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Four Futures for a Global Development Cooperation System in Flux

Policy at the Intersection of Geopolitics, Norm Contestation and Institutional Shift

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Summary

This policy brief situates the crisis of Official Development Assistance (ODA) within a broader transformation of global development cooperation. Today's challenge goes beyond shrinking aid budgets; it reflects deeper pressures on the post-Cold War development consensus and its institutional architecture.

Development cooperation is under strain due to spending cuts by the US and parts of Europe, alongside the rise of nationalist approaches, especially in the United States (US). The longstanding policy norms – framing development as a shared global endeavour, combining moral and strategic redistribution and favouring multilateral coordination – are eroding. Fiscal pressures and domestic priorities have weakened elite and public support for ODA, while populist movements often frame aid as conflicting with national interests.

At the same time, development finance has become more geopolitical, increasingly tied to foreign policy, migration deterrence and economic diplomacy. This transactional approach coincides with a retreat from multilateralism, declining support for the UN system, and fragmentation among donors and recipients. The landscape has also diversified, with emerging actors such as China, the Gulf states and new development banks offering alternative financing, governance models and priorities. Many middle-income countries now access international financial markets, reducing dependency on OECD donors.

As a result, development cooperation has become a field of strategic contestation. While these trends have evolved gradually over the past decade, the approach of the second administration of US President Donald Trump has accelerated them. Simultaneously, economic progress in parts of the Global South has fostered expectations for reciprocal partnerships rather than traditional donor–recipient hierarchies.

The challenge, then, is to reimagine the future of development cooperation in ways that are politically feasible and institutionally resilient. This policy brief argues that this requires rethinking the foundations of development cooperation, rebuilding multilateral credibility and navigating a more pluralistic and geopolitically divided global order.

We propose four plausible options, each reflecting a different configuration of value-based, institutional and political alignment:

- Option 1 assumes a renewed political commitment to development as a global public good, and revitalised leadership from both North and South.
- Option 2 suggests continuity with diminished ambition: multilateralism persists, but its core weakens, with development focused more on stability than transformation.
- Option 3 offers a decentralised, experimental path driven by new actors and coalitions. While less coherent, it avoids the worst effects of fragmentation.
- Option 4 reflects a marked shift towards increased bilateralism, ideological filtering, and instrumentalism.

Introduction

The system of development cooperation (DC) is under severe strain following cuts in spending by the US and some European governments; the shift towards nationalist regimes for DC is particularly evident in the US, as is the defunding and withdrawal from multilateral agencies. This brief situates what is being referred to as a "crisis" of ODA in particular, within a broader transformation of the system of global DC.

What do we mean by the system of DC? This refers to the broader architecture of actors, norms, instruments and institutions that mobilise and coordinate resources, knowledge and political support for development goals. Within this system, ODA is a core financial instrument, primarily provided by OECD (Organisation for Economic Co-operation and Development) DAC (Development Assistance Committee) members, and functioning alongside other modalities such as South–South cooperation, climate finance, philanthropic aid and private-sector engagement.

The DC system emerged in the post-World War II period, initially shaped by Cold War logics and donor-driven priorities. Over time, it evolved through successive waves of policy norm innovation – from modernisation and growth in the 1950s to 1970s, to basic needs and structural adjustment in the 1980s, followed by the rise of human development, good governance and aid effectiveness in the 1990s and early 2000s. The commitments of the Paris (2005), Accra (2008) and Busan (2011) high-level forums on aid effectiveness and, finally, the creation of the Global Partnership for Effective Development Co-operation (GPEDC) (2012) reflected a normative high point in which principles of alignment, harmonisation and mutual accountability were broadly endorsed. However, since the mid-2010s, this consensus has frayed under the pressures of geopolitical rivalry, domestic politicisation of aid, and South–South cooperation providers (to a large extent not part of the GPEDC) advancing alternative development models, prompting a shift towards more fragmented and contested norms.

Prior to the recent wave of geopolitical instability and norm contestation – marked notably by the re-election of Donald Trump and the resurgence of nationalist politics in many donor countries – the DC system exhibited a reasonable degree of institutional stability and normative consensus. ODA remained the central mechanism, largely shaped by the OECD DAC's liberal-internationalist framework that emphasised poverty reduction, country ownership and aid effectiveness. Multilateral institutions retained significant legitimacy, and while alternative modalities such as South–South cooperation and philanthropic actors were growing, they operated in parallel rather than in open contestation. The overall orientation of the system was one of gradual reform within a shared commitment to the 2030 Agenda.

It is this system that we argue in this brief is increasingly shaped by contestation over norms, shifts in global power, and the diversification of development finance. This is not just a temporary fiscal contraction – it is a turning point in the political purpose, value-based framing and institutional basis of the broader area of DC. "Today's crisis, however, is different from those that came before: this could truly be the end of foreign aid as we know it." (Usman, 2025)

Current estimates suggest that the freezing and cuts to ODA in 2025 and 2026 by the US, combined with reductions by European donors, could lead to a drop of at least $50 to $60 billion annually, and possibly more, representing a decline of up to one-third of the current global ODA volume of roughly $180 billion (excluding in-donor refugee costs). For current estimates of the US and other OECD donors' ODA budgets see Donor Tracker (2024).

The political support for ODA in OECD DAC countries is being challenged on six fronts:

1. domestic fiscal pressures in many OECD DAC countries;
2. the geopoliticisation of aid and the frequent focus on a "national interest agenda";

3. the rise of populism;
4. the erosion of support and funding for multilateralism and a “rules-based system”, which has weakened shared policy “norms” such as the Sustainable Development Goals (SDGs);
5. the fact that, increasingly, ODA from OECD countries is just one option for developing countries; and
6. a changing reality in developing regions, where – on average – there are improved socio-economic conditions.

Together, these trends reflect a weakening of the moral and “global public good” framing of ODA and DC more broadly. Even “mutual interest” is being redefined from social to economic, and a more transactional, inward-looking approach is taking hold in some donor contexts – particularly in the US under the second Trump administration.

This policy brief draws on recent analyses of DC and international norms to assess the causes and consequences of the crisis. It argues that what is at stake is not only funding levels, but the future orientation and legitimacy of DC itself and its policy norms.

The brief is structured as follows. First, why are DC, and ODA in particular, in crisis. What has actually changed? We argue that there has been a collapse in the norms and legitimacy of aid. Second, in light of this, we ask how development policy norms form, cascade and fragment, and consider the political and institutional processes at work. Third, we outline four plausible options for ODA to 2030 and conclude by highlighting strategic options for sustaining cooperation in an increasingly contested global environment.

2. Why is the development cooperation system in crisis?

The perception that DC and ODA in particular is in crisis is not merely the result of temporary fiscal retrenchment. It reflects a structural convergence of political, economic and geopolitical pressures reshaping the landscape of international DC. Six intersecting drivers are notable:

1. Domestic fiscal pressures in Northern donor countries – weak growth, rising public debt and the fiscal aftermath of the COVID-19 pandemic – have prompted a reprioritisation of national budgets. ODA is increasingly viewed as discretionary, and thus politically vulnerable. This is particularly pronounced in contexts where populist or nationalist parties question the legitimacy of international spending and promote a more isolationist economic agenda.
2. Geopoliticisation of aid and an unapologetic focus on a “national interest agenda” driven by populism have led to ODA being reframed as a tool of foreign policy, security and economic leverage. Aid is increasingly deployed to deter irregular migration, counter or support strategic geopolitical alliances and domestic companies – rather than to support poverty reduction or long-term development goals. In this context, aid is a bargaining chip rather than a public good.
3. Populist and right-wing nationalist movements, are increasingly represented in parliaments and governments, where to some extent they shape public debates and strongly influence the discourse on the meaningfulness of DC.
4. Erosion of the multilateral order, manifested in declining trust in multilateral institutions and norms, has diminished the collective rationale for aid. The potential weakening of shared organisations such as the UN and the OECD DAC will further reduce coherence and incentives for global burden-sharing.
5. Increasingly, ODA is just one of several options available to developing countries, alongside alternatives such as cooperation from China, Gulf states, new development banks and private capital markets. This shift is particularly relevant for both concessional and commercial forms of South–South cooperation and beyond. However, a country's income level remains a key factor. According to OECD data, ODA accounts for over 60% of total external finance in low-income countries,

compared to just 2% in upper-middle-income countries at the time of their ODA graduation.

6. Developing regions are undergoing significant change, with many countries graduating from low- to middle-income, and middle- to high-income status – driven by improved socio-economic conditions. Rising Human Development Index (HDI) scores reflect this overall progress, though setbacks from COVID-19 and other global disruptions have slowed momentum in some areas. Despite these gains, many countries still face major structural challenges. Since 1983, 48 former aid recipients – such as South Korea and Chile – have graduated from ODA eligibility, with China and around 20 other countries likely to follow by 2030.

Together, these drivers represent not a cyclical dip, but a deeper transformation that is calling into question the foundational assumptions of the aid system (see Ishmael et al., 2025; Opalo, 2025; Usman, 2025). Specifically, it challenges the assumption that rich countries have a responsibility to support development in poorer countries, that cooperation is best coordinated through multilateral frameworks, and that aid serves global public goods.

The crisis of ODA is not only quantitative, in terms of funds, but qualitative, in terms of norms. In other words, it questions not only how much money should be spent on aid but what aid is for. The changes will significantly affect the overall allocation pattern of aid – raising questions about which sectors and topics align with the evolving rationale, and what this means for identifying the key countries the DC system should engage with. A subtle but significant transformation is underway in the rationale- and value-based foundations of DC.

The evidence base on aid for economic growth or aid for human development and its impacts has not collapsed, nor has there been a major or huge aid scandal. The crisis, then, is not founded in evidence of aid "not working" – it is about something different. What has changed is the framing of aid. The Millennium Development Goals (MDGs) and early Sustainable Development Goals (SDGs) were underpinned by moral justifications that focused on global public goods. These values have been replaced in many contexts by narratives of national interest and "mutual benefit", aid-for-trade or return-on-investment models, migration deterrence and security-first framings and, in some instances, ideological alignment as a precondition for funding.

ODA has long served multiple functions in international relations. It has operated as a form of *soft power*, enabling donors to project influence and diffuse values through attraction rather than coercion (Nye, 2004). It has also acted as a *legitimacy device*, performing alignment with global norms and technocratic modernity while reinforcing donors' self-image as benevolent actors (Sending, 2015). At a deeper level, ODA has functioned as a *strategic ordering mechanism*, embedding preferences into global norm-setting processes. While moral and normative rationales have featured prominently in aid discourse, critics argue that these often mask underlying strategic interests.

What is changing today is not necessarily the instrumental logic of ODA, which has always blended altruism with strategic calculation, but rather the erosion of consensus around its legitimacy and purpose, and an increasing trend toward contestation – and in some cases, abandonment – of the very idea of aid.

As an illustration, consider an aid-supported agreement with a partner country on migration that is expected to reduce the number of migrants reaching European shores. Should the impact of such aid still be measured against traditional development goals – such as poverty reduction in the partner country – or should "effectiveness" be defined by new goals? For example, would the aid now be considered effective simply because it incentivises the partner government to prevent more people from leaving for Europe? And how would one even test if this incentive has "worked"?

This shift is particularly visible in the US under Trump's second administration. The "New Washington Dissensus" marks a rupture with

previous multilateralist norms in the sense that it includes the deliberate defunding of global institutions, ideological vetting of recipients and a refusal to engage with climate and equity goals (see Sumner & Klingebiel, 2025). For example, the SDGs, once a unifying framework, have lost political salience and been denounced by the US; the "old" language of global solidarity has given way to conditionality, bilateralism and transactionalism. Although this may not look like DC it is becoming the US approach to policy in the DC space.

This is also why some ongoing discussions about "trust and international relations" may miss the point. Yes, a lack of trust among various actors in DC – and international cooperation more broadly – is often a real issue. Greater mutual trust could indeed lead to more effective outcomes, as it would encourage ODA providers to allow greater ownership by partner countries, for example fundamental challenge is emerging: in some cases, the issue is not merely a lack of trust, but a deeper disagreement about the underlying assumptions of the international system itself. When some actors view Agenda 2030, the SDGs, and the idea of "soft global governance" as being contrary to their national interests, what's at stake is not just credibility, but a fundamental divergence in worldviews.

In response to the growing fragmentation of the global DC system, recent proposals have revived the idea of a new Independent North–South Commission (INSC) as a mechanism to rebuild legitimacy and structure political dialogue. Drawing inspiration from the 1980 Brandt Commission – which emerged during a similarly turbulent period – the new INSC would need to reflect today's more multipolar, contested and interconnected world (Sumner, Klingebiel & Yusuf, 2025). Its legitimacy would depend not on technical detail but on inclusiveness, independence, and the political imagination to convene diverse voices around a shared agenda. Crucially, this would mean going beyond traditional donor-recipient binaries and embracing new actors, narratives and formats, with a focus on global equality of opportunity as a unifying principle. A two-step process, beginning with a preparatory working group, could set the stage for a 2026 launch. If designed with credibility and participation at its core, a new INSC could become a vital forum for rethinking the future of DC beyond 2030 – not merely restoring trust, but reconfiguring it for a more plural and unequal world and a new or adjusted set of global DC policy norms that are shared.

3. DC and shifts in policy norms

Policy norms refer to collectively accepted standards of appropriate behaviour that guide how DC actors – donors, multilaterals and recipients – are expected to operate (Finnemore & Sikkink, 1998; Barnett & Finnemore, 2004; Eyben, 2010). They are not merely technical rules, but value-laden principles that shape what counts as development (e.g. growth vs. sustainability), who is responsible (e.g. donor-recipient vs. mutual partnership), how success is measured (e.g. inputs vs. outcomes vs. equity) and what conditions are legitimate (e.g. alignment vs. autonomy). Examples of DC policy norms are numerous and include the Paris principles on aid effectiveness (ownership, alignment, harmonisation, results and mutual accountability), as well as more recent norms around policy coherence, gender equality and climate responsibility. These norms evolve historically and are often embedded in institutional arrangements such as DAC peer reviews, the GPEDC and multilateral lending practices (Gulrajani & Honig, 2020). The crisis of the DC system today is a crisis of these norms. Longstanding assumptions about what aid is for – and how it should be delivered – are being contested, reframed, eroded or dumped altogether (Deitelhoff & Zimmermann, 2020).

To understand the current disruption in development cooperation, it is thus necessary to consider how policy norms are established, sustained and ultimately challenged, and how new norms could be promoted or resisted.

Norms are not static – they are politically constructed, socially contested and historically contingent. According to policy norms theory (e.g. Checkel, 1999; Finnemore & Sikkink, 1998; Acharya, 2004; Gulrajani, 2016; Sending, 2015), norms in development cooperation typically follow this trajectory:

1. Emergence – new ideas are introduced by norm entrepreneurs (individuals or organisations advocating for new standards, e.g. DAC promoting aid effectiveness).
2. Diffusion – norms gain traction through endorsement by powerful states or institutions, spreading via socialisation, peer pressure or emulation (e.g. results-based management promoted by DAC donors and institutionalised through performance-based budgeting and conditionality).
3. Internalisation – norms become embedded in institutional routines and legal frameworks, taken for granted and no longer actively contested (e.g. SDGs prior to 2025).

Norm fragmentation in contrast occurs when existing norms are questioned, selectively applied or actively dismantled. Recent scholarship (e.g. Deitelhoff & Zimmermann, 2020; Wiener, 2018) identifies several forms of contestation:

- applicatory contestation – disagreement over how a norm should be implemented (e.g. tensions between donors and recipients over what "ownership" entails);
- validity contestation – a challenge to the legitimacy of the norm itself (e.g. rejecting the value of climate or DEI (diversity, inclusion, equity) goals);
- norm anti-preneurship – strategic efforts by powerful actors to not only resist but also reverse norm diffusion (e.g. the Trump administration's approach); and
- institutional contestation – the use of different forums to contest norms through blocking or introducing hundreds of amendments to "final" outcome documents (e.g. the Trump administration's approach to wrecking the FFD (Financing for Development) conference).

Since the early to mid-2010s, we have already witnessed a phase of norm contestation in DC. While the 2030 Agenda – and its Sustainable Development Goals (SDGs) – provide a universally endorsed value-based framework for DC (norm generation), the implementation of this agenda has been marked by norm contestation, driven by unresolved political conflicts and power struggles. Chaturvedi et al. (2021) introduced the concept of "contested cooperation", highlighting how differing interpretations of cooperation norms and contestations over institutional authority shape development efforts. These contests manifest in two main forms:

1. politicisation of existing multilateral institutions (e.g., SDG agendas being leveraged for commercial interests); and
2. counter-institutionalisation through the creation of new forums (e.g., emerging South–South platforms or G20 development groups) that compete with established DAC/UN frameworks.

These overlapping "sites of contested cooperation" – ranging from within the UN to alternative governance forums – demonstrate persistent norm fragmentation, where multiple and sometimes conflicting standards and narratives challenge the cohesion of global development governance (Chaturvedi et al., 2021).

The far-reaching norm fragmentation in DC is illustrated by four dynamics identified by Esteves and Klingebiel (2021):

1. Norm diffusion and fusion – traditional (ODA-based) North–South norms blend with South–South principles, creating hybrid models that combine mutual benefit, solidarity and commercial interests.
2. Institutional proliferation and confusion – new platforms (G20, BRICS, South–South networks) challenge DAC/UN institutions, promoting overlapping norms and conflicting obligations for partner countries.
3. Contested authority and standards – actors reshape or bypass institutions, legitimising

alternative norms on transparency, conditionality and ownership, undermining coherence.

4. Emerging sites of contestation – development cooperation now unfolds across multiple arenas – UN platforms, exclusive clubs – each with distinct value logics, fragmenting efforts toward the SDGs.

Norms fragment when power shifts alter actors' incentives, crises expose contradictions, and competing norms emerge. Today, fragmentation is driven by populist politics, geopolitical rivalry and institutional fatigue with multilateralism. The SDG agenda has struggled to regain momentum post-COVID, while bilateral actors – most notably the US under Trump's second administration – increasingly impose their own value-based frameworks. In short, norms in development cooperation form through advocacy and socialisation but fragment under political contestation, power asymmetries and institutional shifts that erode their legitimacy.

Value-based shifts are not simply about intellectual persuasion or new evidence, as they are shaped by power, institutional constraints and political strategy. Three interlinked domains through which value-based change occurs are policy actors/networks, policy institutions/context and policy narratives.

Norms are promoted or resisted by networks of actors with different levels of influence. These include norm entrepreneurs or individuals and organisations actively promoting new norms (e.g. DAC promoting aid effectiveness, and civil society coalitions advocating for localisation or feminist aid principles), norm anti-preneurs or actors who challenge existing norms or seek to introduce counter-norms (e.g. the Trump administration defunding multilateral agencies and challenging the legitimacy of climate or DEI-related aid), and coalitions/alliances or groups of like-minded actors (e.g. the G77, DAC donors, or South–South platforms) that coordinate to support or contest specific value-based frameworks. The success of these actors depends not only on resources or formal authority but also on network position, coalition-building capacity and discursive leverage.

Norms are also embedded in – and shaped by – formal organisations, procedures and historical legacies. Political economy and institutional theory point to several mechanisms of change (Streeck & Thelen, 2005):

- layering: adding new value-based elements to existing institutions (e.g. integrating gender or climate into results frameworks);
- conversion: reinterpreting existing institutions to serve new value-based goals (e.g. reframing aid for migration control under the rubric of DC);
- displacement: replacing old institutions or norms with new ones (e.g. bilateralising aid relationships in place of multilateral funding channels); and
- drift: maintaining formal rules while shifting their function through inaction or reinterpretation (e.g. keeping SDG language but deprioritising it in practice).

There are also critical junctures, such as the end of the Cold War, the 2008 financial crisis and the COVID-19 epidemic, which can accelerate value-based change. The return of Trump to the US presidency in January 2025 may represent such a moment, with fundamental consequences for the global aid architecture.

Finally, value-based change also unfolds through discursive struggles over problem definitions and legitimate solutions. International organisations exercise "classificatory power" by defining legitimate problems, actors and responses (Barnett & Finnemore, 2004), but this authority is increasingly contested by different means:

- Framing and reframing – shifts in language, such as that from "aid effectiveness" to "mutual benefit" redirect policy by reframing cooperation as transactional and emphasising economic over social returns.
- Evidence mobilisation – competing narratives draw on different evidence; while the SDGs

rely on social indicators, nationalist regimes emphasise donor-country economic returns (e.g. job creation).

- Narrative contestation – concepts like "global solidarity" compete with "America First" or "migration control" in defining ODA goals.
- Institutional contestation – countries redirect debates between forums or block initiatives by exploiting procedural rules.

In sum, there are three domains (See Figure 1) that shape the conditions under which development policy norms emerge, persist or collapse: (i) policy actors and networks, (ii) policy context and institutions, and (iii) policy narratives and evidence. The current period is marked by heightened contestation across all three in DC. What this means for the next few years is a set of potentially quite different pathways.

4. Four futures for the DC system

DC and ODA (as a main form of DC) and policy norms around these may look very different by 2030. The year 2030 is a useful focal point not only because it marks the formal endpoint of the SDGs (though they may be extended beyond 2030, that is not certain), but also because it allows a near-term horizon within which course correction is still possible. Furthermore, the SDG and Agenda 2030 narrative has been tied, to some extent, to the DC system since at least 2015 – and arguably since the mid-to-late 1990s through its precursors, the MDGs and the DAC International Development Targets.

Figure 1: Political and institutional processes of norm change in development cooperation

Domain	Elements	Mechanisms	Examples
Policy actors and networks	• norm entrepreneurs • norm anti-preneurs • coalitions and alliances • epistemic communities • power differentials	• strategic framing • coalition building • leverage politics • agenda setting	• OECD DAC as norm entrepreneur • Trump administration as norm anti-preneur • G77 promoting South–South cooperation norms
Policy context and institutions	• formal organisations • rules and procedures • historical legacies • geopolitical shifts	• institutional layering • conversion • drift • displacement • critical junctures	• DAC peer review mechanisms • World Bank safeguard policies • COVID-19 as juncture
Policy narratives and evidence	• problem definitions • causal stories • normative frames • knowledge claims	• problem construction • discursive framing • narrative contestation • evidence mobilisation	• "aid effectiveness" narrative • "America First" counter-narrative • evidence on aid impact

Source: Authors

Figure 2: Four futures for development cooperation in 2030

		Level of cooperation	
		Coordinated	Fragmented
Political commitment of Global North to development of Global South	High commitment	**Option 1:** **Global solidarity 2.0** Reinvigorated multilateralism; renewed donor alignment around SDG acceleration, climate finance, and pandemic preparedness. DAC adapts to a rising Southern voice and legitimacy concerns. Grants and concessional finance increase.	**Option 3:** **Pluralist development cooperation** Commitment to development remains high but cooperation becomes decentralised. South–South, triangular, and regional cooperation expand. DAC donors pursue divergent approaches; hybrid normative frameworks emerge.
	Low commitment (or even against a multilateral consensus)	**Option 2:** **Strategic multilateralism** Multilateral institutions persist but shift toward narrow priorities (climate, health, migration). Development cooperation in support of national partner country priorities is redirected towards global public goods. SDGs fade in importance.	**Option 4:** **Aid retrenchment and nationalist conditionality** ODA becomes inward-looking. Aid is used for donor-centric goals – migration deterrence, strategic alignment, economic return. Multilateralism weakens; the SDG agenda is marginalised. The "New Washington Dissensus" becomes the default norm.

Source: Authors

- Option 1 represents the most optimistic trajectory. It assumes political recommitment to development as a global public good, and a revitalised institutional leadership from both North and South.
- Option 2 reflects continuity with diminished ambition. Multilateralism persists, but its normative foundations erode, and development becomes more about delivering order and containment than enabling transformation.
- Option 3 sketches a decentralised, experimental path, driven by emerging actors and new coalitions – less coherent, but potentially innovative and adaptive.
- Option 4, already visible in some contexts, reflects a turn toward bilateralism, ideological filtering and the instrumental use of aid – closely aligned with the Trump 2.0 administration's stated agenda.

These four scenarios are not fixed or mutually exclusive; elements of each may coexist across regions, institutions and issue areas. The future of the DC system will depend on which narratives dominate, which coalitions endure, and how resilient existing norms and institutions remain.

This framework offers a useful lens for current debates, clarifying strategic choices and normative trade-offs, and moving beyond reactive analysis toward a more structured reflection on feasible futures. The underlying premise is that the status quo – multilateralism sustained by broad normative consensus and stable donor commitments – is no longer viable.

Any such exercise inevitably raises the question of strategic preference and agency. Option 1 – reinvigorated multilateralism grounded in global solidarity – may be the most desirable, but it is also the most politically demanding. Achieving it requires not only renewed normative commitment from major DAC donors but also new coalitions

acting as norm entrepreneurs and institutional innovators. These include second-tier powers, emerging economies with credible internationalist records, and actors such as civil society, youth networks and think tanks able to shape narratives and convene influence. The core challenge is to make Option 1 politically feasible in a landscape where fragmentation and instrumentalism often prevail. This will demand political imagination, institutional innovation and a sober reassessment of what global cooperation can realistically deliver by 2030, as the SDG agenda approaches its formal endpoint. Ultimately, the issue is not only which future is most desirable, but how new forms of like-minded internationalism can be mobilised to achieve it.

5. Conclusions

The crisis facing ODA goes beyond shrinking budgets, reflecting a deeper structural shift in the foundations, political rationale and institutional architecture of development cooperation. While ODA's origins were tied to Cold War geopolitics, a parallel consensus rooted in solidarity, multilateralism and moral obligation emerged. That consensus is now rapidly eroding, with competition between the major powers again shaping ODA in a new global context.

Development cooperation is no longer guided by universally accepted norms. Instead, competing narratives on what constitutes effective, legitimate or ethical aid have proliferated, undermining the credibility and coherence of development policy. Traditional norm-setting institutions such as the DAC and UN face pressure – not only from declining donor trust but also from rising alternatives such as South–South cooperation networks, and BRICS+. This counter-institutionalisation complicates coordination and weakens global burden-sharing.

Simultaneously, ODA is increasingly being instrumentalised for short-term interests – curbing migration, securing trade or promoting ideology. Under Trump's second administration, in particular, development cooperation has become a transactional foreign policy tool, weakening its role as a contributor to global public goods and soft power.

The erosion of shared norms leads to confusion, duplication and inconsistency in aid delivery, further undermining legitimacy. Norm fragmentation has become both a symptom and driver of declining trust, institutional fatigue and growing political divergence.

The four futures outlined in this brief – from value-based revitalisation to transactional bilateralism – are not mutually exclusive; elements of all may coexist across regions and institutions. What is urgently needed is the emergence of new coalitions to restore momentum for global development. Ishmael, Klingebiel, and Sumner (2025) call this "like-minded internationalism" – a form of collective action based not on hierarchical leadership or formal multilateral structures, but on country groupings aligned around shared values and pragmatic goals. The key challenge is to build norm-entrepreneurial coalitions capable of reinvigorating global cooperation amid fragmentation and uncertainty.

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