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Introduction: rising states, rising donors and the global aid regime

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Introduction: rising states, rising donors and the global aid regime

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There is general consensus in scholarly and policy circles that the global aid regime is undergoing major changes. Analysts have examined the emerging trends in development cooperation, and have identified the 'emerging donors' and other 'non-DAC [Development Assistance Committee] donors' as the source of important quantitative shifts in global aid flows (Manning 2006). Some scholars have described systemic fracturing in the established global aid regime (Woods 2008), while others have discussed the declining effectiveness of the traditional donors, a weakening of the so-called 'Washington Consensus' or the decline in the conventional structures of the aid delivery mechanism led by the Organization of Economic Cooperation and Development (OECD) DAC (Lancaster 2007; Birdsall and Fukuyama 2011; Chaturvedi et al 2012). There is a burgeoning literature around the impact of the rising states on Africa, in trade, aid and investment, society and politics, especially China's impact (Taylor 2006; 2008; Alden 2007; Rotberg 2008; De Haan 2010; Krageland 2011). Yet much is to be done in terms of systematically and critically analysing the details of the policy intentions, political-economic motivations and programing objectives of the BRICS (Brazil, Russia, India, China and South Africa) as aid providers *and* their impact on the less developed countries.[1]

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[1] An exception, for the case of China's impact on developing countries in Africa, is Brautigam (2009).

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The rise of the BRICS as 'donors' and the resulting changes in development cooperation are part of a broader transition in the world economic order, as power seeps out of the transatlantic sphere and moves to Asia and elsewhere in the emerging world (Zakaria 2008; Ikenberry 2008; Chin and Thakur 2010). One dimension of the global shift is in the realm of development cooperation, where the world is witnessing the dramatic ascent of the rising states, namely the BRICS countries, as aid providers. One source (Kharas 2010b) has suggested that the aid contributions of non-DAC donors was around US$17 billion in 2009, having doubled in a three-year period. Another recent estimate suggests that the rising donors account for at least ten per cent of the current global aid flows (Walz and Ramachandran 2011), and this total likely under-estimates the Chinese contributions. While these numbers are not staggering, the fact that these flows have broken the near monopoly of the traditional donors has triggered concern. More importantly, when the external financing from the national development banks and state export–import banks of the BRICS to the developing world are added into the mix, the numbers get much larger and exceed the lending totals from the World Bank. The development assistance from the rising donors has drawn more attention from other countries since the global financial crisis of 2007–2009, which caused many stakeholders to question the predominant policies in global development. The past 60 years' experience with DAC-dominated models also set the stage for developing countries to explore alternative options. Many of them are increasingly looking to the rising states for lessons learned and best practices, including how to balance state and market, maintain autonomy while integrating into the world economy, and promote social development.

The articles in this special issue offer insight into the ways in which the BRICS are looking to define a unique role for themselves as aid providers, through their external aid policies and programmes, and trying to create an international identity as aid providers that is different from the established donors. The authors show how the rising donors aim to traverse the North–South divide, and challenge the dominant aid discourse of the OECD-DAC, by questioning some of the foundational terms used by traditional donors.

This collection highlights that the external aid policy and programming of the rising states in development cooperation are accompanied by a discourse that is different from that of the traditional donors and the OECD-DAC aid regime. For example, rising states exhibit a reluctance to call themselves 'donors'. Instead, they view themselves as 'Southern development partners' and depict their assistance not as the delivery of 'aid', but rather as a process of building 'development partnership' based on solidarity and mutual respect. South Africa has named its new foreign aid agency the 'South African Development Partnership Agency', while India's forthcoming external aid agency will reportedly be called the 'India Agency for Partnership in Development'. The aim of these semantic distinctions is to accentuate the differences between the approach of the rising donors to promoting socio-economic development in the South and the rhetoric and practices of the Western/Northern donors. The representatives of the Gulf states also operate from a policy and conceptual foundation that is different from the established donors'.

In referring to the BRICS rising states as 'donors', 'rising donors' or 'net donors' in this special issue, the authors are conveying a trend in the quantitative dimension of a particular state's contribution to global aid flows. The intention is not to offer a normative judgment. Ironically, the case of China is a key success story of the traditional donors, in terms of how the donors have contributed, substantially, to enhancing China's own national developmental efforts during the three-decades of 'reform and opening'.

The qualitative differences of the BRICS as self-styled 'Southern development partners', richly detailed in this issue, could, however, open the way for a future paradigm shift in development cooperation. The likelihood for such a shift is more likely if the quantity of their aid continues to rise. For now, it is still unclear, however, whether the rise of the BRICS as donors means a clear departure from past practices, the decline of the traditional donors, or the transformation of the global aid architecture. However, it is becoming evident that the traditional focus, concepts and approaches in the study of development and political economy are not sufficient for understanding the dynamics that are associated with the rising states as aid providers.

Some policy analysts have surged ahead to embrace what they perceive to be seismic shifts in global development. Messner and Scholz (2010) of the German Development Institute, for example, suggest that in the 'past decades the well-known North–South patterns have been breaking up quickly', and that, 'as a consequence, development cooperation has to free itself of its "aid image" and the focus must be on common interests and cooperation at eye level'. However, in-depth academic research on these matters is just beginning. A key starting point is to analyse, systematically, the aid policies and programmes of the rising donors. It is also important to answer whether their aid policies and programmes differ from those of the traditional Northern or Western donors, or to what degree. To address this issue, innovative research is needed that carefully reviews the practices of the non-DAC aid providers. How is their aid affecting the conditions of poverty and underdevelopment in the South? Have they succeeded in promoting the economic and social development of their 'Southern development partners'? Textual analysis alone is unlikely to provide a precise and comprehensive picture of the strengths and limitations of the rising donors in terms of their ability to contribute to development in the South, or to alter the established aid regime. Arguably, what is most important, and missing heretofore, is empirical research that compares the intentions and aims of the risings donors, and the outcomes of their interventions, and allows one to decipher between intended outcomes and actual results.

In light of these questions, the distinguished contributors in this special section were asked to conduct primary (field) research, and to analyse the ascent of the respective rising states, Brazil (Inoue and Vaz), South Africa (Vickers), India (Chaturvedi), China (Chin) and the Gulf states (Momani and Ennis), as aid providers. An academic colleague, who led a preceding research project, was asked to provide a comparative study that synthesizes some of the main observations on the BRICS as a collective identity, or their lack of such cooperative behavior (Rowlands). The country studies proceed, first, to outline the self-stated policy objectives, political-economic motivations, and programming goals of the individual BRICS countries and the Gulf states in providing external aid—in their 'own voice'; second, map the matrix of institutions that manage their aid programming; and, third, identify, in a preliminary way, some of the implications of the aid from the BRICS rising donors and the Gulf states, both for recipient countries and for the global aid system as a whole. The individual country studies and the comparative pieces also track, where possible, quantitative shifts in the aid flows of these alternative donors.

Below, we outline the changes in the broader global context that preconditioned the rise of the individual BRICS countries and Gulf states as aid providers, and the potential systemic implications of the ascent of the 'rising donors' for the global aid regime.

Preconditions for the rising donors

The traditional donors have grown accustomed to making the rules and setting the agenda for global development. Over a five-decade period, the institutional arrangements of the traditional Western/Northern donors grew steadily, and helped to reinforce the global development order that was anchored in the dominant practices and priorities of the Western bilateral donors, including Japan, the World Bank, the International Monetary Fund (IMF) and the OECD-DAC. The rise of the BRICS states as aid providers begins to challenge the coherence of the established aid regime. However, the cracks in this system preceded the rise of the BRICS by more than a decade.

The repercussions of the end of the Cold War have preconditioned the ascent of the rising donors. 'Foreign aid' took shape in the aftermath of the Second World War, with post-war reconstruction, and then grew into the 'development assistance' order, under the cover of the high politics of the Cold War (Rist 2008). Development assistance flows and objectives were shaped by the geostrategic and ideological contestation between the Western alliance and the Warsaw Pact, as well as organized around an array of bilateral and regional alliances—in response to decolonization and post-colonial nation- and state-building processes. Motivated at a subterranean level by the aims of Cold War contestation, the principles, norms and standards for the development assistance system of the Western alliance also eventually came to be designed to accomplish effective utilization of aid through the normative framework of 'aid effectiveness'.

The end of the Cold War in the early 1990s rendered uncertain the implicit links between geopolitical and economic motives. The underlying political considerations that underpinned external economic assistance considerations began to weaken, leading to gradual dissolution of the shared norms and objectives of foreign aid among the traditional Western donors and OECD-DAC members. From the mid 1990s onwards, the main objective in development cooperation shifted increasingly to fighting poverty. This was partially a response to growing popular criticism of the economic openness and global integration agenda—what some call 'economic globalization'—which escalated in the late 1990s and reached a peak at the World Trade Organization (WTO) ministerial meeting in Seattle in November 1999. As reflected in the eight Millennium Development Goals (MDGs) that were developed out of the United Nations (UN) Millennium Declaration, signed in September 2000, the World Bank, the regional development banks, the OECD-DAC, the Western bilateral donors and the UN all sanctioned 'poverty reduction' and addressing the conditions of the 'poorest of the poor' as the main focus of international development efforts.

The adoption of the MDGs was the culmination of a half-decade of UN-led social development forums in the early to mid 1990s, and a push from G7 development ministers to save their aid budgets. It solidified the emphasis on 'pro-poor' growth and a focus on social and human development—as well as pursuing the privatization of public assets and greater economic openness and integration—as the blueprint for development. Traditional developmental considerations from the earlier period of foreign aid in the 1950s and 1960s were downplayed, such as securing autonomous national growth models, pursuing industrial modernization, giving greater play to the role of the state as a driver of economic growth, and ensuring redistributive justice.

By the mid to late 1990s, the politics of budget deficits and a shift to the 'new public management' which was inspired by private sector models led G7 governments and OECD-DAC members to rethink how to justify the use of scarce domestic taxpayer money for external development assistance as governments faced growing fiscal austerity. At the same time, shorn of the high politics of Cold War rivalry, the traditional donors began to channel more of their aid spending into humanitarian assistance and disaster relief. While G7 governments fixated on new mantras such as 'doing more, with less', the OECD-DAC directed the attention of the traditional donors towards a new culture of 'results orientation', which was framed ideationally around a narrative of 'aid effectiveness'.

The OECD guided the traditional donors toward 'harmonization' efforts that resulted in the 'Paris Declaration on Aid Effectiveness' (February 2005, see Annexe), the 'Accra Action Agenda' of September 2008 and, more recently, the agreement that was reached at the Fourth High Level Forum on Aid Effectiveness in Busan, South Korea in December 2011. With these agreements, the established donors aimed to enshrine the aid effectiveness principles that supposedly underpinned the 'new' aid paradigm of 'managing for development results' (MfDR). One of the goals of MfDR is to provide linear logic tools that give a roadmap for structuring aid programmes (and institutions at differing levels—national, regional and international) to shift the focus of aid planning from inputs to the pursuit of outcomes and results at different timescales (Wathne et al 2009). The MfDR include principles such as 'local ownership', 'donor–recipient alignment', 'harmonization of donor practices', 'results orientation', 'mutual accountability'—as guides not only to the donors, but also for practices, instruments, and coordination requirements on the recipient side.

Whereas DAC officials in Paris celebrated the supposed advances in these official agreements and pronouncements, especially the inclusion of China and India in signing onto the Paris Declaration, the reality was that signs of breakdown in the established global aid regime had started to emerge in the early 2000s. Declining capacity and lack of follow-through of the traditional donors in meeting the development finance needs of the South have been among the principal factors that created space for the rising donors to ascend within the global aid system. A stark example was the lack of follow-through on the international financing commitments of the G7 at the 2002 Monterrey Conference, when the international community brokered what was ostensibly a new consensus on 'Financing of Development'. The supporters of the 'Monterrey Consensus' have suggested that the agreement was no small feat, in that it involved over 50 heads of state and government, as well as the heads of the UN, the IMF, the World Bank, the WTO, influential business and civil society representatives, and other stakeholders.

While its detractors have viewed the Monterrey effort as a largely bureaucratic or technocratic exercise, the Monterrey Consensus did provide a fairly detailed list of obligations for the states that signed up to the agreements, which included a 'new partnership between developed and developing countries' and '6 areas of action' for increasing financing for development: (a) mobilizing domestic financial resources for development; (b) mobilizing international resources for development (especially foreign direct investment and other private flows); (c) international trade as an engine for development; (d) increasing international financial and technical cooperation for development; (e) external debt (including debt restructuring); and (f) addressing systemic issues, especially enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development.[2]

In follow-up to the Monterrey Conference, at the spring 2002 meeting of the Development Committee of the International Monetary and Financial Commitee (IMFC), staff of the World Bank and IMF presented a paper that set out a 'framework of mutual accountability' for implementing the Monterrey Consensus. The Implementation Plan called on 'the international community to scale up and intensify their efforts to help developing countries meet their internationally agreed development goals by: (a) making sure that *aid resources* are there to match the commitment to progress on *policy reforms* on the part of developing countries; (b) committing not only to *tear down trade barriers* that harm people, but also to support developing countries in *addressing constraints* that prevent them from fully realizing the benefits from trade and investment flows; (c) implementing the *HPIC Initiative* so that there are enduring solutions to the debt burden of low income countries; and (d) renewing emphasis on and calls for a new partnership on *capacity building*, using the power of the knowledge economy'.

However, what has been crucial in preconditioning the rise of the BRICS as donors, as a lead participant at Monterrey put it, was that, 'after the governments went home, there was no follow-through on the commitments'.[3] The lack of *financial* follow-through by the traditional donors was a clear indication that something was amiss in the established order, in terms of the capacity of the traditional donors to respond to the financing needs of the developing world, or even just to meet their own commitments. The lack of financial follow-through by the traditional donors gave an opening to the emerging economies, with their cash surpluses, to fill. China, Brazil and India have done so not only through aid financing, but also through their much larger capital contributions via investment, commercial agreements and trade financing.

One of the reasons for the lack of follow-through from the established donor organizations on their global aid commitments at Monterrey was the diversion of

[2] In Monterrey, developing countries signed onto assuming responsibility for 'implementing sound economic policies, tackling corruption, putting in place good governance, investing in their people, and establishing an investment climate to attract private capital'. The UN also noted that the Monterrey Consensus highlighted that certain regions of the world require particular attention, namely the least developed countries in Africa, small island developing states and landlocked developing countries.

[3] Notes from Gregory Chin's discussion with Thomas Bernes, the Chair of the Development Committee of the IMFC, during the negotiations for the Monterrey Consensus, Waterloo, Ontario, January 2011.

their aid resources caused by the shift in priority of the governments of the Western alliance to the 'War on Terror', in the aftermath of the 11 September 2001 attacks on the United States. Large amounts of the aid budget, allotted to development assistance, were redirected to assist the state-rebuilding efforts in follow-up to the military interventions for 'regime change' in Iraq and Afghanistan. Development was 'aligned' with defence and diplomacy objectives (the '3 Ds'); aid resources were directed into 'post-conflict reconstruction' programmes. The emphasis on governance capacity-building converged with and built upon the trend that started in the early 1990s when DAC donors began to focus on the promotion of 'civil society', 'democracy', 'human rights' and the 'rule of law' (Carothers and Ottaway 2000; Sardamov 2005)

Rising states as donors

The lack of follow-through on increased finance for development from the established donors on what were supposedly global aid commitments at Monterrey reflected, at a deeper level, shifts in the balance of the world economy that were already underway by the start of the 2000s. For more than a decade, the centre of economic gravity has been shifting from the West to the East, to Asia and to other emerging nodes of the global economy such as Brazil. This global economic shift entails the rise of new centres of growth in the world economy, and new centres of political and societal influence in the global architecture. Scholars (Hurrell 2006; Armijo 2007; Cooper and Antkiewicz 2008; Narlikar 2010) have aptly described the rise of a new set of great powers or potential great powers, and their efforts to create space for their own rise as global actors, *within* and *outside* the existing institutional system.

One of the common denominators of these rising states is their strong and fast-growing financial resource base. The dramatic rise of the large emerging economies—China, but also India, Brazil—some of the Gulf states, including Saudi Arabia, Kuwait and the United Arab Emirates (UAE), and arguably South Africa, and especially their improved fiscal situation and their control of large foreign currency reserves are being marshalled, strategically, to increase their diplomatic clout, and their capability to intervene more effectively in international development (Manning 2006; Chin and Helleiner 2008; Woods 2008). The articles in this issue show that, by 2011, Brazil was dispensing just under US$1 billion in development assistance to the South; a credible estimate for South Africa's aid to Africa was already US$1.6 billion by 2004, and the figure has increased since then (see Vickers in this issue). It is reported that India's forthcoming external aid agency will receive US$11.3 billion as an operating budget for the next three years. A feasible estimate for China's aid and development financing is in the range of US$20–23 billion for 2010 (see Chin in this issue), if we use a broader definition of aid that includes grants, no-interest loans and economic-cooperation-related concessional loans from the two large Chinese state policy banks, China Eximbank and China Development Bank. By such an estimate, China is already the second-largest bilateral donor in the world, behind only the United States.

The cumulative rise of the BRICS as donors, even if not highly coordinated, does present coordination and leadership challenges to the traditional donors, especially in terms of agenda-setting in development cooperation. The rise of the

BRICS, which includes the return of Russia to Africa from 2009, has been accompanied by the re-emergence of other so-called 'non-DAC' donors, such as the Gulf countries, and the emergence of another set of new donors, a 'next' tier, a mid-level group of donors, that includes the Republic of Korea, Turkey, Mexico, Chile, Venezuela, and recently even Ecuador in the South American region.[4] These states are adding further momentum to the systemic shifts described here.

The profusion in relevant actors on the donor side has catalysed a fracturing of the traditional consensus and international power arrangements for agenda- and priority-setting in global development which were exercised previously through the OECD-DAC regime. One observer (Woods 2008) has likened the scenario to a 'silent revolution' in development cooperation. While the metaphor of 'revolution' may overstate the degree of change entailed in the world scenario, it is tenable to suggest that, over the medium term, the traditional donors are already facing a more negotiated existence, will encounter more challenges to maintaining their historical dominance and will remain in this situation for the foreseeable future.

Ontological implications

Looking back to the period when the papers were presented at York University (in Toronto), in November 2009, and watching the events that have unfolded since, we are impressed by the continuing significance of the papers. The agreement of the traditional and so-called 'emerging donors' at the Busan High-Level Forum on Aid Effectiveness in December 2011 to work together more closely, and more effectively, illustrates the growing profile and importance of the rising donors as actors, and as a topic of study.

One commonality across the articles in this special issue is that the shifts in the realm of global development are evolutionary. In the aid-giving behaviour of the rising states, and across the global aid regime, there is change and continuity. The role of the traditional donors is not ending abruptly, though their influence is gradually eroding. The global aid system, including the related institutional architecture, is evolving. What is emerging is not quite a changing of the guard, in which the traditional donors retreat and the rising states, as rising donors, advance. The emerging scenario is complex and evolutionary. The article by Chin discusses the evolution of China as well as Brazil and South Africa into 'net donors' over the past decade, and India potentially achieving the same status in the future. These rising states have staked out a unique position in the history of development cooperation in that they have chosen not to join the regime of the traditional donors after achieving middle-income status, and after becoming aid providers, unlike, for example, Mexico and South Korea. Rather, they have tried to preserve their 'Southern' identity, and have also continued to accept overseas development assistance (ODA) from the traditional donor organizations, even as they provide more and more development assistance to other countries in the South.

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[4] Gregory Chin's notes from discussions with officials of the Regional Office for Latin American and the Caribbean of the International Development Research Centre, Montevideo, May 2012.

The rising states, as rising net donors, continue to coexist with the traditional donors; they do not appear to be seeking to undermine the functioning of the Bretton Woods system, and they continue to draw support from the traditional donor organizations, including the World Bank. At the same time, China, for example, lends significantly more to the developing world than does the World Bank, through China Export–Import Bank and China Development Bank (Chin 2012). The articles in this issue also begin to probe some of the limitations or constraints on the BRICS and Gulf states as donors. For example, the article by Rowlands suggests that the differences between the BRICS countries, as aid providers, outweigh their shared traits, and that this lack of likeness and their lack of coherence as a group serve to limit the influence of these rising donors as a collective. Equally important, each of the BRICS states face complicated domestic societal pressures and domestic interests that constrain their potential as aid providers: namely, that a significant percentage of their domestic population continues to struggle with poverty or confront serious challenges of human development. The domestic poverty challenges are especially daunting in the cases of India and South Africa, but ensuring poverty reduction and sustained development also remains a major public concern inside China and Brazil. In India and China, state officials exhibit caution when reporting on their external assistance, out of concern for lack of domestic support for giving foreign aid. This is another dimension of the complicated identity and status of the BRICS rising donors, and an element that could hinder the sustainability of their role as major aid-senders. With these caveats in mind, it seems reasonable to suggest that the influence of the traditional donors, including through the OECD-DAC regime, will remain for some time, even though it is declining.

The traditional donors are, however, facing a more negotiated existence. Such a negotiated order entails a more pluralistic distribution of power and influence in global development. This can be seen, for example, in the way that the existing consultative forums for global development are being adapted to respond to the new situation, as seen in the establishment of a Development Agenda under the G20 Leaders process, which has supplanted the G7/8 as the premier forum for managing the world economy, as well as the less well-known creation of the Development Cooperation Forum (DCF) under the UN. The diffusion of power and influence in the global aid structure can also be seen in the growing international development dialogue around the newly created BRICS leaders' summit process.[5]

The most prominent institutional development in the negotiated order has been the initiation of the G20 Leaders process during the 2007–2009 global financial crisis and the decision of the G20 Leaders in June 2010[6] to establish a 'Development Agenda' within the G20 process and to support it with a Development Working Group. The growing influence of the emerging countries in

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[5] Brazil, India and South Africa also initiated an 'IBSA' Dialogue Forum in 2004, and in 2006 created an IBSA Trust Fund, where each country has committed to contributing US$1 million per year, to provide project-level development assistance grants to countries of the South. For more information see < http://www.ibsa-trilateral.org/index.php?option = com_content&view = article&id = 29& > , accessed 2 October 2012.

[6] At the G20 Toronto Summit, in June 2010, G20 Leaders agreed to establish the G20 Working Group on Development.

development cooperation can be seen in the Development Agenda of the G20. One analyst (Kharas 2010a) has argued that the G20 can take the lead in pushing for a paradigm shift in 'development'. Kharas contrasts a new 'G20 brand' of development—one that focuses on growth, employment, investment and private sector development, speaks to the developmental needs of a more diverse group of emerging and developing economies and emphasizes avoiding and mitigating economic crises—to the G7/8's 'outdated approach', which focuses on pro-poor growth and 'saving helpless Africa'. The 'Seoul Consensus'[7] at the G20 Summit in Seoul, in November 2010, is seen by some as initiating a 'new conventional wisdom'[8], or by its supporters as a 'paradigm shift' in the international debate on development (Kharas 2011, 175). The most tell-tale sign of the increasing influence of the rising states and the emerging economies on development thinking was that infrastructure was made the first pillar in the Seoul Consensus. The rising states and the emerging economy members of the G20 had proposed that priority *should* be given to infrastructure, investment and job creation, and financial services, including a prominent role for state-led development finance institutions—as crucial in achieving success in national development over the medium term.[9]

The changing narratives of global development, the rising influence of the BRICS, and the emerging economies' views on global development policy carried over to the G20 Cannes Summit (November 2011). Nicholas Sarkozy, acting as the head of the G20 presidency at Cannes, observed that,

> Although global poverty levels have fallen considerably over the past two decades, developing countries still have *enormous needs that are not being met* ... *Emerging countries have become key players* in global economic governance and development. It is up to the G20 to *improve global economic governance* and help those institutions in charge of it to evolve. Thus, *China*, the world's second largest economy, is set to become the World Bank's third-largest shareholder and one of the major multilateral donors for development. More generally, *greater South–South cooperation* means that development assistance is no longer the exclusive domain of advanced countries. (Sarkozy 2011)

The four priorities of the French G20 presidency again reflected the growing influence of the BRICS and the emerging economies: (1) strengthen infrastructure in developing countries; (2) ensure food security in the most vulnerable countries; (3) extend social protection; and (4) mobilize innovative sources of development financing. However, it should be noted that the actual outcome of the negotiations over the infrastructure plan that was eventually endorsed by the G20 Leaders in Cannes was sorely disappointing to the BRICS countries, especially for India.

[7] The Seoul Consensus consists of eight pillars: infrastructure, private investment and job creation, human resources development, trade, financial services, G20 platform for knowledge sharing, resilience and food security, and governance.

[8] Lawrence MacDonald, 'Development and the G20 Summit', *Center for Global Development*, 25 October 2010, <http://blogs.cgdev.org/globaldevelopment/2010/10/development-and-the-seoul-g-20-summit.php>, accessed 3 October 2012.

[9] Some analysts see less contestation between the G7 and the 'emerging donors', and view the Seoul Consensus, or the new 'G20 approach' to development, as incorporating core elements of the model that was traditionally advanced by bilateral Western donors in the DAC, but reformatted using the more recent experiences of the emerging economies. Other analysts see the beginnings of a paradigm shift.

The traditional powers have, so far, been able to block progress on global policy implementation, along the multilateral track, on this priority item of the BRICS. But there has been no evidence of slowdown in bilateral Chinese or Brazilian infrastructure investment across the developing world, outside the multilateral channels. As such, the foot-dragging of the traditional donor governments has not actually affected the growing influence of the rising states.

Adding further to the negotiated order in global development has been the decision of the UN to initiate a new institutional platform in 2005, the DCF, which was created in parallel to the DAC's aid effectiveness process. Although the DCF has not attracted as much attention or support from the international donor community as the DAC process, and critics have argued that the DCF is merely another UN body that spends much of its time debating policy and the environmental dimensions of development, the intention of the UN General Assembly was for the DCF to serve as the 'premier forum' among assistance providers and beneficiary countries for sharing experiences, data collection and peer learning. Interestingly, whereas India and China have resisted pressure from the DAC to engage more fully in a 'structured dialogue', the rising states have given their rhetorical support to the DCF since its official launch in 2007. Some observers point out that the 'big Southern donors' have, at times, intervened to limit the role and scope of activity of the DCF.[10] Nonetheless, India did help promote the formation of the DCF (Chanana 2009). The Chinese government, through its Embassy to the UN Office in Geneva, also endorsed the DCF:

> The creation of the DCF marks another important step forward in the implementation of the decisions taken at the UN Summit and important progress in reforms of the economic and social field. This will help boost UN input in development, ensure resources for development, strengthen development agencies and provide an important platform for closer development cooperation in the international community.[11]

Ambassador Li Baodong further added,

> Expectations are high on our new established Forum. It should follow the principles of gradual progress, consensus, and ensuring equal participation of developing countries. *China is ready to take an active parting its work, and maintain coordination and consultation with parties concerned to ensure that the DCF move forward on the right track*.[12]

A Chinese vice-minister of commerce stated at the 2010 DCF meeting that '[T]he DCF sponsored by UNDESA [United Nations Department of Economic and Social Affairs] is of great significance in helping UN member states to take stronger and more specific steps to facilitate the realization of the MDGs through intensified development cooperation' (Government of China 2010, 1). Similarly, the Brazilian government has expressed its willingness to support the DCF, which it sees as a political arena free from Northern dominance (Nogueira 2008). Experts from one of India's prominent government think-tanks support the DCF's call for standardized reporting procedures in South–South cooperation, and suggest that

[10] We thank Thomas Fues for highlighting this point.
[11] Li 2007.
[12] *ibid*., 3 (emphasis added).

the DCF's procedures would necessarily differ from the OECD-DAC rules (Kumar 2008, 26). It is important, however, not to gloss over the fact that while the large rising donors have given their rhetorical support to the DCF, they have so far appeared unwilling to undertake collective action in support of this UN-led forum.

The negotiated order that has emerged for global development is also shaped by the creation of new alternative consultative forums for global development, such as the BRICS leaders' summitry, and their accompanying meetings of line ministers (Chin and Heine forthcoming). In particular, the BRICS governments are carving out a new role for national development banks and state export–import banks, as engines for autonomous and sustained national development. The BRICS governments are also working on intra-BRICS currency-sharing and trade-financing arrangements, which may also generate lessons learned and institutional options for less developed countries to reduce their currency and financial risks through currency diversification in their foreign trade and investment arrangements.

It appears, however, that the tug-of-war between the Western donors, with their emphasis on a 'pro-poor' model of development, and the self-styled 'Southern development partners', with their emphasis on a return to basics, mediated by attention to redistribution, and environmental sustainability, will continue *through* and *around* the main institutions of global aid regime for the foreseeable future. Nonetheless, the institutional shifts in the global aid regime, and the evolution to a negotiated order, suggest that the balance of influence could eventually tip in favour of the development policy preferences of the rising states, if current trends continue. At the same time, the continued rise of the BRICS as donors is not predestined, and there are domestic factors (discussed above), as well as limits in collective action, that may serve to constrain their ambitions or intentions as aid providers in the future.

The ongoing innovations in the global aid regime suggest that donors, both traditional and rising, are pursuing a range of policies that involve engagement, hedging, balancing, competition and 'routing-around'. The flux in the system allows the recipient countries to pursue an increasingly diverse mix of aid, assistance and partnership options, and via a growing range of the bilateral, regional and global channels. The notion of hegemony in global development—or a one-size-fits-all approach—is becoming increasingly inappropriate when considering best practices, lessons learned and preferred frameworks in international development. For now, the changes and adaptations underway leave us with an increasingly rich and diverse set of trends, patterns and development cooperation outcomes to examine, which are a mix of old and new.

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