Global partnerships for development and risk tendencies of partners: A theoretical approach with the Gavi case*

PETER SEOK JIN HAN** AND TAEKYOON KIM***

Despite the continuous endorsement of global partnership by international community, development partnership faces double road blocks in the field of both theory and practice. Current literature on global partnerships contributes explaining why agents form global partnerships, but fails to elaborate on when and in what actual condition global partnerships occur in a good shape. Discussions on incentives for partnerships and how to fund them also have many rooms for addition. The primary concern of this study is to tackle those problems by incorporating von Neumann and Morgenstern’s Expected Utility Theorem and the economic concept of risk tendency into the field of development partnership. It aims to provide a new theoretical framework for evaluating in what condition global partnerships occur, and then attempts to testify this framework via a case analysis with the Gavi.

**Keywords**: Global Partnerships, Expected Utility, Risk Tendency, Agent Motivation, Development, Gavi

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** World Food Programme, Rome, Italy; E-mail: peterhan99@gmail.com
***Associate professor, Seoul National University, Seoul, South Korea; E-mail: oxonian07@snu.ac.kr
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I. INTRODUCTION

Global partnerships have been the center of discussion in the field of development cooperation since the creation of the Millennium Development Goals (MDGs) in 2000. The era of MDGs came to an end in 2015 and the global search for the sustainable development goals (SDGs) culminated in a new roadmap of development effectiveness for another 15 years. Particularly, MDG 8 and SDG 17 call for global partnerships for development, and the targets related to both goals emphasize strategic cooperation with non-state actors to make available benefits of new technologies and financial resources for partner countries. It is now a common understanding that development cannot be done by a single actor but needs to be addressed comprehensively by multi-stakeholder-centered cooperation with various specialties in public, private and civic sector.

The phenomenon can also be seen numerically by the shift of amount in development aid. In 1990, the amount of Official Development Assistance (ODA) was 5.5 times larger than funds from private sector. Reversely, in 2000, funds from private sector have increased to amount 1.6 times larger than that of ODA, and the private investment dramatically multiplied 5.73 times of ODA in 2015. Due to this shift of funds embedded in the growing centrality of partnerships with private agents, even the term ODA was redefined as the Total Official Support for Sustainable Development to incorporate other significant funds from various agents of partnerships. Indeed, multi-stakeholder partnerships with intergovernmental organizations (IGOs), nongovernmental organizations (NGOs), governments, and private sectors become essential in the area of development cooperation.

However, global partnerships are still faced with various problems in reality. While global partnerships are becoming more rampant, comprehensive global partnerships including various agents with comparative advantages that can actually bring difference for development projects are scarce and often do not last long, thereby making the impact minimal. In 2007, 65% of all partnerships, registered in the UN, still lacked funds. In 2006, all partnerships looked for funds amounting to USD 710 million, which is equivalent to 55.6% of the total fund the partnerships had altogether (Biermann et al. 2007, 245). There are also participation deficits or imbalances in partnerships, given that 56% of all partnerships have no developing countries as partners and industrialized countries are the main state agents for partnerships.

Global partnerships, despite their magnitudes, face double road blocks in terms of both theory and practice. While global governance takes place in various sectors, the actual realization of partnerships is limited both in number, quality and its effectiveness. While Jennifer Brinkerhoff (2002) gives us insights on why agents form global partnerships, current accounts fail to explain in what