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The EU After the Crisis: Phoenix or Albatross?

The EU's Role in Development Cooperation: Promoting Aid Harmonisation in Times of Crisis[1]

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Abstract

Despite starting from a highly fragmentary development policy system, a considerable consensus on policy norms for effective development cooperation has become prevalent on the EU level. This consensus makes claims about the EU's role in European development cooperation. This role embraces the EU's active promotion of approximation and convergence of European policies on aid and development cooperation, the EU's so called "federating role". The purpose of this paper is to propose a theoretically-informed model for understanding institutional dynamics in European development cooperation in terms of competing ideas and discourses on the EU's role in regard to national aid policies. After clarifying the theoretical background and main concepts, the paper has provided, first, a long term narrative of institutional dynamics in EU development cooperation and, second, a close-up illustration for the period between 2009 and 2012. Following from this, the paper proposes an agency-oriented, discursive institutionalist perspective which stresses the role of policy entrepreneurs and epistemic communities in challenging and perpetuating obstacles to institutional change in EU development cooperation.

Key Words: *Discursive institutionalism*, *European integration, development cooperation, aid effectiveness, harmonisation*

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Introduction

Despite starting from a highly fragmentary development policy system, a considerable consensus on policy norms for effective development cooperation has become prevalent on the EU level. This consensus has been enshrined in the Treaty on European Union (TEU), the European Consensus on Development (2005) and consecutive, non-legislative initiatives. It is also reflected in the EU's contribution to the international aid effectiveness agenda since the early/mid-2000s (Carbone 2007, 2010, 2013a; Farrell 2008; Holland 2008; Holland and Doidge 2012; Grimm et al 2012). This consensus makes claims about the EU's role in European development cooperation. This role embraces the EU's active promotion of approximation and convergence of European policies on aid and development cooperation without resorting to central pooling of resources and competences. Some observers have called it the EU's "federating role" (OECD-DAC 2007, 12; 2012; Corre 2009; Orbie and Versluys 2008).

The purpose of this paper is to propose a model for understanding institutional dynamics in European development cooperation in terms of competing ideas and discourses on the EU's role in regard to national aid policies. This paper approaches this task in three steps. First, it briefly clarifies the theoretical background and main concepts. This section largely draws on insights from discursive institutionalism (see Schmidt 2008, 2010) which provides a role for ideas in understanding change and continuity in EU institutional dynamics through interactive processes of discourse. The second section considers how competing ideas of the EU's role in development cooperation have evolved and contribute to the understanding of institutional dynamics over the long term. This evaluates the value added of the theoretical approach for the analysis of EU development cooperation. It scrutinises the historical emergence, competition and manifestation of different ideas about the function of the EU in development cooperation and connects them to institutional developments. In particular, it shows how the established "logic of diversity", which had long obstructed EU aid harmonisation, has been challenged to give rise to the EU's "federating role" by referring to a "logic of effectiveness", i.e. increasing Europe's collective effectiveness in terms of developmental goals, especially poverty reduction. In this process, the Commission has actively sought legitimacy for this role in previous initiatives and international agreements, and the endorsement by stakeholders and experts in recipient countries, NGOs and think tanks.

The third section provides an illustration of this model for EU development cooperation between 2009 and 2012. Actors, especially in the Commission and backed by NGOs and think tanks, have continued to promote the approximation of EU donor activities against the background of various political crises in Europe since the late 2000s (Mackie 2013; Klingebiel et al 2014; Fejerskov and Keijzer 2013; CONCORD 2012, 9). As a result of the financial and economic crisis of 2008 and the ongoing Eurozone crisis, budgetary pressures increased the preoccupation with national priorities, popular confidence in European integration declined, and mutual distrust between the institutions and member states increased. These debates about the future of European integration have been complemented by renewed challenges to the EU's role in the world over responses to the neighbourhood around the Arab Spring, as epitomised in the response to the crisis in Libya. These crises have substantially changed the environment in which EU-level discourses about European integration and the EU's role in the world take place (see Schmidt 2012). This section traces the discursive processes for that episode to demonstrate *how* ideas are tied to action. It builds on OECD-DAC peer reviews, the European Commission's annual reports on the EU's development and external assistance policies, and various NGO/think tank reports on aid coordination, which are complemented by member state perspectives where applicable.

Ideas, Discourse and Institutional Dynamics

The presented analytical framework contributes to the understanding of institutional dynamics in the EU in terms of agents' competing ideas about the role of the EU in European development cooperation. This is based on the perspective that ideas contribute to the construction of the EU polity (Jachtenfuchs et al 1998) in that they can change or perpetuate institutional dynamics through discourse (Diez 1999, 2001). This framework largely draws on Vivien Schmidt's work on 'discursive institutionalism' (Schmidt 2008, 2010) which complements the "new" institutionalist approaches, i.e. historical, rational choice and sociological institutionalism. It provides an agency-oriented framework of how to understand processes of discursive construction about the EU from within the EU's institutional context.

On the level of theory, the framework draws on social constructivism. It starts from the premise that human agents do not exist independently from their social context with its collectively shared, intersubjectively constructed and reproduced systems of meaning-making (see Wendt 1987). The social constructs which influence actors' perception of the world can be both constraining or enabling. Following Giddens (1984), agents and social structures can be seen as mutual constitutive. Institutions, broadly defined, are social structures which provide agents with complex understandings of their interests and identities (Checkel 1999, 2005; Egeberg 1999). In this sense, EU policy actors may be constrained in their choices of potential action by previous EU level discourses. This structuralist approach to discourse has been criticised for overlooking the creation of meaning (see Diez 2001). To avoid this structuralist fallacy, Diez (2001), among others, highlights the intersubjective construction of meaning by actors through discourse. It is through discourse that practice, ideas and norms become institutionalised and are reproduced in a given institutional context. Thus, discourses provide actors with a way to change the existing structures, norms and institutions. Compared to the traditional "new" institutionalist approaches, which tend to stress the constraints on agents, actors retain some freedom in the construction of their ideas and the articulation of their discourse (Schmidt 2012). Hence, discursive institutionalism provides a way of thinking about how agents promote ideas for changing or perpetuating institutional dynamics *from within*.

Diez (1999, 2001) suggests ways of including the analysis of intersubjective meaning-making in the study of institutional dynamics in the EU by focusing on agents' discursive action. Discursive institutionalism regards subjective interests, institutions and social norms as background knowledge of agents (Schmidt 2008). Agents challenge or perpetuate these existing norms and institutions by relying on what Schmidt (2008) calls "foreground discursive abilities" based on a "logic of communication" or a "logic of arguing" (Risse 2000) based on the communicative action of Habermas (1981). In this understanding actors are able to challenge validity claims in causal or normative ideas through discursive action. Discursive action involves more than the content of discourse, i.e. its ideas, words or "text", but includes the context and processes in which this content is structured (how, who, why, when, where and to whom). Actors structure a discourse to legitimise their ideas both cognitively and normatively by processes of argumentation, deliberation, and persuasion. This logic requires a degree of argumentative rationality, i.e. assuming that interests, preferences and identity of agents are not completely fixed. This involves that actors are goal-oriented, but they are open to be persuaded.

In the multi-level institutional structure of the EU actors engage in a "coordinative" discourse of elite policy construction at the EU level and a "communicative" discourse with the wider public involving national level discussion, contestation and legitimisation (Schmidt 2012). The discourse about the EU's role in development cooperation hardly enters the wider political arena. Hence, discursive action takes place primarily between individuals and groups at the centre of policy construction who seek to coordinate agreement on policy ideas among themselves (Schmidt 2008; Tomic 2013). These are actors within the EU institutions in the narrow sense of the formal understanding of organisations responsible for identifying issues, setting the agenda and framing policy ideas. The different institutions have different roles and degrees of formal influence, but they should not been seen as monolithic. The Commission, precisely DG DEVCO, fulfils the role of a "policy entrepreneur" (see Finnemore and Sikkink 1998) serving as catalysts in that it plays an important role in articulating and promoting ideas. Member states are neither monolithic actors, nor necessarily antagonised to the supranational institutions. They play a central role in agenda-setting and coordination through their staff in the Council and its working groups, and since 2009 increasingly in the European External Action Service (EEAS). Especially the engagement of diplomatic in contrast to development staff (usually working group level) changes how they engage in the discourse about the EU's role. The European Parliament has limited formal functions in development cooperation, but it is an active public communicator and maintains policy networks.

However, the set of actors involved in the construction, elaboration, and justification of policies is not restricted to bureaucrats, civil servants and elected officials in the Commission, the Council, the EEAS, and the European Parliament, but it involves experts, organised interests, and activists. These actors, who share principled normative and causal beliefs about a common policy enterprise, connect through "epistemic communities" which become a central element of understanding how ideas inform institutional dynamics. Following Haas (1992, 27), "epistemic communities are channels through which new ideas circulate from societies to governments as well as from country to country". Their role in terms of conceptualising linkages between the EU and the national level is complex and yet underdeveloped which is also true for third country and international actors, e.g. international organisations and third country actors. The institutionalisation of the relationship between the EU and the group of African, Caribbean and Pacific countries (ACP) provides a way of co-opting stakeholders into the process of constructing a role of the EU in development cooperation. Policy entrepreneurs, especially from the Commission, seek 'allies' to legitimise their ideas as they draw on expertise and knowledge construction from think tanks, NGOs and stakeholders. Co-opting an epistemic community into formal institutions "lays the groundwork

for a broader acceptance of the community's beliefs and ideas about the proper construction of social reality" (Haas 1992, 27). Epistemic communities are not passive actors. They seek ways to promote their ideas as advocacy coalitions, transcend boundaries of formal institutions, and become themselves part of the institutional dynamics. Crucially, these "less visible" institutional structures, which simultaneously play a role on the EU level and the national level, have a central position in the discursive institutionalist perspective.

Competing Discourses on Aid Integration

Competing ideas about the role of "Europe" in development cooperation have been structured over the history of common aid policies along a logic of diversity and a logic of effectiveness. A useful starting point is the work of Hoffmann (1966) on the obstacles to European integration in the high politics of foreign policy. In a nutshell, Hoffmann argues that the obstacles to integration primarily lie in the differences in member states' "national situations" which consist of domestic politics and institutional systems, and the external identities and interests determined by geography and history. Interaction among the member states on issues of relations with the international system exacerbate these tensions and reproduce the differences. That is what he calls the "logic of diversity" which contests the functional "logic of integration" set up by Monnet and originally analysed by Haas, subsuming the attraction of the regional integrationist forces (Hoffmann 1966, 881). In development cooperation this logic of integration has been framed in terms of effectiveness, first in the early 1970s, and has been subsequently framed as a "logic of effectiveness". However, the logic of diversity manifested already during the first steps towards supranationalising development cooperation in Europe in the late 1950s. Path dependency plays a significant role. As one logic was established, it has constrained agents' ability to challenge it, but only to a certain degree. This challenges institutionalist accounts which assume a rigid corset of historical precedents in line with the discursive institutionalist perspective that structures, including discourses, constrain agents only to a certain extent but allow them to challenge structures from within.

Manifestation of the Logic of Diversity

In May 1950, in his famous declaration, Robert Schuman asserted that through the European Coal and Steel Community (ECSC) "Europe will be able to pursue the achievement of one of its essential tasks, namely, the development of the African continent"[2]. Connecting European integration and African development established two crucial precedents defining the process of aid integration in Europe. First, the declaration asserted a role in development cooperation to the Community institutions despite the Eurocentric focus of the ECSC. Second, the declaration made a provision for the purpose of integration in the area of development cooperation, i.e. the (economic and social) development of Africa, which was based on French colonial legacy. For France, the creation of a Eur-African Community through its late-colonial, developmentalist policy of association had been central to its post-war identity and interests, and its continuation through Europe became a national imperative (Claeys 2004; Dimier 2014).

Due to the French insistence, both ideas characterised the institutionalisation of association on the level of the Community in the late 1950s. However, the French model met strong resistance from some of the prospective EEC members, especially the Netherlands and Germany. Both countries assumed a globalist position with a commercially oriented development policy, rejecting a colonial, discriminatory regional trade regime (Cosgrove Twitchett 1978). Although both countries conceded to secure France's approval for European integration, their resistance established the logic of diversity in development cooperation obstructing further integration in this area after 1958. This logic was largely manifested with the return of de Gaulle and decolonisation. The independence of former dependencies weakened France's ambition to promote social and economic development of its former dependencies (Shepard 2006). France shifted its national focus to political rather than developmental affairs in Africa. Community policy, however, represented by the Commission, showed a large degree of continuity from the *status quo ante*, as Commission officials were able to maintain African leaders' support for continuing the original relationship in the post-colonial era (Cosgrove Twitchett 1978). Subsequently, development policies of the Western European countries and the Community developed in parallel.

[2] For an English version of Robert Schuman's speech see, for example, http://europa.eu/about-eu/basic-information/symbols/europe-day/schuman-declaration/index_en.htm [23.02.2015].

In the early 1970s, from within the Commission, there were attempts to promote a different idea about the role of the Community based on the logic of effectiveness. With Britain's accession to the EC looming and trying to capitalise on the changes in the international political economy since 1968 (Ravenhill 1985; Garavini 2012), the Commission embarked on a policy of intra-Community aid harmonisation. As a reaction to increasing pressure from European civil society and recipient countries, in 1971 and 1972 the Commission issued two Communications arguing that steps towards political integration in development cooperation were "made necessary by the problem of relations between an enlarged Community and the developing countries" (Commission of the European Communities 1972, 3). The Commission, for the first time, explicitly connected diversity of European aid policies with the lack of effectiveness of aid. It suggested that the

> "*lack of harmonisation* in the various aids applied to the same developing countries or regions *results in a definite reduction in the effectiveness of the aid* because it is quite clear that the assistance is only completely effective if its implementation follows the same aims and by convergent methods." (Commission of the European Communities 1972, 20, emphasis added)

The Commission's proposals aimed at decentralised harmonisation of member states' and Community policies, including common operating frameworks for the programming of aid, conditionality, untying of aid, and information sharing. This flags the emergence of a different role for the Community institutions in development cooperation. Despite its efforts, however, the Commission failed to convince globalist-minded member states, especially the Netherlands and Germany, which rejected approximation of their policies along the Commission's predominantly regionalist lines and interpreted it primarily as a claim for power (Grilli 1993, 81-2).

Consequently, the Commission focussed on its characteristic of being seen internationally as a *distinct* actor from member states. In Lomé, the Commission capitalised on the path dependency of the logic of diversity. UK accession provided a window of opportunity of adjusting EC development policy given Britain's sense of identity and interests in development. Thus, before Britain joined, a compromise had to be found between the regionalist position advocated by France and the Commission, and the globalists, joined by the UK (Cosgrove Twitchett 1981; Ravenhill 1985). Although the more globalist-minded member states were partially successful in opening up the Community's policy, the Commission, dominated by regionalists, continued to insist on the EC's regionalist approach and deferred the formulation of a global development policy (Grilli 1993, 67). As a result, the first Lomé Convention of 1975 was built on the previous, particularistic tradition of common development cooperation and portrayed in terms of a progressive, 'European' post-colonial

identity which turned it into a model for North-South relations (Ravenhill 1985; Lister 1988; Grilli 1993, 35; Garavini 2012, 115). However, it did not become a model for more comprehensive supranationalisation of development cooperation in Europe. Instead, it perpetuated the logic of diversity as it firmly established the Community as a distinct actor in international development. The Commission followed this logic even as the particularistic nature of the common development policy was subsequently eroded by enlargement and the global opportunity structure fostered by the US-dominated Bretton Woods institutions ("Washington Consensus") (Crawford 1996; Brown 2000; Arts 2004).

Challenging Diversity through the Logic of Effectiveness

The reluctant opening to the global opportunity structure increasingly provoked the UK, the Netherlands, Germany and Denmark to turn away from the Community as a channel to deal with external development cooperation challenges (Grilli 1993). Simultaneously, from the mid-1980s onwards integration momentum in Europe picked up again which was accelerated by the end of the Cold War. Despite continuing differences of attitudes on aid coordination, there had been increasing recognition within the Community that a more effective EU presence in international development could be established if Commission and member state activities benefited from greater complementarity (Holland 2002, 117-8). In the run-up to the Single European Act (SEA) the Netherlands and Denmark, together with the European Parliament, called for including aid in the renewed integration agenda. The discourse on aid integration experienced a significant turn with the Treaty on European Union (TEU) signed in Maastricht in 1992 which would lead to the assertion of the logic of effectiveness through a Community mandate in development cooperation. The competences were 'shared' between the level of the Community and the member states. This meant that a single EU structure for development cooperation on the supranational Community level was created in parallel to member states' national development policies.

In order to increase effectiveness, the Treaty obliged all EU development policies to abide to the principle of complementarity. It established a Community mandate to ensure complementarity and the Commission was assigned to promote it (European Communities 1992; Loquai 1996). The interpretation of complementarity, however, created disagreement between the Commission and member states. The new competences tempted the Commission to strive to promote "a sort of functional integration" (Carbone 2013a, 345). Connecting a lack of effectiveness to the coordination shortfall between the EU level and the member states, the Commission suggested in its "Horizon

2000" of 1992 to move away from national development policies towards one common development policy (European Commission 1992, 52). The Commission framed the functional necessity in terms of horizontal coherence with other external policies, e.g. the Common Foreign and Security Policy (CFSP), and vertical coherence to avoid duplicating structures, to increase consistency and to reduce inefficiencies (European Commission 1992; Holland 2002, 114-9). The ambition of pooling competences, resources and authority centrally with the Commission in Brussels proved not to be feasible due to member states' reluctance to cede further competences. Instead, a majority of member states stressed the importance and autonomy of bilateral development policy (Holland 2002, 172; Carbone 2007, 53). The emphasis shifted away from complementarity, which the member states interpreted primarily as the Commission's task, towards coordination.

Although the Treaty provided the foundation, it was not until the early/mid-2000s that EU's "federating role" became established though several EU-level initiatives. The upcoming international concern of overcoming aid fragmentation led to the OECD's series of High Level Fora on Aid Effectiveness. It started with a general consensus on principles for aid effectiveness, especially harmonisation, outlined in a declaration in Rome in 2003. Within this context, as a reaction to its own aid coordination crisis (Dearden 2003) and to improve the effectiveness of European aid, the Commission embarked on reorienting its attempts at aid policy approximation (Carbone 2007, 31; 2008; OECD-DAC 2012, 22). This was epitomised in the consecutive formulation of an EU consensus on development policy norms which goes back to the preparation for the UN Financing for Development conference in Monterrey, Mexico, in 2002. The EU's Barcelona commitments of 2002 included, *inter alia*, a consensus on improving aid effectiveness through a process of intra-EU coordination and harmonisation (European Commission 2004). This initiated a debate on the process of approximation of all EU development policies without challenging the existence of member states' development policies. The EU's role was identified in the run-up to the "European Consensus on Development", whereby EU member states and institutions agreed on common development policy norms establishing the basis for all EU action in the field of development.

The Commission increasingly referred to the global agenda on aid effectiveness to co-opt member states into policy convergence (Farrell 2008; Holland 2008). Following the Commission's initiative in 2004, member states established the Ad Hoc Working Party on Harmonisation to coordinate their position for the Second High Level Forum in Paris in 2005 (Carbone 2007, 54). This process included the preparation of a "Brussels Consensus" as a European response to the

"Washington Consensus" of the Bretton Woods institutions (Grimm 2006) which included board civil society consultations. The resulting "European Consensus on Development" (European Parliament et al 2006) commits the EU institutions and the member states to certain norms of development cooperation, including a common understanding for delivering effective development cooperation and the requirement of *political* harmonisation to increase effectiveness of EU development cooperation. It was the first time that member states had agreed on common development policy norms for all European development policies (Carbone 2007, 56). The Consensus constitutes a political commitment, not yet an operational framework, to align all development policies within the EU to a "common vision" without full delegation of policy authority to the supranational level (Carbone 2010; Orbie 2012, 20). Further, non-legislative initiatives on "federating" the EU's position on effective development cooperation were agreed with reference to the progressing international agenda, especially the EU Code of Conduct on Division of Labour in Development Policy in the run-up to the Third High Level Forum in Accra in 2008 (Council of the European Union 2007).

Promoting the EU's "Federating Role" in Times of Crisis

The "shock" at the height of the economic crisis in the second half of 2008 and 2009 paralysed efforts at approximating aid policies in Europe. Although the Commission insisted on further operationalising the overarching EU-wide agreements of the mid-2000s, especially with reference to adverse effect of the financial and economic crisis on developing countries (European Commission 2010a, 2), neither member state governments nor the Council Presidency in the first half of 2009 put development cooperation high on the agenda. As Keijzer (2011) suggests, the financial and economic crisis has lowered the level of ambition among member state governments to agree on common positions in development cooperation. Especially at the beginning of the debt crisis, its management took up much attention and resources which were diverted away from the Commission's attempts of enhancing harmonisation, and which led to delayed and often half-hearted implementation. In consequence, previous positions on aid effectiveness could not be reproduced.

It was also due to the Swedish Presidency in the second half of 2009 that policy discussions on aid effectiveness intensified again (Keijzer 2011, 5). In November 2009 the Council adopted the EU Operational Framework on Aid Effectiveness which further operationalised intra-EU coordination

through more precise provisions on the division of labour (European Commission 2010a, 6). However, efforts and engagement of most member states remained half-hearted. The second revision of the Cotonou Partnership Agreement and the implementation of the Lisbon Treaty, especially the initiation of the European External Action Service (EEAS), diverted much attention (Bartelt 2012; European Commission 2011a). Although the Lisbon Treaty provides an enhanced mandate for coordination and joint action with and between member states, it also entails a growing resurgence of intergovernmentalism (Carbone 2013a, 350; Holland and Doidge 2012, 185). In order to promote joint action, the reallocation of competence from the Commission to the EU's new diplomatic service, the EEAS, aimed at integrating development cooperation into a more comprehensive EU foreign policy system. This aimed at tying in member states more closely to create a "positive effect on the EU institutions' ability to play a leading role in making EU-wide aid more effective" (OECD-DAC 2012, 79).

Against this "increased intergovernmental impetus" (Holland and Doidge 2012, 77), the Commission was successful in safeguarding DG DEVCO's central role in EU development cooperation. Beside the management of EU-level development cooperation, aid effectiveness expertise has remained with DG DEVCO. As a consequence, the Commission has maintained its primary vehicle for legitimising its role in the approximation of aid policies, although member states' role in the coordination of external relations has been strengthened (Furness 2012, 77). From 2011 onwards, the Commission has re-engaged in promoting harmonisation initiatives based on its contribution to aid effectiveness. This is most visible in the Agenda for Change (AfC) (European Commission 2011d), endorsed by the Council in May 2012, which aimed at "Increasing the impact of EU Development Policy". The AfC is meant to provide the overarching working programme for all EU development cooperation, including member state policies. It builds on the European Consensus on Development, while introducing a more flexible and differentiated approach to EU development cooperation. Compared to the previous policy framework, the AfC increases the profile of human rights, democracy promotion and good governance in addition to sustainable growth. With these changes, the Commission reacted to pressure from the European Parliament and some member states to take into consideration "many Member States' own new orientations" (OECD-DAC 2012, 14). It further operationalises the division of labour through the concentration on three priority sectors per country. Finally, it aims at increasing intra-EU coordination and joint action with the member states, especially through common programming and aid modalities conducive to collective action such as budget support. With these suggestions, the Commission attempted to circumvent some of the member states' concerns towards policy convergence.

The AfC builds on a broader societal perception of aid fragmentation as a problem. Observers within the community of development professionals in Europe have stressed the increasing need for promoting harmonisation as the "problem of the fragmentation and proliferation of aid agencies has been identified as one of the major constraints on more effective development cooperation, at both OECD and EU level" (CONCORD 2012, 36; see also Klingebiel et al 2014). This problem definition was picked up by the Commission when it stated that in Europe "*Fragmentation and proliferation of aid is still widespread and even increasing*, despite considerable recent efforts to coordinate and harmonise donor activities" (European Commission 2011d, 10, emphasis in original). The objective of reducing fragmentation of European aid significantly builds on the international discourse on aid effectiveness to increase its legitimacy (European Commission 2012; Galeazzi et al 2013, 42). The AfC also builds on previous agreements, especially division of labour, to increase its acceptance among member states (European Commission 2011d, 11). According to the Commission, the EU's approach to the division of labour aims at increasing complementarity of EU donor contributions to improve aid effectiveness (European Commission 2011b, 3). Thus, it goes beyond simple coordination by

> "*changing* the situation by systematically reducing the number of donors in overcrowded sectors and increasing support for orphan sectors, making use of donors' comparative advantages in the process to ensure the complementarity of their contributions." (European Commission 2011b, 3, emphasis added)

However, obstacles in the path of improving the division of labour and complementarity on the ground have largely remained as member states have proved to be reluctant to leave attractive sectors and 'darling' countries (European Commission 2011b, 14).

The new framework offers a way of pursuing complementarity without relying on Brussels-based arrangements, but focuses instead on decentralised governing by objectives, benchmarks and common norms. To improve the division of labour between EU donors, the Commission proposes the extension of joint programming between EU institutions and member states which "would reduce fragmentation and increase its impact proportionally to commitment levels" (European Commission 2011d, 10). However, joint programming goes beyond division of labour because it aims at creating a "*single joint programming document* which should indicate the *sectoral division of labour* and financial allocations per sector and donor" (European Commission 2011d, 11, emphasis in original). During this process the Commission, the EEAS and member states jointly determine a development response strategy for a particular partner country and draft a joint country strategy document,

ideally replacing bilateral country strategies. In 2012, after some delay, DG DEVCO and the EEAS pushed for a significant expansion of joint programming with the member states for the country programming period of 2014 to 2020 (CONCORD 2012, 39; European Commission 2013). Whereas on the EU level all member states have continuously made high-level commitments to the principles of joint programming, on the national level many have resisted enhanced EU harmonisation *in the name of aid effectiveness* (European Commission 2011a; OECD-DAC 2012; Galeazzi et al 2013; Furness and Vollmer 2013; Carbone 2013a). Harmonisation in challenging areas such as joint modalities for delivering aid, e.g. conditionality, pooling of funds, co-financing, delegated cooperation, and measuring results is not necessarily part of joint programming limiting its contribution to policy convergence.

Because of its limited impact on policy convergence, the Commission has sought to foster joint programming operationally with aid modalities facilitating its application, such as budget support, EU trust funds, delegated cooperation, blending, and a common framework for measuring and communicating the results of development policy (European Commission 2011d, 11; 2013, 29-31). However, EU member states remained particularly divided on the conditions for and extent of budget support (CONCORD 2012, 37; Vanheukelom 2012; Faust and Koch 2014; Ministry of Foreign Affairs of the Netherlands 2013). In 2008, the Commission had introduced so called 'budget support contracts' (European Commission 2008) to facilitate harmonisation with other EU donors' budget support policies. Although, in principle, "the intervention logic of budget support is conducive to increasing the coordination among European donors" and "could therefore have contributed to a more coherent and harmonised European development policy" (Faust and Koch 2014, 24), the budget support contract has failed to overcome fundamental issues of contention.

In order to increase the acceptance of its approach to budget support, the Commission's original conception of budget support (see European Commission 2007) remained close to the technocratic design following the DAC guideline of 2005 which states that "political conditionality should not be specifically linked to budget support" (OECD-DAC 2005, 29). Budget support was linked to supporting the MDGs and more technocratic governance reforms, such as public financial management and accountability. This excludes direct positive leverages on democratic governance and leaves them to the provisions of the Cotonou Agreement, i.e. political dialogue and sanctions. Since the late 2000s this technocratic view has been less shared by many member states (see, for example, Molenaers et al 2010; Faust et al 2012). Thus, following the extension of budget support,

member states have become increasingly critical of the Commission's approach. An increasing number of member states argued to use budget support more strongly as a framework for including normative aspirations and apply it more selectively, particularly as a reaction to the 'Arab Spring' which has pushed human rights and political governance higher on the agenda in the EU (Faust et al 2012, 2-3; Vanheukelom 2012, 11). Several member states have included more political issues of governance in their eligibility criteria and linked budget support disbursement explicitly to democratic governance reforms. As a result, many EU donors scaled down budget support (CONCORD 2012, 37). The Commission reacted to this criticism with its 2010 Green Paper process about the future of budget support in which it explored the possibilities of connecting budget support more directly to political governance (European Commission 2010b). This resulted in the Communication on the future of budget support with stronger emphasis on democratic governance (European Commission 2011c). It obliges the Commission to open up its budget support approach to promote democracy, human rights and good governance more actively and rigidly, alongside the goal of reducing poverty (European Commission 2013, 38).

Despite member states scepticism, the Commission presented joint programming and the political will to further harmonisation and joint action among member states as the EU's primary input into the international debate on aid/development effectiveness (Council of the European Union 2011; OECD-DAC 2012, 79; CONCORD 2012, 38-9; Global Partnership 2014). The Commission has successfully mediated between the European and international level in Paris and Accra, which increased the acceptance of its approach among EU donors. This largely failed at the Fourth High Level Forum on Aid Effectiveness in Busan in 2011. Busan further revealed the limits of the Commission's approach towards approximation of EU aid policies. The EU's common position at Busan represented "primarily an intergovernmental position taken by EU member states" (CONCORD 2012, 17). The Commission's position did not overcome internal divisions due to the debt crisis and external bilateral agendas of EU donors, which became increasingly tangible in Busan as emerging economies, especially China, started to become more involved (CONCORD 2012; Carbone 2013a, b; Smith 2013). Busan revealed how the global aid architecture has changed between the first HLF in Rome and the fourth HLF in Busan through the emergence of new economic powers and the proliferation of competing models of development cooperation which offers more choices for developing countries.

Conclusion

This paper proposes a discursive institutionalist perspective for understanding institutional dynamics in EU development cooperation in terms of competing ideas and discourses on the EU's role in regard to national aid policies. After clarifying the theoretical background and main concepts, the paper has provided, first, a long term narrative of institutional dynamics and, second, a close-up illustration for the period between 2009 and 2012. What conclusions can be drawn from this for the proposed model?

First, the proposed model is agency-oriented, but it acknowledges the constraining effects of established discourses. The originally constructed discourse along a logic of diversity, which has dominated intuitional dynamics in EU development cooperation, has produced obstacles to institutional change even though the Commission has attempted to overcome them. However, the long term perspective challenges the rigidity of historical precedents. The constraints did not prevent the emergence and establishment of a competing discourse along a logic of effectiveness which promotes a competing idea of the role for the EU in development cooperation.

Second, actors attempt to overcome obstacles to change or perpetuate institutional dynamics through discursive action. Whereas perpetuating institutional structures allows to capitalise on the path dependency of the established discourse of a logic of diversity, promoting institutional change requires challenging the validity claims inherent in this logic. To do so, actors have overwhelmingly relied on the international opportunity structure which has provided windows of opportunity to legitimise the rival discourse. This was the case in the early 1970s, and even more so since the early 2000s when there was an international opportunity structure favourable to the claims of the logic of effectiveness. In contrast, the economic crisis, the changing international aid architecture and challenges in the European neighbourhood since the late 2000s have significantly changed the discursive environment making it easier for actors to retreat to the logic of diversity.

Third, the Commission has constantly acted as a policy entrepreneur. It has actively built on established EU-level initiatives and promoted international agreements such as the High Level Fora on Aid Effectiveness to improve the acceptance of the logic of effectiveness among member states in order to overcome obstacles to institutional change. Moreover, it has sought the endorsement of stakeholders and development professionals such as developing country leaders, NGOs, think tanks and international organisations.

Fourth, there is no inherent antagonism between member states and supranational institutions. For a long time during the duration of the Lomé Convention, the Commission tried to

protect its own interests and identity in development cooperation through discursive action based on the logic of diversity. In contrast, the Nordic countries have significantly contributed to the construction of the logic of effectiveness, although they tend to be critical of the EU's added value and, therefore, EU-level harmonisation.

Fifth, neither institutions nor member states are monolithic actors. They overlap and are internally heterogeneous. Who and how actors are involved in the construction of a certain discourse depends on the level of their engagement (EU policy level or national level), as well as on their affiliation and social background (development or diplomatic).

Sixth, epistemic communities of experts, activists and stakeholders are not passive structures which can be simply "employed" by institutions and member states to increase the legitimacy of certain ideas. They seek ways to promote their ideas as advocacy coalitions, transcend boundaries of formal institutions, and become themselves part of the institutional dynamics. They simultaneously influence EU institutions and member states. This linkage between the EU and the national level makes them central the understanding of how a discourse is perpetuated even against opposition.

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