and is expected to double by 2010. How this aid will be distributed, however, and who the donors will be remains unclear, although it would appear that there will be more long-term partnerships.

It is also clear that Asia's commitment to regionalism is deepening, in both political and economic arenas with regional institutions like ASEAN or SAARC becoming more influential.

Strengthening multilateralism illustrates the need to ensure that Asian voices are heard within the multilateral system, for instance at the UN and the WTO.

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Business and civil society partnerships can both contribute to growth and poverty reduction in the region. This may, for example, be through the implementation of new business standards for managing environmental and social risks, or by managing subsidies for the poorest in private-sector led infrastructure projects. Civil society engagement can contribute by improving the accountability of governments, mobilising demand for services, and involving citizens in decision-making processes.

Finally, an important set of issues for consideration is how the development partnership between Asia and its friends can best be managed. There are three options for this: to not manage it at all, allowing issues to be tackled on an ad hoc basis, in whatever forum seems most appropriate; to provide only the lightest management, using periodic conferences and meetings to review the field, generate new ideas and review past initiatives; or to establish a more structured conversation through common action plans or regional forums.

Ten principles and propositions on future partnerships

First, Asia is a vital part of the world community, for its history and cultural importance, its size, its economic dynamism, its share of the global commons, and its voice in world affairs.

Second, Asia of course has interests in the rest of the world, as the rest of the world does in Asia.

Third, from a development perspective, Asia features prominently – as a source of lessons for the rest of the world, but also because a large share of global poverty is still concentrated in the region.

Fourth, the Millennium Development Goals remain an essential guide to development priorities in Asia, within a context in which some countries are making rapid progress and others less.

Fifth, Asia's challenges in the years ahead are both domestic and international – and for that reason shared. The challenges include: demographic changes and rapid urbanisation; changing production structures and value chains; pressure on natural resources and the need to source raw materials; and political change and growing civil society.

Sixth, decisions taken in Asia itself will determine how those challenges are dealt with. In the best of cases, Asia will continue to grow fast in an environmentally sustainable way, and will simultaneously sustain a high level of social justice and social inclusion, with low inequality.

Seventh, the rest of the world can work with Asia to face its future and to manage shared interests. The instruments will include aid, but will certainly extend to include other aspects of policy. A whole of government approach will be required on both sides.

Eighth, bilateral partnerships will be important, but regional and multilateral partnerships are likely to grow in importance. In particular, Asia and its partners will need to find new ways of working together in the multilateral aid system and more generally in the UN and other international fora.

Ninth, it will be necessary to monitor and manage development partnerships. An Asia Partnership Forum may be the way to do this.

Tenth, across this range of issues, partnership principles need to be central, including the idea of mutual accountability.