

Linking ODA and trade from a gender perspective

Gendered intersections of trade and militarism webinar GTC

Edmé Domínguez R WIDE+



Long time trends

- As part of neoliberal trends ODA was pointing to a transformation of aid into trade framing: development of the Lomé process and then Cotonou agreements with ACP countries in the year 2000
- Cotonou: "sustainable development, integration into the world economy, and political cooperation...."
- The agreement's main pillars were development, **economic and trade cooperation**, and political dialogue.
- Creation of **EPAS** in Africa and looking for new FTAs in the Global South

Aid for Trade

- The new campaign launched by WTO in 2005. The initiative was subsequently operationalised in 2006, with the first **Global Review of Aid for Trade** held at the WTO in **November 2007**.
- A way to legitimize the decrease in aid for cooperation
- Development cooperation to create the conditions for LDCs to adapt to their integration into global chains of production
- Through assistance for infrastructure: roads, harbours
- To adapt to international standards: capacity training
- Combining public and private capital in different projects

How Aid for trade affects women

- Several projects on empowering women in an economic way through capacity building but also encouraging private entrepreneurship
- Focus on women as exporters more than on women as workers for export firms- in industry-maquilas or in agroindustry
- Insisting more on creating women as independent economic actors than in improving their capacity for organising collectively

The more recent scenario

- In the geopolitical scenario created by war in Europe, with the Russian invasion of Ukraine- rises the priority of defense equipment
- A general trend to diminish ODA, both from the US (USAID) and from the EU
- In the EU: several budgets are being constrained, and some reports (e.g. AidWatch) note that ODA as % of GNI has fallen in some countries or is below the 0.7% target.
- Instead of long term development aid: more emphasis on humanitarian aid, global crises (e.g. Ukraine, climate disasters), the Global Gateway strategy.... For ex in Sweden nearly all development aid is going now to Ukraine

The Global Gateway

- Not officially presented by the EU as a cut to development aid, but many analysts and NGOs point out that it **changes the balance** of EU external action: it shifts emphasis toward **mobilising private and public investments** and away from classic grant-based development assistance
 - A Response to China's Belt and Road
 - Announced **December 2021** as the EU's **flagship international investment strategy**: Pledges up to **€300 billion (2021-2027)** for digital, climate/energy, transport, health, and education projects worldwide.
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The Global Gate resources

- Financed through a mix of:
 - EU budget instruments** (notably NDICI-Global Europe, the main development cooperation fund);
 - European Investment Bank** and other public development banks;
 - and “**blended finance**” to attract **private investors**.

Also: encouraging the search for new markets

- The Global Gateway as part of the EU's instruments to counter Trump's war through tariffs but also to counter China's enormous trade expansion in the Global South
- Trying to secure EU's access to key raw materials for both the energy transition and war infrastructure
- Trying to regain EU's competitiveness in key industrial sectors

Cooperation funds cuts also affecting NGOs

- The general cuts in ODA affecting development aid related NGOs all over Europe and the US
- Affecting projects all over the world: dealing with health (vaccines, AIDS medicines, family planning, safe abortion...), with women capacity programmes and projects vs sexual violence, etc
- Such cuts coincide with general **gender backlashes** all over the world but specially in authoritarian countries like Russia, China, India, Iran... by the rise and empowering of ultraright groups in Europe and elsewhere, that react forcefully against women's empowerment in general with discourses on traditional family values

Other consequences of cuts to cooperation projects

- Backlashes in health projects, women's capacity building, struggle vs gender based violence....
- In a context of economic crisis and conflicts in several countries in the Global South
- This triggers more migration waves when most migration target countries close their borders
- General insecurity-broad terms-increase and fuels tensions
- Trade cannot solve these problems, also because it has never been a solution to poverty and inequality

Resistance and some palliatives?

- CONCORD Europe, European Network on Debt and Development (Eurodad), as well as ETJC (European for Trade and Justice Coalition) and the European Parliament's own research service-critical to Global Gateway and this trend to cut development cooperation
- Most EU's FTAs and Association agreements have chapters on Trade and Sustainable development (TSD) but these are very difficult to enforce, the mechanisms given to civil society to monitor them are very weak, not binding but they could be strengthened
- Even in these TSD chapters: gender perspectives and concerns are less and less mentioned

Final reflections

- Such trends as ***Aid for Trade*** or ***the Global Gateway*** are not new, they follow the same trend started during the 1990s neoliberal hegemony
- Trusting trade to do the trick
- But an inherent contradiction: the lack of development aid worsens already difficult situations and triggers more migration that rich countries want to stop
- Moreover: lack of development aid erodes all good will and soft power the West cultivated, leaving the terrain to authoritarian countries like China and Russia to fill the void and these are no good alternatives.