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[**Special Issue Title:** The Private Sector in the Development Landscape: Partnerships, Power, Possibility]

[Editorial Title:]

The Private Sector in the Development Landscape: Partnerships, Power, and Questionable Possibilities

Jason Hart, Jo-Anna Russon and Jessica Sklair[1]

Introduction

Within the field of international development (ID) the concept of "partnership" attracted renewed interest from the 1990s onwards. This interest was manifest in the inclusion of "Global Partnership for Development" as one of the eight *Millennium Development Goals* (MDGs) pursued in the first 15 years of the 21st Century. The *Sustainable Development Goals* (SDGs) that replaced the MDGs in 2015, retained a focus on partnership. SDG17 ("Partnerships for the Goals") framed partnership both as a goal in itself and as a means to achieve the other goals. In the explanation of this goal within the SDGs we see encouragement for partnerships between private sector actors and those in the public and third sectors.[2]

This Special Issue of *Development in Practice* is devoted to the consideration of partnership in which private sector actors play a significant role. It brings together the contributions of scholars and development practitioners from an array of disciplinary and professional backgrounds who participated in a series of events**[3]** organised by the Business and Development Study Group of the UK Development Studies Association (DSA).

We begin this introduction to the Special Issue by describing the forms, intended benefits and identified problems of the private sector within the development landscape. Critical literature on private sector involvement in the ID field is still at a relatively early stage and an explicit focus on partnership, per se, remains relatively rare. For this reason, we offer a brief overview of key insights from the well-developed literature on partnership involving public and third sector players. This provides a helpful framework for organising and discussing the arguments of our authors in this Special Issue. As we explain, three key themes inform this framework: the role of finance in shaping partnership dynamics and outcomes; colonialism and north–south dynamics in private sector partnerships; and the possibilities for shifting power dynamics. In the final section we return to the question of power and possibility arising in private sector partnerships for development. We conclude that the growing engagement of private sector actors has tended to reproduce – and sometimes exacerbate – previously existing barriers to effective

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[1] Authors' names listed here alphabetically. This Special Issue involved a partnership between three scholars from different disciplines and areas of expertise, each with distinct experiences and perspectives on private sector engagement in ID. However, the process of creating the Special Issue and writing this editorial was characterised by continual collegiate dialogue, negotiation and collective effort.

[2] See https://sdgs.un.org/goals/goal17

[3] DSA Business and Development Study Group Workshops, December 2017 and 2018; DSA annual conference panels (2017–2020) and Private Financing for Development Workshop, Institute of Latin American Studies, University of London, November 2018 (the latter kindly funded by British Academy/Leverhulme Small Research Grant ref. SRG\170255, 2018).

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partnership outcomes, already identified in earlier partnerships between more traditional actors in the development landscape.

The private sector in the development landscape

Forms of Engagement

Forms of private sector engagement in development have multiplied over recent years. In line with Porter and Kramer's (2011) "shared value" approach, business has been encouraged to find ways of creating economic value that also create value for society, addressing its needs and challenges. This has seen the emergence of diverse corporate social responsibility (CSR) programmes (Dolan and Rajak 2016), alongside CSR metrics, social enterprises and Fairtrade initiatives: all of which seek to align supply and value chain management and corporate purpose with development objectives. Meanwhile, bottom-of-the-pyramid (BOP) initiatives (Hart and Christensen 2002; Prahalad 2006) have sought the creation of new markets, in which the poor are served as both consumers of products designed and priced for their needs and as micro-entrepreneurs, responsible for selling these products on behalf of multinational corporations (MNCS). In parallel, the burgeoning financial inclusion sector has been trialling new financial technologies (fintech) for the extension of credit and banking services to the poor (Mader 2018). Alongside these innovations, private (individual and institutional) investors have been called upon to engage in "impact investing" in the search for new forms of development finance. Following the UN's 2015 *Addis Ababa Action Agenda*[4] attempts to attract private financing to development have included the issuance of development impact bonds (DIBs) (Ziswiler 2021), "blended finance" initiatives, which draw on public or philanthropic funds to underwrite private investment, and new private–public partnerships (PPP) for infrastructure financing and delivery in the Global South (Bayliss and Van Waeyenberge 2018). Philanthropic foundations, endowed with staggering financial resources and global influence (McGoey 2015; Kilby 2021), also take their place alongside these private development financiers, where they often play a "bridging" role between private and public sector actors within the development landscape (Kumar and Brooks, 2021). Finally, a growing cadre of private development consultants (Roberts 2014; White 2020) exert increasing influence across this shifting development landscape.

A 2005 Special Issue in this journal reviewed the debate concerning the role of business and private sector actors in development processes. Arguments ranged from accusations that the private sector is part of the problem, to the assertion that it can and should be part of the solution. The editor of that Special Issue, John Sayer, concluded that companies are programmable machines and the "challenge is to put companies in the service of society and create wealth for it" (2005, 267). This requires us to imagine new forms of ownership and control that retain the power and dynamism of companies while avoiding obscene concentrations of wealth.

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[4] Adopted at the Third International Conference on Financing for Development

Intended Benefits

The potential benefits of private sector engagement in the development landscape continue to be heralded. Evidence shows that Foreign Direct Investment (FDI) can generate benefits such as the transfer of capital, technology and skills, and promote job creation, infrastructure investment, and links to the developed world – although it is also recognised that FDI flows to the poorest countries are limited (Hornberger 2011; United Nations Conference on Trade and Development (UNCTAD) 2014). Development oriented social and environmental activities under the banner of strategically defined corporate responsibility and sustainability have also been championed for their capacity to create economic and societal value through locally-oriented profitable partnerships that challenge systems of poverty, for example in agricultural value chains (Porter and Kramer 2011; Werhane, Newton and Wolfe 2020).

In parallel, the growing direct involvement of the private sector in development work is often presented not only as a means to access new knowledge, expertise and technology (see for example SDG target 17.6), but also as a way of accessing finance for development. In an era of static or declining overseas aid budgets amongst conventional governmental donors, the private sector offers promise as an important source of funding.[5] The scale of need is immense. For example, UNCTAD has estimated that meeting the SDGs by 2030 will require annual investment of between US$5 and US$7 trillion, representing a deficit of US$1.9 to $3.1 trillion based on existing levels of development financing (UNCTAD 2014, 140). The turn to private sector involvement is broadly seen as the only means of accessing finance at this scale (United Nations 2015; World Bank Group 2019). Raising private finance has now become a development objective in its own right, enshrined in official evaluation systems developed by, among others, the UN, the World Bank and the OECD. However, serious questions remain about whether and how private sector actors and financiers might contribute to improving development outcomes (Wood 2010; Blowfield and Dolan 2014).

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Problems Arising

Involvement of private sector actors as development financiers has raised a number of concerns. For some critics, the rush to create investment opportunities that would capture mainstream finance has served to transform development into a new frontier for financial speculation (Carrol and Jarvis 2014; Mawdsley 2018; Gabor 2021). From lucrative PPPs in the Global South (Bayliss and Van Waeyenberge 2018), to “blended” development financing initiatives (Cohen et al. this issue), to the securitisation of microfinance loans in global financial markets (Soederberg 2013), commentators note how development interventions now serve the interests of global capital.

In these new development financing initiatives, attracting private finance is dependent on the promise of competitive return on investment (ROI). These financing arrangements usually work to long-term schedules, but funds must eventually be found both to repay the costs of initial private investment and to cover this associated ROI. In the current development architecture, these costs are paid for by public or philanthropic donors, or by fees charged to ‘users’ of development interventions at the point of service. As Mawdsley et al. (2018, O26) have argued, this has seen “governments and corporations […] increasingly

[5] This view, of course, ignores the fact that by avoiding payment of their full tax liability many large corporations deprive governments of the funds that might otherwise be spent on overseas aid.

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co-opting the rhetoric and resources of 'aid' under the rubric of 'shared prosperity' to stimulate and subsidize corporate capitalism", a trend in which the role of foreign aid is redefined as one of leveraging or "escorting" private finance into the development arena via the creation of investment opportunities (Carrol and Jarvis 2014, 538). These processes have been viewed as reinforcement for existing relationships of economic dominance in the contemporary era of financialised capitalism.

In addition, the financialisation of development has seen investors, businesses, philanthropic foundations and other private sector actors gain growing influence over the design of development interventions. As these actors have gained authority, market-oriented programmes have proliferated across the development landscape. Unemployed youth in Nairobi's shanty towns are thus enjoined to become 'bottom-of-the-pyramid entrepreneurs' through the sale of "social goods" (such as solar lights, clean cookstoves, etc) (Dolan and Rajak 2018), while an expanding "fintech-philanthropy-development complex" sees the roll-out of mobile technologies for financial inclusion, facilitating the "commodification of a new class of financial consumer" (Gabor and Brooks 2017, 425).

Furthermore, while the merits of private sector engagement in development have been discussed at length,[6] evidence of positive impacts on development outcomes remains limited. In summarising their collection of studies on development-oriented CSR, Jamali, Karam, and Blowfield (2015) highlighted several key issues which constrain the possibilities of achieving development outcomes through private sector involvement. First, there is a challenge of alignment between private sector goals and those of the communities in which development is to be pursued. Second, and relatedly, there is often a failure to appreciate the need for understanding of the economic, political, institutional and cultural contexts of intended activity. Finally, private sector prioritisation of immediate self-interest and shareholder benefit has been seen to create its own constraints, not least in terms of sustainability.

For several decades, development organisations have pursued an agenda of empowerment, self-reliance and the exercise of agency at the local level, albeit with limited success. Recent studies, however, also show that private sector actors often fail to prioritise or sufficiently grapple with the complex challenges of understanding community dynamics and building local agency (Banks et. al. 2016; McEwan et. al 2017; Vestergaard et. al. 2020). We thus find a question mark about impact hovering over the literature on private sector involvement in the development landscape. While evidence suggests that some corporate actors are benefitting from such involvement, the impact upon communities and nations that are supposed to gain from the financial, technological, and expert inputs of the private sector is less clear-cut.

As noted above, the proposition that the private sector should serve as a partner in development has been given impetus by the SDGs. This emphasis upon partnership brings into focus questions about the nature and quality of the relationship between corporate actors and the public / third sector. Can a focus upon the relationship between these players offer a way forward in tackling the limitations and problems

[6] For a useful introduction see Lund-Thomsen, Hansen and Lindgreen (2019). For a review of the historical conditions under which the private sector gained increasing acceptance as a development actor see Black and O'Bright (2016).

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of private sector involvement hitherto identified? In their different ways each of the articles in our Special Issue addresses this question. However, before introducing the articles we pause to consider the lessons learned about partnership between the conventional ID actors. If partnership involving the private sector is to prove beneficial, it would do well to take into account the identified pitfalls of partnership pursued over the last three decades or so between multilateral / bilateral donors and International Non-Governmental Organisations (INGOs) or between INGOs and local community-based organisations.

Partnership in international development

The critique of partnership involving conventional public / third sector development actors was well-established some years before interest in public–private partnership gained prominence. The actual experience of partnerships – typically between combinations of donors, UN development agencies, international non-governmental organisations (INGOs) and locally based non-governmental organisations (NGOs) – prompted searching questions from scholars and practitioners alike and frequent claims that this was little more than rhetoric masking business as usual (e.g., Fowler 2002; Brehm et al. 2004; Baaz 2005). Many critical observers have argued that the term "partnership" was invoked, misleadingly, to describe relationships between contractors and those employed to implement their orders (e.g., Baaz 2005; Impey and Overton 2014). Such relationships were seen to reflect the hierarchical nature of the aid industry, in which governmental and inter-governmental donors sit at the apex of a pyramid, setting terms for and demanding accountability from UN development agencies / INGOs. The latter, in turn, relate to implementing agencies on the ground in terms of command and control where the focus is placed on efficiency. Within the bounds of donor aims, UN agency / INGO plans, and local NGO obligations, there may be little space to challenge established ways of seeing and thinking.

This is a far cry from the vision of partnership expressed by the OECD / DAC in a 1996 account of policy:

> *In a partnership, development co-operation does not try to do things for developing countries and their people, but with them. It must be seen as a collaborative effort to help them increase their capacities to do things for themselves. Paternalistic approaches have no place in this framework. In a true partnership, local actors should progressively take the lead while external partners back their efforts to assume greater responsibility for their own development.* (OECD / DAC 1996, 13)

Advocates have suggested that partnership worthy of the name entails mutuality, respect, equity, and trust (Bakshi 2016). For some, the maintenance of autonomy is also vital (Brehm et al. 2004). Yet, when one partner alone controls the financial resources, questions arise about the possibility of developing working relationships imbued with such qualities. This point relates to partnerships between donors and recipients, as well as those between international / multilateral development organisations and locally based agencies. When the power enjoyed by the partner holding the purse strings is not open to question or contestation the label of "partnership" may simply provide a fig leaf for the perpetuation of a hierarchical status quo (Lister 2000, 235).

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Disparities in power, reflected in and reproduced through control over finance, should be seen in historical context. Within the project of international development, as pursued by governments and institutions in the Global North, the history of colonialism and its contemporary manifestations have been viewed by critics as casting a shadow over working relationships, particularly those between UN agencies / INGOs and their NGO "implementing partners". Organisations based in the Global South may identify this problematic dynamic and seek ways to resist. However, the obstacles to transformation are multiple and extend beyond practicalities. As Fanon argued some sixty years ago, overcoming colonialism is, at heart, a challenge for the psyche (1961 / 2001).

Advocates of partnership have envisaged actors with diverse experiences, perspectives, and positionalities collaborating toward the achievement of shared goals. The ethnographic record of actual efforts to achieve partnership of this kind commonly highlights the obstacles, giving the impression that the asymmetries of power tend to overwhelm. However, within the literature there are examples that indicate possibility in the shifting of power dynamics. This is captured, for example, in the account by Schech et al. (2015) of partnership between international development volunteers from Australia and host organisations in the Global South. These authors argue that the lower status of volunteers compared to development professionals and the relative indeterminacy of their programme of work opened up the possibility to build the trust, mutual respect, and equity commonly indicated as the hallmarks of "genuine" partnership (364). In working with individual foreign volunteers, host organisations have greater latitude to push their own priorities and "assert the mutuality of volunteering relationships" (368). Furthermore, there are no finances under the control of the volunteers. Although the authors are fully mindful of the challenges, their article offers a tentative argument for the potential of partnership unconstrained by the familiar asymmetrical power relations.

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Powell et al. (2010) depict an initiative in which such inequity in the distribution of power is tackled head-on. They describe a three-year initiative focussed on nursing care in which a US university partnered with a university and two medical organisations in the Caribbean to build capacity and pursue joint projects of research. They describe the centrality of dialogue and transparency in building trust and mutual respect. In their reflections on this project, Powell and colleagues employ the phrase "dissimilar exchange" to describe "a collaborative process yielding unique beneficial outcomes to each partner" (60) and assert that "(p)artnering results in mutual empowerment" (67).

These two examples suggest that the qualities of mutuality, trust, respect, and common benefit – often invoked as characteristics of "genuine" partnership – may be realised under certain conditions. Yet the specificity and apparent rarity of positive examples indicate the difficulty in achieving such partnership.

Drawing on these insights from partnership in ID initiatives between public / third sector organisations, we now turn to partnerships for international development between public / third sector organisations, on one hand, and private corporations / philanthrocapitalists, on the other; our discussion engages particularly with the insights offered by contributors to this Special Issue.

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Power and possibility of the private sector as a development partner

Locating our articles

New and innovative partnerships between private sector actors, multilateral agencies, national governments, and local and international NGOs are in rapid proliferation. The articles in this Special Issue depict partnerships that range in scale, from the two-partner collaboration between a corporate philanthropist and a small NGO described by Jo-Anna Russon, Brad Moore, and Helen Broughton, to the global multi-stakeholder initiatives explored by Moira Faul and Jordan Tchilingirian.

Amidst the diversity of forms potentially taken by these partnerships, three types are discussed by our authors. These can be specified, broadly, in terms of (i) the financing of development intervention (either through grants or for-profit investment), (ii) the integration of development objectives into core business activities, (iii) direct engagement in the design and implementation of development programming. In reality, the boundaries between these three roles are inherently blurry, and several of the private sector partners described in the articles assume more than one simultaneously.

The first of these types sees private sector actors enter the development sector in the role of financier. As already noted, there is broad consensus in the development sector that traditional forms of official development assistance and multilateral financing will not be sufficient to achieve the SDGs. Increasingly, therefore, attention is turning to how to attract forms of mainstream finance that would not previously have found their way into the development sector. Russon et al. discuss one form of development financing partnership in which corporate philanthropists commit to long-term grant funding to cover the core costs of a small development NGO.

In order to access development finance quickly and at the scale necessary to meet the SDGs, however, development partnerships are increasingly structured as *for-profit* investment opportunities, aimed at mainstream investors. The article by Marc Cohen, Claire Godfrey, Hilary Jeune, and Shannon Kindornay explores the recent proliferation of "blended finance" initiatives, in which financial contributions from states, donor agencies, and/or philanthropic foundations provide a "de-risking" function to guarantee ROI for these private sector partners. Many of the multi-stakeholder development partnerships explored by Faul and Tchilingirian work along similar lines but may also incorporate direct grant-making from philanthropic partners.

Working from a similar perspective, Elisa Van Waeyenberge, Kate Bayliss, and Maria Jose Romero examine the role of private finance in public–private partnerships (PPP) in the Global South. They describe private companies entering into partnership with local governments to build infrastructure or deliver public services. As in the blended finance initiatives described by Cohen et al., these authors demonstrate how PPPs often see governments in the Global South absorbing disproportionate levels of financial risk, to the benefit of their private sector partners.

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A final example of this first type of development partnership with the private sector is seen in Shonali Banerjee's account of for-profit online crowdfunding platforms in India. Unlike the examples explored above, the private sector partners in Banerjee's article (Indian crowdfunding platforms) do not provide finance directly to their third sector partners (the local development NGOs that use their services). Nonetheless, the effects of the profit motive guiding the crowdfunding platforms still seep into these partnerships, and risk is ultimately shifted away from private sector partners here too.

The second type of private sector development partnership discussed in this Special Issue centres on the core activities of businesses. Here, the emphasis is on putting markets at the service of development: an ambition bolstered through claims to the private sector's inherent efficiency and drive for innovation. Ruth Mhlanga and Uwe Gneiting's article shines a spotlight on the extent to which business activity supports – or hinders – the realisation of the SDGs, and the reputational gains reaped by companies through their control over this narrative.

Recent decades have also seen attempts to effect more long-lasting transformation of core business activities through movements for ethical consumption (De Neve et al. 2008). In their contribution to this Special Issue, Layla Ruis Zaglul and Peter Luetchford explore Fairtrade initiatives in Costa Rica, which seek to embed the principles of sustainable development directly into both the production of bananas and coffee and their consumption, rendering businesses and their customers active partners in the development project. Also falling within this second category of development partnership with the private sector, the case study by Priyan Senevirathna explores a partnership between an INGO (CARE International) and a Sri Lankan agri-business (Hayleys). In this partnership, CARE plays a key role in facilitating Hayleys' engagement of small family farmers in contract farming agreements, opening up new agricultural supply chains for the corporation while ostensibly driving development among Sri Lanka's rural poor.

In the third type of development partnership highlighted by our Special Issue, private sector partners contribute directly to the design and implementation of new development interventions. This role is often assumed by private philanthropic foundations in partnership with NGOs and development agencies (McGoey 2015; Moeller 2018; Kohl-Arenas 2016). The role of corporate foundations in this kind of partnership may encompass development financing and the alignment of business activities with the SDGs and CSR indicators. But it also goes beyond this to include dedicated development programming in areas within – and often outside – core business expertise. The article by Cathy Shutt describes the partnership between the Nike Foundation and the UK Government's Department for International Development (DfID) (now incorporated into the Foreign, Commonwealth and Development Office), which gave rise to the *Girl Hub* project. Here, the contribution of Nike (a footwear company) is one of active engagement in the design of a direct development intervention in an area (girls' empowerment and economic development) well beyond the remit of its business activities.

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Partnership and power

The articles in this Special Issue each explore the dynamics and outcomes of partnership between private, public, and/or third sector actors. Here, we introduce the analysis offered by the articles, grouping them together in relation to three specific questions that all relate, in some manner, to the theme of power and its distribution. These three questions have been formulated through our engagement with the extant literature on partnership in international development (discussed above) and are as follows:

1. How do financial arrangements impact the dynamics and outcomes of private sector partnerships for development?
2. How is the historical relationship between Global North and Global South, shaped by colonialism, implicated in private sector partnership?
3. What potential exists for power relations within the ID field to shift through private sector partnership?

We discuss each of these questions in turn.

Finance: Impacting partnership dynamics and development outcomes

As we have already seen in our overview of literature on conventional development partnerships, the power of INGOs and development agencies in relation to locally based organisations in the Global South is strongly linked to control of finances. The former may experience a relative lack of power in dealings with their own institutional donors. However, once they obtain the monies to conduct their work, they are not simply able to direct local "partners" but may actively be required to do so by the agencies funding them. How then, do the power dynamics of financing shift when the private sector enters the development arena as a new partner?

Working relationships involving private and public sector actors can take diverse forms – as we have described. In some cases, finance may be an issue of relatively little importance and funds may not exchange hands at all. Here, we can gain valuable insight into the dynamics of partnership in a situation where neither party is enabled to dominate due to its control of the purse strings. At the other end of the spectrum, we find corporate actors whose involvement in ID is purely as a donor.

In between lie a range of possible relationships with attendant financial arrangements and differing relations of power. These include new relationships where private sector actors enter development partnerships as investors, providing finance up front and at scale for development interventions, but on the condition that these funds are paid back with interest (ROI) over the long term by public or philanthropic donors. Such financing arrangements introduce a profit incentive to development partnerships. These different models afford the opportunity to compare the dynamics of public–private partnership with those of collaboration involving conventional public / third sector development organisations. Does the "command and control" relationship, familiar in the context of the latter, necessarily pertain in situations where investors, corporations, or philanthropic foundations engage with

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non-profit development agencies responsible for project implementation in the Global South? In the articles contained in this Special Issue we find different answers to this question.

In the most encouraging of these studies, the article by Russon et al. gives detailed insight into a long-term financial commitment by private sector actor Danbro (an accounting services firm) to support Operation Orphan, a small UK-based development charity working with orphans and vulnerable children in Zimbabwe and fifteen other countries. The financing model born out of the partnership between Danbro and Operation Orphan sees the former committed to full charitable funding of the latter's core administrative costs. This allows Operation Orphan's director to pursue what he calls the "100% promise", whereby all other donations received by the charity go directly towards supporting the care structure for orphans and vulnerable children. Benefits of the financial partnership between Danbro and Operation Orphan are thus measured in terms of the extent to which Danbro's support enables Operation Orphan to "leverage" funds from other donors, and in relation to the "value added" for both partners. This financing model has been in place for over ten years, and the authors note that uneven power relations are addressed through commitment of both partners to governance structures that ensure effective and equitable management. In addition, the authors highlight the centrality of a close relationship of trust between partners.

A very different kind of development financing model is seen in the partnerships detailed in Banerjee's article. Here the role of the business partners in question – digital crowdfunding platforms in India – is to facilitate the flow of funds from individual donors to small Indian NGOs, by providing online forums for direct fundraising. As Banerjee shows, however, the platforms are required by their shareholders to achieve substantial profit margins (through fees paid by NGOs on online donations received) and this shapes the partnership between platforms and their NGO clients in problematic ways. As the platforms' business model depends on maximising donations made through their sites, pressure mounts on NGOs to tailor their fundraising strategies to the competitive requirements of the online donor landscape created by the platforms themselves. In this partnership we see a privately run fundraising service affecting the ability of local NGOs to secure donations from the public, creating inequities between those NGOs that find it easier and more difficult to acquire the new skills necessary for fundraising through the online medium.

To what extent do the new development financing models replicate earlier, problematic relationships of "command and control"? According to Banerjee's article as the financialising logics of for-profit actors begin to permeate the development sector, shifts occur in what constitutes financial power in emerging development partnerships. While the NGOs in Banerjee's study are not wholly dependent on online fundraising, her respondents note the growing importance of diversifying their funding streams in a context of reduced (local and foreign) aid. With their access to important new (online) donors mediated by privately owned crowdfunding platforms, these NGOs find themselves entangled in new kinds of relationships where access to funding streams is contingent on the ability to adapt to the marketised logic of persuasion through digital (development) storytelling.

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The article by Van Waeyenberge et al. also demonstrates how private sector partners bring new financialising logics to development through an analysis of two public–private partnerships (PPPs) for the building of a toll road in Senegal and a hospital in Brazil, respectively. Both of these PPPs constitute multi-actor development partnerships, bringing together state actors, multilateral development agencies, local and international development banks, and private investors. The authors demonstrate that, while infrastructure PPPs such as these can ensure the provision of much needed finance up front, they also come with costs that are ultimately borne by Southern states and infrastructure users. We see how scarce public resources and traditional development finance are mobilised to guarantee return on investment for private finance. States are also tasked with funding design of the legal and regulatory structures required by private investors, with these funds geared heavily towards foreign advisers and consultants.

The two cases profiled by Van Waeyenberge et al. also show how state actors absorb financial risk in PPPs. In the PPP for the building of a Brazilian hospital, risk allocation is initially defined as resting entirely with the private partner, but a list of exceptions and subsequent adjustments during the project effectively shifts the balance of risk to the public sector. The authors observe that private finance remains a small share of infrastructure funding in the Global South. Yet, as they argue, PPPs have broader implications for the "re-imagining" of development policy landscapes, while effectively transferring financial risk from Northern development banks and private sector actors to Southern governments.

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Colonialism and North–South dynamics in private sector partnerships

Not all partnerships discussed in this Special Issue involve private sector actors in the Global North (see the articles by Bannerjee and Senevirathna, respectively). However, when considering partnership between private sector actors based in the "Global North" and public / third sector actors in the "South", we should attend particularly to the impact of a long history of colonialism that endures in diverse forms. The move towards a rights-based approach, towards participatory methodology, and towards localisation, as witnessed in the 1990s and early 2000s, sought to achieve a more egalitarian dynamic between development actors in the Global North and their "partners" in the Global South. The extent to which this was realised in practice is open to debate. Might the dynamics be different when the private sector is involved? Might the entry of corporations disrupt patterns of thought and action entrenched through centuries of colonialism? Or has private–public partnership reinforced the dominance of actors from the Global North: effectively side-lining the intended beneficiaries from decision-making about specific development efforts?

Colonial expansion was commonly justified by its proponents through depiction of the colonised as incapable of rational thought and effective self-governance. Only officials from Britain, France, and other colonising nations, it was argued, could muster the firmness of spirit and the advanced thinking required to manage the malaise found in counties in the Global South. The so-called "participatory turn" in international development sought to challenge residual attitudes of this kind. No longer were the assumptions and plans of outside "experts" to constitute the guide for design of programmes for change. Instead, the knowledge, values, and aspirations of intended beneficiaries were to be placed centre stage in processes of design, implementation, and evaluation.

The article by Faul and Tchilingirian suggests that the involvement of private sector actors in multi-stakeholder financing partnerships may have a regressive impact upon efforts to centre intended beneficiaries in development processes. Within these partnerships, corporates enjoy a degree of participation and influence out of kilter with their relatively small financial contributions. In the process, they are implicated in entrenching “the historical hegemony of high-income countries.” Moreover, in accounting for this undue influence, the authors suggest that we look more closely at the “skills, knowledge and alliances” of the private sector members of partnership boards. An important implication of this is that the particular expertise of these predominantly Global North actors is routinely considered to be of inherently greater value than that of citizens in countries of the Global South where developmental programmes are to be implemented. Much of the critical literature on (public sector) partnership in international development has argued that it is the financial resources brought to the table by the Global North partner that is primary in perpetuating a grossly unequal relationship. The suggestion of Tchilingirian and Faul compels us to look beyond finance to consider a wider dynamic informed and perpetuated by the long history of European colonialism and the enduring disparities in wealth and power between peoples in different regions of the world.

Over recent decades, public / third sector organisations have striven to introduce practices and measures that might address disparities and move the development field towards a more bottom-up and egalitarian way of working. Mechanisms for ensuring greater “downwards” accountability – from donors / major agencies towards the intended beneficiaries – have been advanced. The contribution to this Special Issue from Cohen, Godfrey, Jeune, and Kindornay is concerning in that such efforts appear to have had little bearing upon practice in respect of private sector involvement. These authors examine donor–private partnerships (DPPs) and observe a lack of accountability and transparency. They also argue that DPPs pay scant attention to the strategies and priorities of the countries in which they seek to operate. Moreover, the regular failure of donors “to oblige private investors to adhere to due diligence and risk management requirements” serves additionally to enable the pursuit of profit by private sector actors. Thus, there are uncomfortable echoes of the exploitation and extraction that has been central to the experience of colonialism in many countries of the Global South.

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Within the Global North the notion of Fairtrade has captured the public’s imagination in recent decades. It appears to represent an ideal partnership between small-scale farmers and governments in the Global South, and corporations and ethical consumers in the Global North. According to the Fairtrade Foundation “Fairtrade means workers’ rights, safer working conditions, and fairer pay. For shoppers it means high quality, ethically produced products” (https://www.fairtrade.org.uk/what-is-fairtrade/). The initiative to support farmers, and thus socio-economic development, in the Global South through Fairtrade became a global phenomenon in the 1990s. But, aside from the feel-good buzz evidently experienced by consumers, it is a matter of speculation as to whether this initiative is achieving the intended transformation in the relationship between Global North and Global South. Pointing to the need for “contextualised understanding of private sector development initiatives”, Zaglul and Luetchford offer a critical account of Fair Trade in the Costa Rican coffee- and banana-producing industries. They describe the complex dynamics by which farmers and workers in the Fairtrade sector may be denied the benefits that western

consumers imagine when spending a little extra to purchase produce with the Fairtrade logo. Indeed, the authors explain how, for some, pay and working conditions may be better in the non-Fairtrade sector. They situate this disappointing outcome in relation to structural conditions and the history of state engagement with powerful corporations in the Global North. Zaglul and Luetchford conclude that "Fairtrade tends to reproduce and entrench forms of marginality and historically structured inequalities."

Shifting power through private sector partnerships?

The increasing involvement of private sector actors in the ID field is, arguably, both a cause and a consequence of the increasingly difficult conditions that conventional development organisations must negotiate. Shrinking bilateral donor budgets, bad publicity leading to popular mistrust, and the rise of exclusionary nationalism are some of the intersecting factors that have weakened the position of public sector ID institutions. Meanwhile, opportunities for the private sector are opening up. What is the potential of such collaborations to contribute to the transformation of the field by enabling negotiation of the asymmetries of power familiar from development pursued by conventional public and third sector actors?

The article by Senevirathna offers little hope of such transformation. This author describes the experience of a partnership involving an INGO (CARE), a Sri Lankan agribusiness (Hayleys), and local farmers in post-war Northern Sri Lanka. Despite bringing donor funds into the partnership and a Memorandum of Understanding stipulating equitable risk sharing, Senevirathna shows how the INGO struggled to intervene (on issues such as crop selection, seed quality, buyback guarantees, and delayed payments to farmers) due to asymmetries of power between the parties involved. There was no formal agreement between CARE and Hayleys that ensured the INGO's bargaining power, and Senevirathna describes the partnership as indirectly leading to a "captive relationship" between the farmers and the company. In consequence, the costs of failure for the majority of participating farmers were born principally by the farmers themselves. This article reflects an overarching trend we see across several of the articles in this Special Issue: while the nature and structure of private sector partnerships continue to evolve and adapt, familiar power asymmetries associated with partnership in the ID field persist.

Overall, the articles in this Special Issue reveal a common lack of deliberate effort to shift the balance of power in private sector partnerships towards the needs and interests of the poor and those who represent them. This is especially explicit in the contributions by Zaglul and Luetchford, Van Waeyenberge et al., and Cohen et al. The latter two pieces particularly demonstrate how a lack of transparency hampers efforts to promote accountability for development outcomes where private sector partners are involved.

Further insight on private sector dynamics is provided by Mhlanga and Gneiting. They draw on their observations as practitioners employed by Oxfam at the intersection between development and the private sector, and analytical work conducted by their organisation on publicly available information related to SDG engagement by 70+ of the world's largest companies. Mhlanga and Gneiting's view is that many of these companies "repackage" what they do in a way that does not entail any real change, serving their own agenda while reaping the reputational gains of being associated with the SDGs. They argue that companies are able to frame the meaning of the SDGs in ways that further their own interests. For

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example, in relation to gender equity (SDG5), companies may focus on increasing the numbers of women in their supply chain, while paying little attention to systemic challenges such as closing the gender pay gap, or reducing violence against women. Mhlanga and Gneiting suggest that a common denominator enabling these practices is the absence of clear benchmarks and accountability mechanisms that could guide companies' engagement with the SDGs.

Finally, on the question of private sector engagement challenging power asymmetries, two articles offer glimmers of possibility for change. The piece by Russon et al., discussed above, describes how a relationship of trust and shared attitudes towards money and profit underpinned the deliberate development of structures and processes that shifted the balance of power towards the charity and its mission.

Shutt's article, meanwhile, offers cause for reflection on assumptions about power relations in development partnerships, even when MNCS are involved. This author paints a nuanced picture of relations between staff in DfID and the Nike Foundation during the life of the *Girl Hub* initiative, explaining that dissenting DfID employees did not shy away from voicing ideological disagreements over the Nike Foundation's vision, or from raising concerns over the Foundation's results reporting and accountability practices. In the ensuing struggle, it was the public sector partner DfID – perhaps due to its dominant financial role in the partnership – that held the upper hand. While *Girl Hub* did have a longstanding influence over DfID's approach to women and girls, Shutt notes that, ultimately, a combination of "culture clashes" between staff of the two-partner organisations and different ideas about what constituted value for money and accountability became insurmountable, bringing the collaboration to an end.

While in some respects, this story of a traditional development actor / donor not yielding to the power of a multinational / philanthropic partner might be hailed as a success, from the perspective of managing power, this case illuminates where some of the insurmountable areas of contention may reside. These include disagreements around the use of evidence to demonstrate accountability, the value of brand-related programmes, and what constitutes value for money, as well as problems arising from DfID's subjection to bureaucratic constraints and political pressure. What Shutt's article suggests (and we also see in the contribution by Russon et al., albeit on a much smaller scale) is that partnerships involving private sector and more traditional development actors must start with honest conversations about specific issues of power and influence as they relate to the different roles and positions of influence of the partners involved.

Conclusion

The articles in this Special Issue explore a diverse range of recent development partnerships with the private sector. Among these partnerships, we see different models for collaboration between private sector actors (including businesses, financiers, and corporate philanthropists), public sector donors, and (I)NGOs, across a broad geographical remit spanning the Global North and South. Across these studies, our articles show similar barriers to effective partnership and to the achievement of positive development outcomes. These barriers speak to the incapacity of new development partnerships with the private sector to engage with persistent issues, already identified in existing literature on business and development.

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These include unequal relations of power, lack of transparency and accountability on the part of private sector partners, difficulties in engaging intended development beneficiaries in a participatory manner, and the problematic ways in which the profit orientation of businesses and investors comes to influence development intervention. Six years on from the launch of the SDGs – and the enthusiastic consolidation of the private sector as development's new partner – our articles show that all of these issues continue to plague partnerships with business and other private sector actors.

In light of these findings, this introduction to our Special Issue asks how we might better understand the problematic dynamics at play when private sector actors become actors and partners in the development landscape. We have situated our discussion in the context of a public sector weakened by budget cuts and a private sector afforded growing opportunities for engagement in that landscape. In order to theorise the difficulties encountered in partnership with the private sector, we must first examine the notion of partnership *itself*, not least in relation to the difficulties already observed in development partnerships long before the private sector entered the scene. In doing so, we have drawn attention to the ways in which a series of previously existing challenges – common to conventional forms of development partnership between national and multilateral donors and diverse (international and local) NGOs – now reappear in development partnerships with the private sector. In particular, we have highlighted the persistent barriers to effective and equitable partnership presented by uneven power relations, patterns of financial control and decision-making, and the enduring legacy of colonial relations between Northern donors and Southern beneficiaries. At best, we argue, these challenges are typically reinforced in emerging development partnerships with the private sector; at worst, they appear to be exacerbated and amplified within them. Without addressing these specific and persistent challenges to all forms of development partnership, it seems unlikely that new partnerships with the private sector will be capable of avoiding reproduction of the inequalities that have historically plagued the development landscape.

If the possibility of equitable and effective development partnerships thus turns on the ability of different partners to address these challenges, we must also ask how this goal can be pursued. The articles in this Special Issue illustrate the mix of (private, public, third sector, and beneficiary) stakeholders whose meaningful participation is required to strengthen the various structures and processes that might tip the balance of power in private sector partnerships for development. Some of our articles suggest that private sector actors might take the lead in pursuing this goal. But incentives for them to do so appear few and far between, given the misalignment between private sector and beneficiary interests repeatedly seen across the development interventions profiled here. In the few cases where we see private sector partners willing to cede (economic and ideological) control and learn from their public sector or NGO partners (as in the articles by Russon et al. and Shutt), very specific circumstances are in place. These include small-scale partnerships born out of personal relationships between stakeholders, a commitment to active mechanisms for power sharing and the building of trust, and a willingness to set aside the profit motive in search of genuine development impact. Whether or not such examples can be scaled up and replicated in larger partnerships, and the extent to which challenges to the balance between "doing good" and "doing well" might prove welcome amongst a wider sample of private sector development actors, remains to be seen.

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Finally, all of the articles in our Special Issue also point implicitly to a further question. This concerns the extent to which the challenges to effective development partnerships with the private sector, identified above, can really be addressed in the absence of parallel efforts to bring more accountability, transparency, and equity to the private sector's own activities, regardless of its engagement in development. Without systemic global efforts to better regulate corporate and financial activity, to tackle the deep inequalities perpetuated by the global trade architecture, and to close loopholes across global tax regimes and reform the structures that permit tax avoidance, it is questionable whether many private sectors can build partnership evincing the qualities of mutuality, respect, equity, and trust. In the absence of effective regulation, the ascendancy of the private sector as development's new partner may – as argued by Lister (2000, 235) in relation to earlier development partnerships – signify little more than "the adaptation of the power framework and the creation of a slightly changed reality, which serves to hide the fundamental power asymmetries within development activities and essentially maintain the *status quo*."

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