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**Development Effectiveness from
Within: Emerging Issues from
Recipient Countries**

Andrea Ordóñez Llanos

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Preface

With the advent of the Sustainable Development Goals (SDGs), discussions on development finance have been revitalised. Mobilising sufficient financial support to meet the resource gap in SDG implementation is a critical challenge for developing countries.

Traditional aid flows to these countries have been restrained by both supply-side limits and demand-side pulls. However, new actors and innovative financial instruments develop opportunities for additional funding. In this context, improving the quality of development cooperation (including financial flows) and assessing its effectiveness have become more pertinent than ever.

Economic and political factors aggravate the challenge of effective development cooperation. The current global development finance architecture lacks necessary political ownership and momentum. Further, the discourse suffers from an obvious lack of credible knowledge that reflects realities on the ground. Demand is thus high for Southern perspectives so as to embed them in future reforms.

That is what Southern Voice, a network of over 50 think tanks from Africa, Asia, and Latin America, is facilitating. It provides structured inputs from the Global South for debates on the 2030 Agenda for Sustainable Development. With capacity gained through the successful execution of various research programmes, Southern Voice aims to contribute to the global discussion on the effectiveness of development cooperation in the era of SDGs.

The new initiative, "Rethinking Development Effectiveness: Perspectives from the Global South," is being carried out in partnership with the Centre for Policy Dialogue (CPD) in Dhaka, Bangladesh and with support from the Bill & Melinda Gates Foundation. The present study is the eighth in a series of nine occasional papers on rethinking development effectiveness. From the perspective of the political economy, this study aims to outline key areas of future research to strengthen the effectiveness of development cooperation.

Debapriya Bhattacharya, PhD

*Chair, Southern Voice and Distinguished Fellow, CPD
Dhaka, Bangladesh*

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Abstract

This study aims to outline key areas of future research to strengthen the effectiveness of development cooperation. The framework of principal-agent relationships has been consistently applied to research exploring the political economy of development cooperation. While it is a valuable conceptual framework, most of the time, it has resulted in research that is primarily focused on the actions of donors. This study highlights this bias and focuses instead on a research agenda that centres on the agency of actors in recipient countries. The paper uses analytical tools from the field of political economy. Specifically, it reviews the current debates at the global level, and how these translate in practice in the context of recipient countries. The study concludes that a future agenda requires, most importantly a change of perspective, from the agency of donors to the agency of recipient countries without overlooking the power asymmetries inherited in cooperation among countries of different levels of development. After the extensive review of cases of development cooperation, it shows that the principles of ownership, accountability, transparency and predictability remain relevant. However, a future agenda needs to explore more how recipient countries deal with these concepts in practice.

Author

Andrea Ordóñez Llanos is the director of Southern Voice. She was previously the research director at Grupo FARO in Ecuador. She can be reached at andrea@southernvoice.org



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Acronyms and abbreviations

CSOs	Civil Society Organisations
GPEDC	Global Partnership for Effective Development Co-operation
OECD	Organisation for Economic Co-operation and Development
DAC	Development Assistance Committee
SDGs	Sustainable Development Goals
SSC	South-South Cooperation

Development Effectiveness from Within: Emerging Issues from Recipient Countries

Andrea Ordóñez Llanos

Introduction

Southern Voice began in 2018 a research programme to rethink the effectiveness paradigm and explore new approaches to assessing development effectiveness with a particular focus on the dynamics of recipient countries. Southern Voice intends to contribute analyses from the ground and Southern perspectives to inform global discourse and discussions to make sure development cooperation supports the achievement of the 2030 Agenda. This study applies the analytical tools developed in the field of political economy to explore how the interactions between the different actors involved in development cooperation may ultimately have an impact on the outcomes of these initiatives. This will be highly relevant to understanding development effectiveness.



Development effectiveness is in itself a contested concept, used differently in different contexts and settings.

As will be discussed in the upcoming sections of this study, development effectiveness is in itself a contested concept, used differently in different contexts and settings. Development effectiveness could be a matter of outcomes or processes. This study focuses on the processes—how development cooperation occurs—more so than the extent to which cooperation achieves its stated results. The emergence of the 2030 Agenda sets out a framework and guidance to what the outcomes should be, which will also be considered in the discussion.

From a political economy perspective, development effectiveness encompasses two levels. First, there is the global level, where the establishment of norms to guide the action of countries occurs. These norms guide how governments relate to each other and can also percolate to the national level. These norms also inform how a diversity of actors interact in the day-to-day implementation of projects. The Paris Declaration and the subsequent documents on development cooperation, the establishment of

the Development Assistance Committee (DAC), the Global Partnership for Effective Development Co-operation (GPEDC) and the Development Cooperation Forum (DCF) are examples of the actions at the global level. Beyond the set-up of norms, effectiveness entails carrying out the steps to deliver development cooperation per the established norms, with the expectation that this will result in achieving the expected development outcomes. This occurs at the national level. This study will cover these two levels, to explore how reality on the ground relates to the principles stated globally.

Research strategy

This research takes two approaches: first, a literature review of the existing research on development effectiveness through the lenses of political economy, and second, the production of two case studies at the national level. The literature review was focused on two levels. First, it reviewed the knowledge on the political economy of development effectiveness debates at the global level. Second, it identified existing case studies in different national contexts that had relevant findings to understand the political economy of development effectiveness at the national level. The second approach includes two country case studies that were carried out to complement the existing literature.

A brief overview of the reviewed literature

Literature that discusses the political economy aspects of the effectiveness of development cooperation has, for the most part, been framed within the principal-agent framework. This model is traditionally used to understand relationships where the principal benefits from the outcomes achieved by the agent who works under a contract to achieve the desired outcomes of the principal (Howes, 2014). The relationship between donors and recipients is characterised by asymmetric information where, for example, the donor has difficulty monitoring the recipient's commitment to the agreed contract. Howes (2014) identifies a few caveats to this approach. First, "talking about principals and agents can seem politically incorrect in an aid world where the language of partnership predominates" (Howes, 2014, p. 59). Second, research is primarily focused on what donors, characterised as the principal, should do to improve the effectiveness of their programmes. This implies that the majority of the literature where the donor is the principal has donor agencies as the primary audience. For example, the book titled *The Samaritan's Dilemma: The Political Economy of Development Aid* by Gibson, Andersson, Ostrom and Shivakumar (2005) has donor agencies as their primary audience. In their explanation for writing the book they state:

We hope that [...] international donors and the scholars who study development will also find the expanded study of value to them. When individuals trying to do good find themselves hampered in these efforts by the incentives they face, it is quite important that one steps back to examine what these incentives are and how they can induce behaviour that slows down development rather than enhancing it (p. iv).

This is one example of the focus and intent for much of the existing research. The lack of literature focusing on informing the actions and strategies of recipient countries in relation to development effectiveness is a gap in the existing research worth highlighting.

In terms of the literature on effectiveness at the national level of recipient countries, it is important to note that the majority of case studies identified and consulted do not necessarily delve into conceptual discussions around the meaning of development effectiveness. Most are generally concerned with development interventions carried out in specific countries with the assistance of donors and try to capture the challenges involved in implementing such interventions. The studies directly or indirectly include issues related to the political economy of development effectiveness. Furthermore, reference studies deal mainly with traditional donors. The role of SSC providers is less prominent in case studies. In the future, a more exhaustive analysis would require looking at a range of actors, modalities, and cooperation dynamics.

The scoping studies in Bolivia and Uganda

Taking into consideration the limitations of the existing literature highlighted in the previous section, Southern Voice partnered with researchers in two countries to prepare scoping case studies on the political economy of development effectiveness. The rationale for this decision was that existing literature lacks with two important characteristics. As mentioned earlier, in the current literature, there is a lack of focus on development effectiveness at the national level; most discussions focus on international debates. Case studies tend to focus on specific projects or programmes by specific donors instead of applying the institutional lens of national dynamics. Second, the literature available is carried out primarily from the perspective of donors or to inform donors. Most of the conclusions and recommendations go back to what cooperation agencies can do and how they can adapt to the actions of others. The research with this approach misses the importance of the perspectives and strategies by actors in the recipient countries. By working within the national context, alongside researchers working in these countries, our case studies place the debate in a different locus from most of the available literature.

The two case studies include Bolivia (Peñaranda, 2019) and Uganda (Kasirye & Lakal, 2019). These in-depth case studies at the country-level were designed to bring a

different perspective to highlight underexplored issues in current literature and policy debates as opposed to extracting generalizable conclusions. Bolivia and Uganda were chosen for this study as their dependent on traditional official development assistance has been declining steadily with new actors, such as China, entering the development space. Bolivia and Uganda highlight this development trend that can be applicable to other developing countries. These two countries differ from countries such as Liberia or the Central African Republic who still largely depend on official development assistance. We will look at how Bolivia and Uganda show how dependent cooperation dynamics are on national context. These cases should be considered as examples that shed light on issues for further research.

The political economy analysis of development effectiveness

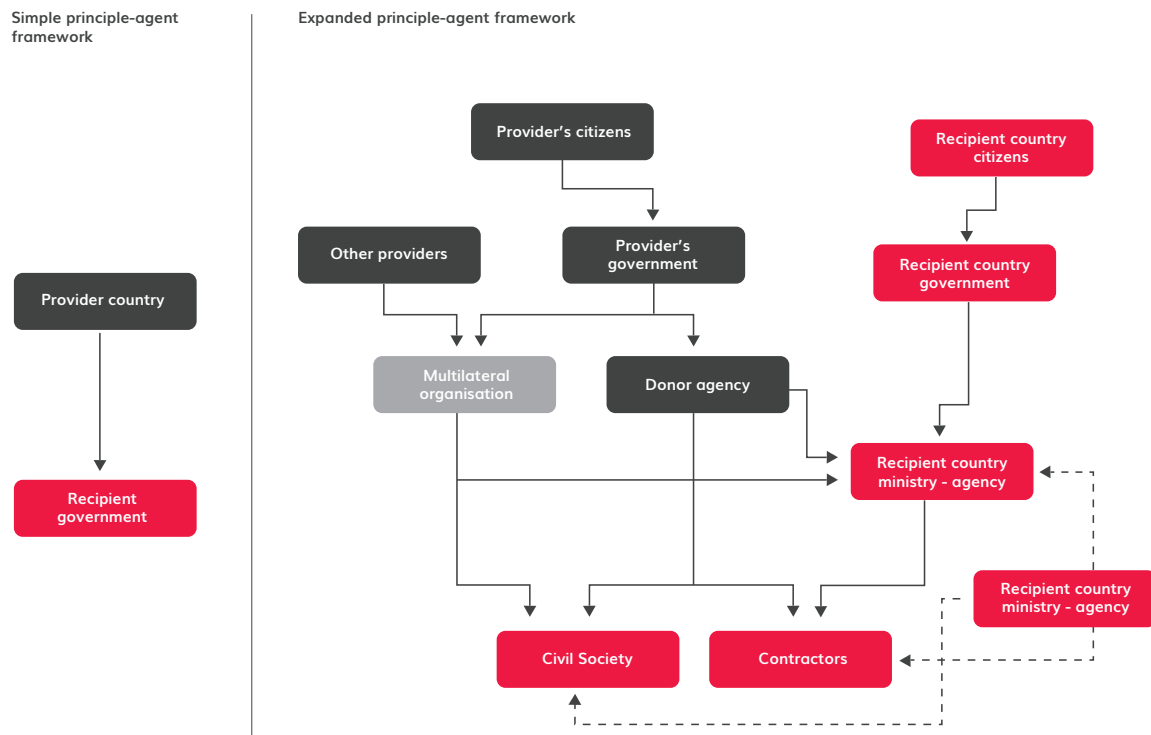
The political economy analysis of development cooperation has been understood mainly through the framework of principal-agent relations. Howes (2014) identifies three major schools of thought: the recipient school, the provider school and the transaction cost school. The recipient school focuses on the importance of recipient institutions as key for development effectiveness and focuses on how donors can support the reform of these institutions. The provider school, on the other hand, highlights the limitations of donor agencies vis-à-vis other agencies in donor countries; it points to reforming cooperation agencies. Finally, the transaction cost school focuses on the difficulty of managing development that is delivered by many donors and projects and suggests reforms that focus on harmonization and alignment among donors. These schools of thought stem from the perspective that the donor country is the principal and the recipient country is the agent, a framework that has its limitations when exploring effectiveness in recipient countries. A closer analysis shows an array of possible principal-agent relationships in the chain of development cooperation provision as discussed by Martens (2005) as well as in Gibson et al. (2005), who present the International Development Cooperation octangle. Figure 1 shows the complexity of possible principal-agent relationships. While the box on the left shows an oversimplified model, the graph on the



The political economy analysis of development cooperation has been understood mainly through the framework of principal-agent relations.

right unpacks the various principal-agent relationships that may emerge in practice during the implementation of development cooperation initiatives.

Figure 1. Expanded principal-agent framework on the chain of development cooperation



Note. The lines denote possible principal-agent relationships.

Elaborated by the author

This framework sheds light on three particular issues that are relevant to the approach of this study: the existence of multiple principal-agent relationships, broken feedback loops and collective-action problems.

First, in practice, there are numerous principals, each with distinct objectives. There are also multiple principals; the relationships are a chain, where an agent in an initial relation becomes the principal in another (Martens, 2005). This is the case, for example, of cooperation agencies that act as agents of political institutions of the donor country, but act as principals in the relationship with contractors, consultants or NGOs who implement development programmes. At the same time, an agent may respond to more than one principle. For example, the case of an implementing private firm that may need to respond to both the donor agency and a recipient country public organisation, each with its objectives and priorities. These different sets of relationships result in diverse interpretations and negotiations of how to implement development programmes or reforms.

Second, there is a broken information feedback loop between the intended beneficiaries and the providers of the funds (Martens, 2005; Martens, Mummert, Murrell & Seabright, 2002). When analysing the provision of programmes and projects within a national political system, this problem does not arise, because the beneficiaries of the programmes are also part of the political system where politicians are elected. This is not the case in international development. There is both geographical and political distance between politicians in donor countries and final beneficiaries of aid. This translates into gaps in transparency, accountability and ownership of development cooperation.

Third, given the diversity of actors and interest at play in the deployment of development cooperation initiatives, collective-action problems emerge (Gibson et al., 2005). These are circumstances where actors are unable to attain desirable outcomes. These problems require the distribution of tasks and responsibilities as well as coordination. Collective-action problems may emerge through the different stages of cooperation: among countries, agencies, or implementers of programmes.

The analysis that follows is based on the existence of these complex principal-agent relationships in the programmes and projects of development cooperation. These relationships play out and take place both at the global level, meaning relationships among governments and the multilateral systems, and also at the national level among the actors in that specific setting. For this reason, the two following sections discuss the issues at two levels: global and national contexts.

The global shifts from an ‘old aid paradigm’ towards development effectiveness

The question of aid and development effectiveness is not new. The last six decades of international development cooperation have seen successive shifts in development approaches in an attempt to make development work. This section summarises these transitions in three simplified periods: the old aid paradigm before 2005, the aid effectiveness around the Paris Declaration from approximately 2005 to 2010, and a partial transition to development effectiveness from 2011 onwards.

Before the 2000s, the prevailing aid paradigm, policies and practices were driven by donors. The Structural Adjustment Policies (SAPs) prescribed by the World Bank and the International Monetary Fund (IMF) to developing countries aimed to redress their economies following earlier oil and debt crises. These policies, however, did not yield the expected outcomes. They did not contribute to reducing poverty and debt or

accelerating growth in many countries. Additionally, the *modus operandi* of the time, notably project-based aid and policy conditionalities, was deemed ineffective (for example, Killick 1996, 1997; Collier, 1998). Projects were regarded as an assurance, notably to donors' constituencies, of the appropriate use of aid resources given their autonomous financial management and implementation systems. Policy conditionality, the tying of aid disbursement to the introduction by recipient countries of specific policies, was not successful in securing the expected long-lasting political and economic reforms (Collier, 2008, p. 109; Lawson & Booth, 2004, p. 26). Accounting for this failure was the impossibility of buying and pressuring for reforms in the absence of real, local buy-in. So was not considering domestic political dynamics as an influencing factor of reforms.

By the late 1990s, in a context of widespread criticism but also of 'aid fatigue' and official development assistance decrease, both multilateral and bilateral donors generated a series of initiatives and frameworks promoting new ways of understanding and doing development. This translated into a new approach to aid. The aid effectiveness agenda put forward in the Paris Declaration is seen as building on this emerging consensus and discussions around it in fora (Monterrey, Rome, Marrakech) preceding Paris. The Paris Declaration (2005) and the Accra Agenda for Action (2008) were presented as a donor-recipient partnership embodying a broad consensus on what needs to be done to produce better development results drawing from the experience of the previous decades and lessons learnt (OECD, 2010b, p. 1). The impetus of effective aid was seen not as driven by sound policy and institutional environment but by strengthened commitments from both donors and recipients and cooperation among them (Brown, 2015). The aid effectiveness agenda was based on the following five overarching principles: ownership, alignment, harmonization, managing for results and mutual accountability. These principles were linked to specific measures of implementation and time-bound performance indicators to monitor progress, constituting a practical, action-oriented roadmap to improve the quality of aid and its impact on development (OECD, 2010a).

In the lead up to Busan High Level Forum (2011), there was a call for a change of paradigm from aid effectiveness to development effectiveness. Although there was no common understanding of what development effectiveness referred to, Kim and Lee (2013) assert that the push for such change meant: inclusion of a diversity of development actors, resources, and modalities; promotion of a multi-faceted understanding of development and hence a move beyond aid delivery and management to include outcomes; a change in the understanding of development beyond poverty reduction, and the promotion of policy coherence.

The push towards development effectiveness was promoted notably by non-traditional actors, CSOs, SSC providers, the BRICS, and South Korea, emphasizing a need

to shift from the aid delivery focus of the aid effectiveness agenda towards one on the development effects of aid (Kim & Lee, 2013). At the same time, the Busan process also saw an active engagement by recipient countries to hold traditional and emerging donors accountable. The aim was to ensure a re-commitment to aid effectiveness principles but tie them to time-bound commitments and monitoring. DAC donors were also supportive of the necessity to carry out the unfinished business of aid effectiveness (Mawdsley, Savage & Kim, 2013). "The BRICS and SSC providers expressed concern that single time-bound commitments may put undue pressure on new development partners. Thus, the final document endorsed 'differential' and 'voluntary' nature of the commitments" (Kim & Lee, 2013, p. 794). The resulting framework titled *The Busan Partnership for Effective Development Cooperation* was not a full shift of paradigm, but a compromise that moved towards development effectiveness while keeping the aid effectiveness agenda. The move was one towards 'aid and beyond' rather than 'beyond aid' (Kim & Lee, 2013, p. 794). Table 1 summarises the transition from the old aid paradigm towards a new, and not yet completely defined, development effectiveness paradigm.

Table 1. Transition from the old aid paradigm, towards development effectiveness

Characteristics of old aid paradigm (Before 2000s)	Principles of aid effectiveness paradigm (2005)	Prospects of a development effectiveness paradigm (2011)
<ul style="list-style-type: none"> • Donor prioritise and recipients must adhere. • Lack of coordination among donors that results in high transaction costs. • Implementation in parallel systems and through projects. • Accountability focused on reporting back to donor countries. 	<ul style="list-style-type: none"> • Countries their national plans (Ownership) • Donors coordinate among themselves and seek consistency with country priorities (Harmonisation and alignment) • Modalities of aid disbursement focus on achieving results (Managing for results) • Both donors and recipients are responsible (Mutual accountability) 	<ul style="list-style-type: none"> • Inclusivity of new development actors with common and differential commitments. • An expansion in the understanding of development beyond poverty reduction towards sustainable development • The promotion of policy coherence for development.

Source: Steer, Wathne & Driscoll (2008); OECD (2010a); Kim & Lee (2003, p. 793); elaborated by the author.

The political economy dynamics underlying global development effectiveness debates

What the previous section summarises is the evolution of the debates from aid to development effectiveness in terms of content and actors. Looking at content, the focus has expanded to include new topics such as coherence of policies beyond the provision of official development assistance, transparency, focus on fragile states, resilience, corruption and illicit financial flows. In terms of actors, the push has involved firstly stating the importance of the recipient countries, and secondly, highlighting the role of additional actors. Additional actors have included the private sector, civil society and non-DAC providers of development assistance. These attempts to expand the concept, however, have highlighted the entrenched problems of agreeing on a new definition of development assistance and its effectiveness. It becomes difficult to promote collective action in this new and nebulous setting. As a result, the current framework, the Busan Partnership, has been questioned on both its operational and political relevance (Bracho, 2017; Li, 2017; Mawdsley et al., 2013; Eyben & Savage, 2013; Keijzier, 2013; Kindornay, 2011).

Examining the lack of agreement on the concept of development effectiveness

The literature notes the lack of a clear definition and a common understanding of development effectiveness (Kindornay, 2011; Mawdsley et al., 2013; Rampa & Bilal, 2011). It points to the fact that the OECD-DAC does not have a specific definition of development effectiveness and that some actors use aid effectiveness and development effectiveness interchangeably. Kindornay (2011) observes varied understandings of development effectiveness by different actors¹. She highlights four broad usages of development effectiveness: i) organizational effectiveness; ii) coherence or coordination; iii) development outcomes from aid; and iv) overall development outcomes.

Why is there such a lack of clarity on the concept? Rampa & Bilal (2011) underline two approaches to answering this question. One view regards the prominence of development effectiveness in current development debates as being more about an additional push towards results in times of budget reductions and accountability demands from taxpayers in official development assistance donor countries. Meaning that the principal-agent relation between constituency and governments in donor countries takes primacy in driving global action.

The other view contends that the focus on development effectiveness is really a response to a greater interest from recipient countries in development effectiveness rather than aid effectiveness (Rampa & Bilal, 2011). However, it is worth recalling Mawdsley's research (2013) that highlighted a push by recipient countries during the Busan process to prevent a full shift towards development effectiveness. They urged donors to not forego the aid effectiveness scheme and keep its main issues on the agenda. Similarly, additional studies (Prizzon, Greenhill & Mustapha, 2016; Davies & Pickering, 2015) suggest that the issues of development cooperation effectiveness and, more specifically, what is referred to as the 'unfinished business of aid effectiveness' still hold value and remain on the agenda of recipient countries.

What these two views suggest is that the current emphasis and shift towards development effectiveness in development cooperation policymaking responds mainly to the confrontation of different positions of the relevant actors (both recipient and traditional and non-traditional donors) as well as to constituents' demands and budgetary trends in donor countries. This means that the shift does not respond to interrogation and analysis of how to achieve long-lasting development outcomes. This poses the question of how to refocus the discussions towards achieving the outcomes expected from development cooperation.

Collective action: from donors to multiple actors

The problems of collective action among donors is an issue that has been analysed throughout the different stages of the debates on development effectiveness described in the previous section and labelled by Howes (2014) as the transaction cost school. Barder (2009) highlights two reasons that may complicate collective action by donors: first, the large number and diversity of cooperation agencies; and second, the varied preferences among them on what type of assistance to provide and what sectors to support. While the problem of collective action among donor countries persists, it is not the only issue. With more actors (i.e., private sector, civil society) involved, collective-action problem are even more complex. There are three considerations from political economy literature that are particularly important to understand why a global framework seems elusive: first, how the diversification of actors complicate collective action and legitimacy of the process; second, how the underlying distributions of power among the different actors affect the outcomes and third, the limitations of a global framework as a tool to solve collective action problems.

Political economy literature frequently shows that collective action becomes more challenging as more actors with diverse objectives are involved in creating standard norms

and institutions. In the context of a global process, a side effect of this lack of agreement is a loss of legitimacy. Legitimacy, as explored by Verschaeve & Orbie (2015), has three different dimensions: inclusivity, effectiveness and robust decision-making processes. In their research, they explore two global fora where development effectiveness is debated: the Development Assistance Committee and the Development Cooperation Forum. They identify that each face different legitimacy challenges. While the main legitimacy challenges of the DAC are its lack of inclusivity of diverse actors, the problem for the Development Cooperation Forum is the effectiveness to decide and act. In a sense, neither of these policy organisations have been able to successfully overcome the challenge of collective action among the diverse actors involved. Although the authors have not analysed the Global Partnership separately for Effective Development Co-operation as a third alternative forum, the same lenses can be applied to this forum. In practice, the governance of the Partnership is set up to include providers, recipients, dual character countries and other constituencies. However, it has not become a global and inclusive development cooperation platform as the leading SSC powers (China, India and Brazil) have exited the Global Partnership for Effective Development Co-operation, claiming it is a process still driven by the DAC. This leaves the question of which fora can rally all actors to work together, and which of the recipient countries can have more engagement. There are still demands to not wholly cast aside the aid effectiveness agenda in this move towards development effectiveness but to deal with its unfinished business.

The pre-existing distribution of power among countries is a second important consideration hampering the capacity to reach explicit global norms. A recurrent criticism of the aid effectiveness framework is that it focused mostly on technical dimensions of effectiveness. While there is a growing recognising of the political realities that underpin cooperation, the framework still grapples with how to capture and address the asymmetry of power among countries concretely. While the global discourse has moved towards acknowledging the relevance of recipient perspectives in the agenda and adopting a new vocabulary of a partnership between recipients and providers, this may have hidden the entrenched unbalance of power among countries in this debate. Why is it difficult for recipients to challenge this asymmetry of power? Whitfield (2009) identifies that:

The weak or fragile domestic political support of governments combined with their dependence on aid to shore up their political legitimacy provide strong incentives for remaining in a subordinate position to donors, and the conditions of permanent negotiation and institutional entanglement provide strong disincentives for recipients to challenge their subordination (p. 356).

Third, an even more fundamental challenge for the global framework is the limitation of coordination strategies in themselves. Political economy literature highlights that a

coordinating strategy—such as global norms—may not be suitable for all collective action problems, particularly those “that encompass large numbers of heterogeneous actors or goods” (Gibson et al., 2005, p. 50). But a lack of framework is also problematic since a system without adequate rules usually results in an undersupply. In this case, a lack of rules for financing SDGs may end the reduction of financing sources. What this implies is that a successful framework for the promotion of development effectiveness may require some basic global norms, accompanied by other institutional arrangements and strategies throughout the implementation of programmes financed with development cooperation.

The previous sections have highlighted the problems of collective action at the global level. It has highlighted the importance of seeing this issue not only from the perspective of coordination among donors, but with others, especially recipient countries, and emerging donors. Recipient countries are a heterogeneous group and may approach the global debates from their position. As mentioned earlier, high dependence on aid, may limit the capacity of recipient countries to challenge power asymmetries. On the other hand, countries with less aid, may not find the debates as relevant. In summary, it is particularly important to, in addition to understanding the political economy of the global debates on development effectiveness, to understand how these are implemented the national level.

Development effectiveness at the national level

While the previous section focused on the political economy of debates at the global level, the following section turns its attention to the country level to bring forward some issues of development effectiveness exemplified by country case studies analysing development cooperation dynamics on the ground. Keeping in mind that the evolving effectiveness frameworks have primarily focused on the technical to the detriment of the political, it pays specific attention to issues that denote the politics underpinning development cooperation and its effectiveness. By focusing on the country level, the objective is to gain some insights on problems on the ground contrasting them with the commonly accepted global principles of effectiveness to highlight discrepancies and gaps. The main challenge of this review at the national level is that how the principles play out in practice is highly contextual. The implications of the global principles are different across different sectors, instruments and actors. In this context, the discussion below does not generalise the issues, but rather, gives some nuance to principles that are in practice much less unidimensional than seen at first sight. The second challenge is that the principles are interconnected to one another, as they play out in a given country, programme or reform simultaneously. After the review of the case studies at the national

level, the principles of ownership, mutual accountability, transparency, and predictability emerge as the most critical aspects for development effectiveness. The principles of managing for results, and promoting partnerships, appear less relevant given that they are part of the 2030 Agenda.

Box 1. Bolivia's evolving position on development cooperation (Peñaranda, 2019)

Bolivia is a compelling example of the evolution of development effectiveness at the country level. It has evolved from a fragile state into the fastest growing economy in South America. In 2006, Bolivia elected Evo Morales, the first indigenous president in the world. Since then the country has shifted from policies inspired by the Washington Consensus to a revisionist, patriotic and self-sufficient framework. How has development cooperation evolved? The case study of Bolivia reveals the problems of shifting to a paradigm of more ownership by the recipient government. The power dispute was evident in Bolivia, and as a result, many traditional donors left the country. Those that stayed have developed mechanisms to cooperate concretely, while giving more space to the government to manage its political reforms. Furthermore, implementing the discourse of ownership in reality is difficult, particularly if the capacities to execute policies and programmes is lacking. An additional challenge in the discussion of ownership is the role of non-state actors in the presence of a stronger state. Bolivia has seen the shrinking of the space for formal civil society organizations, in favour of less formal social movements or groups. As in other countries in the global South, the scene in Bolivia has changed, and development banks, particularly regional ones, and non-traditional donors such as China have gained influence, especially in the infrastructure sector. Development banks are important not only in providing funding but maybe even more importantly, for the capacity to design and implement complex projects. The Bolivian case exemplifies the challenge of ownership at the country level and sheds light on how the actor's strategy to attract and negotiate projects with international cooperation will continue to evolve as the landscape of development cooperation shifts.

Looking closer at ownership at the national level

Ownership is the cornerstone of the development effectiveness agenda and has direct implications on the remaining principles. It is important to recognise that completely aligned preferences between donor and recipient are required for full ownership (Martens, 2005). Thus, in practice, ownership is negotiated and partial. It may imply different strategies from the recipient governments along the chain of delivery of development cooperation programmes. Gibson et al. (2005) identified four dimensions of ownership that can serve to explore this concept in more detail at the national level: (i) enunciating demand (at the planning stage), (ii) making a tangible contribution, (iii)

obtaining benefits, and (iv) sharing responsibility for the long-term. In the early years of development, assistance was primarily understood as the capacity of recipients to obtain benefits. However, ownership as a concept has evolved to stress the role of recipients beyond mere beneficiaries.

A common focus on ownership is on the planning phase of development cooperation (related to the dimension of enunciating demand). In this case, ownership is understood through the prism of a recipient country's capacity to clearly state its priorities, and providers' willingness to adjust to these. In practice, however, ensuring ownership in the planning phase does not necessarily translate into ownership through the implementation of programmes. The expectation to align plans between donors and recipients generates an incentive for recipient governments to draft development plans broad enough that different providers can find aspects of the plan that fit their agendas. In a sense, recipient governments act strategically by attracting funding in different areas of development, given the fungibility of aid (Leiderer, 2012). Even if these are not a political priority, attracting funding for any policy area can free resources that the government can then relocate to its priorities. Planning allows both parties to report to their constituencies that each party's priorities have been taken into consideration, most likely supporting the existence of the programmes in the first place. A problem with far-reaching plans is that if there is no true ownership of the programmes, they are unlikely to be sustainable in the long-term (Gibson et al., 2005).

In the case of Bolivia (Peñaranda, 2019) both recipients and donors strategise in the planning phase. The government of Bolivia wanted to make a strong case for its independence and self-reliance as part of its internal political strategy. The government took such a hard stance that relationships between traditional donors and the government were politically shattered. The government used the national plan to further make this political statement. Even the name *The Patriotic Agenda 2025 - General Economic and Social Development Plan for Living Well* exemplifies this point. Even though the public political scene was of contestation, the national plan was broad and vague enough that representatives from donor agencies were still able to find areas of common interest; many continued cooperation initiatives in the country. In a sense, the plan became a tool for donor and government agencies staff to navigate the political disputes and still find ways to collaborate. Why are these planning processes carried out even though they may have little impact on changing the priorities of either the donor or recipient in practice? One possible explanation is that this allows each party to report back to their constituency regarding their control and power in the relationship. More than being an exercise of ownership, they respond to the accountability lines each party has with their constituency.

Beyond the national plan, there is also a preparation phase of specific programmes and policy reforms. Here the question of ownership shifts to a national policy debate among national actors. Case studies show that it is not always easy to identify who owns a reform or policy agendas, and highlight the possible disputes and discrepancies between branches of governments, ministries, national and sub-national governments, and between the government and non-state actors. For example, Yanguas' (2018) analysis of the reform of the Anti-Corruption Commission (ACC) in Sierra Leone supported by the Department for International Development shows a case of political reform, where the donor took sides with reformers, instead of with the incumbent government. Thus, donors can sometimes act politically and interpret ownership beyond the strict lines of national government agendas considering the existence of other actors whose agendas may be aligned with the donor's priorities. In a study of programmes supported by donors in Cambodia and the Philippines respectively, Hughes and Hutchison (2012) illustrate cases when donors fail to identify and side with reformers which curbs the achievement of development outcomes in these programmes. Dornan (2017), in the study of conditionality in Small Island Development States also identifies how ownership intersects with internal policy debates where there are reformers or champions promoting a change internally. While normally conditionality has been portrayed as a tool that is negative to ownership, the cases analysed showcase examples where policy conditionality was welcomed by government officials when this allowed them to champion a reform that would otherwise be stalled. This is of course, not always the case, and instances where conditionality fails to support reform also exist. The common underlying message emerging from these case studies is that ownership becomes a much more complex issue when specific projects or reforms are being discussed in the recipient national context, where there will hardly ever be a uniform position.



Donors can sometimes act politically and interpret ownership beyond the strict lines of national government agendas.

The second dimension of ownership relates to the capacity of the recipient to make a tangible contribution to the cooperation programme or project with monetary resources, effort and time. For example, the case study from Bolivia shows that part of the government approach to its position vis-à-vis its donors has been to become a co-investor in development cooperation projects. This is a strategy to rebalance the power asymmetry and break the principal-agent relationship inherited from projects that were

fully funded with foreign funds. Bolivia was able to do this due to the reduction of its debt burden alongside the commodity boom in the past decade, which gave the government the fiscal space to co-invest. This strategy might not be feasible in other, more resource-constrained contexts. However, Peñaranda (2019) highlights that in Bolivia, while the government had the fiscal space, it did not have all the capacities to take the lead in the design and implementation of policies, particularly at the sub-national level. This became a significant problem as local governments have more responsibilities in public policy due to a decentralization process. Capacity problems also emerge from agencies being unable to coordinate among each other for the planning and implementation of policies (Kasirye & Lakal, 2019), and in parliament for the appropriate oversight of cooperation programmes (Keijzer, Klingebiel, Örnemark & Scholtes, 2018). The cases of Bolivia and Uganda (Peñaranda, 2019; Kasirye & Lakal, 2019) identify constraints civil society organizations (CSOs) face in their relationships with both the government and donors. CSOs tend to work under significant financial and capacity constraints and tend to adapt to the needs of funders to attract funding and be able to secure their basic functioning. At the same time, they face increasing pressure and control by national governments.

An aspect not usually considered as a dimension of ownership is a recipient government's capacity to choose among different providers. In Cambodia, Ethiopia and Zambia (Sato, Shiga & Kobayashi, 2011; Greenhill, Prizzon & Rogerson, 2013), research suggests that governments value the possibility of selecting among donors and decide to have a series of bilateral relationships despite the higher transaction costs. For example, Cambodia prefers to deal separately with donors and promote competition amongst them despite the high transaction costs generated by these multiple bilateral relations. The availability of diverse approaches afforded by the arrival of new donors and the resulting competition generates alternatives and choice, opening up the government's policy options and negotiating position. The government takes advantage of the differences between traditional and emerging donors. Emerging donors, therefore, do not constitute only additional sources of funding but also powerful alternatives (Sato et al., 2011). Focusing on the perspective of recipient governments, Greenhill et al. (2013) look, among other things, at their priorities in managing their diversifying development cooperation landscape. Summarizing their findings, the authors highlight that in all the cases they studied, governments are experiencing a higher volume of assistance, a bulk of which comes from non-traditional donors. The possibility of choice generated by these diversifying models and sources of assistance was positively viewed by public officials. It was seen as trumping the costs of increased fragmentation. Fragmentation did not seem to constitute a major hurdle for them in terms of management. In Nicaragua (Walshe Roussel, 2013), the presence of non-traditional donors did not only increase the options available to the recipient government, but their presence also shifted power

dynamics through two important channels of influence. First, the demand-driven and flexible approach by non-traditional donors has enabled the recipient government to successfully take ownership of its development agenda and command its development cooperation relationships more strongly; secondly, emerging donors have encouraged traditional donors to re-evaluate their approach to development by portraying different strategies in practice than the ones they have traditionally followed.

These cases seem to contradict the believe that reducing aid fragmentation and improving donor coordination and harmonisation is important. It calls to re-evaluate the common view of aid fragmentation as a contributing problem to development effectiveness. As Sato et al. (2011) point out, without dismissing the coordination impetus, aid fragmentation brings competition allowing the government to balance donors, affording the government a range of options which contributes to its ability to maintain control over key decisions. In other words, fragmented aid and competition can be seen as contributing to the government ownership of its development strategies.

Implications for actors in recipient countries

The previous section has summarised some key dimensions of ownership at the country-level including (i) planning, (ii) contributing meaningfully, and (iii) deciding among providers of cooperation. The section highlighted how ownership is shaped both by the development cooperation landscape and by the actions of recipient governments. While there is a persistent frustration within the international development community on what some call 'lip service' to ownership (Ramalingam, 2013), from a political economy perspective, it is expected donors will continue to uphold their priorities and accountability lines. As Howes (2014) reiterates, ownership should be primarily of concern to recipient countries, and what donors can explicitly do to assure ownership is limited. Ownership is not something to be asked of or received from donors, but rather exercised by recipient governments; it can be described as a set of strategies taken forward by recipient governments to negotiate and implement development programmes in the context of contractual agreements with the provider of development cooperation, and varying degrees of power asymmetries. It is important to highlight donors will most likely want to maintain influence on national policies and adapt their strategies to new channels of influence (Swedlund, 2011).

For actors in recipient countries, practising ownership entails developing institutional frameworks that promote not only that the government and its official agencies take a proactive role in development cooperation but that a diversity of actors, including CSOs, beneficiaries, diverse branches of government are involved. The country cases showcase that the day-to-day of development on the ground is constituted of diverging interests,

preferences and incentives between recipients and donors as well as amongst the full range of policy actors involved. The existence of these divergences, their politics and negotiation, needs to be contended with. From a political economy perspective, it could be said that the task for actors in recipient countries is to promote internal collective action. This would require developing norms that balance the control and power of national governments with the possibility of the rest of stakeholders to engage meaningfully in the implementation of development programmes. In the case a national government, if it generates norms that centralise power excessively, this will alienate others, and be detrimental to the effectiveness of development cooperation. On the other hand, a lack of some basic standard rules may also result in a distorted development cooperation system. Recipient governments may need to develop institutional frameworks where a common vision can be accompanied by diverse ways of achieving it, a vision will facilitate collaboration with other levels of government and non-state actors.

The development cooperation landscape also has an impact on ownership, as exemplified clearly by the shifts that occur due to the presence of non-traditional donors. Beyond advocating for ownership, there is a need to better understand what the strategies are that governments can successfully take to improve their ownership throughout the life of a cooperation programme.

Box 2. Uganda's experience with development cooperation (Kasirye & Lakal, 2019)

Uganda exemplifies a different evolution in the debates on development effectiveness than Bolivia as Uganda still receives a larger proportion of aid. As with Bolivia, the Government of Uganda sets its development agenda and while it guides the negotiations between the government and the cooperation agencies, disputes tend to arise, primarily in the areas of governance and financial accountability. This mirrors other cases that show tension in the area of politically sensitive reforms. Additionally, while the government would prioritise economic investments, traditional donors would prefer to support the country's social agenda. As a result, the government welcomes partnership with non-traditional donors, especially China, to focus on productive infrastructure which is not a priority for traditional donors. While the authors confirm that the availability of new opportunities of international cooperation is welcomed, they identify two potential risks with the change of the landscape in Uganda. First, increasing sovereign debt may need further attention. Second, non-traditional donors negotiate to fund informally and less transparently with the Government of Uganda, which threatens progress made on domestic accountability. For example, direct negotiations undermine the existing formal structure for negotiating with donors. As recipient governments adapt to the new landscape, their institutional arrangements and organizations will also need to evolve and adapt. The question remains to whether this is happening quickly enough.

Mutual accountability or multiple accountabilities?

Mutual accountability for development results and the effectiveness of development cooperation between recipients and donors is a core principle of the global effectiveness framework. Though this mutual accountability is asserted along with different actions to be committed to by both recipients and donors, the challenges of achieving it in the context of an asymmetric distribution of power are less clear. The development effectiveness framework emphasises mutual accountability by recipients and donors as a core principle to ensure development results. This emphasis on mutual accountability marks an inevitable shift from the previous aid paradigm where accountability was mostly understood as outward accountability from recipients towards donors, often secured through conditionalities (Jaradat, 2008). But in promoting mutual accountability, the global framework builds on an assumption of actors motivated by the same objectives and who have a balanced power relationship. Less attention in this framework is given to representative accountability, where government agencies respond to their citizens. This section explores three scenarios, one where the donor's accountability line has more influence on the outcome. A second scenario where the recipient's government electoral accountability gains prominence, and the last scenario where outward accountability may undermine the national accountability lines. All of these scenarios exemplify the limitations of the concept of 'mutual accountability' in practice.

The *Improvement of Water Supply System to Greater Amman Project* in Jordan, funded by Japan (Jaradat, 2008), highlights the tension inherent in the mutual accountability between recipient and donor who in reality are accountable to multiple domestic (if not regional and international) stakeholders. This project's documentation, for example, mentioned that the provision of services and materials could be done either by Japanese or Jordanian companies and citizens. However, the project was implemented fully by Japanese consultants, companies, and experts ensuring the post-delivery maintenance. It was built with equipment and machinery from Japan, with maintenance requiring the same elements. While this provision gives preferential market access to Japanese companies, it also creates dependency on their capacities securing long-term Japanese control. This case illustrates the plurality of stakeholders (taxpayers, private sector, government, parliament, civil society, etc.) that influence Japan's development assistance. These stakeholders constitute the many accountability lines that Japan's cooperation agency responds to. In contrast, in Jordan, the allocation and spending of aid is the responsibility of the Ministry of Planning in collaboration with line ministries and is not approved by Parliament. This reflects a different accountability line than the one usually assumed: one of the government to its citizens, through parliament, for example. This does not exclude that there are alternative channels for Jordanian stakeholders to influence this allocation process but may explain why, at the end of the day, the project had no

participation from Jordanians in the provision of goods and services. This case portrays the difficulty of discussing mutual accountability without considering the accountability lines of each stakeholder: donors and recipients and their respective capacity to influence the final outcome of a development cooperation initiative.

For the second scenario, a valuable example is the analysis of projects financed by the World Bank, African Development Bank (AfDB), and Japan International Cooperation Agency (JICA) in Zambia (Makasi, 2018). Zambia is an insightful case to study the political factors of aid allocation as it follows the trend of a number of African countries that have moved, starting in the 1990s, from a single to a multiparty system opening the door to a more competitive electoral process. The author points to an ongoing oscillation between democracy and autocracy. Since this shift to multipartyism in 1991 in Zambia, the country with a five-year election round has undergone five legislative and four presidential elections. Each election (both legislative and presidential) has seen a decrease in the votes for the main party to the advantage of the main opposition parties. Additionally, aid still accounts for a meaningful part of its budget, with the government having the opportunity to allocate it to different projects and locations. What motivates the way the government allocates projects and funding from development cooperation? Three possible reasons are explored, where the government responds to: i) clientelism and patronage, ii) electoral competition or iii) other need-based factors such as poverty. Through an analysis of the distribution of projects financed by WB, AfDB and JICA, the author concludes that the government allocates more funds to districts where the opposition is strong, probably with the aim of attracting new voters. This shows the importance of the national electoral accountability on the final outcome of development cooperation and its effectiveness, by affecting aid allocation within the country.

The realization that the accountability to donors embedded in the aid projects was generating an outward accountability model bypassing domestic accountability mechanisms dates back to before the Paris Declaration (Lawson & Booth, 2004). However, this might be an issue worth revisiting in the context of new donors and instruments. The case of Uganda (Kasirye & Lakal, 2019) exemplifies a situation where agreements between the recipient and provider countries may undermine the accountability line between governments and their citizens. The authors note that non-traditional donors in Uganda do not necessarily follow the formal negotiation processes for development cooperation, but rather negotiate directly with the highest authorities; in this case, the presidency. At the same time, the President, to maintain direct control over the key development decisions, often develops new projects and agencies through presidential directives which undermine the existing institutions and organisations. Furthermore, non-traditional donors do not participate in formal spaces set up for the discussion of development cooperation such as the Development Partner Technical Working. They do

not provide information on their projects, making it difficult for journalists and watchdog groups to assess their impacts. Ultimately, this opens up opportunities for corruption and a lack of trust from citizens. This echoes previous findings that countries with weak cooperation management systems usually have rules stipulating that negotiations are formalised and centralised, but they are easily by-passed (Whitfield, 2009).

Implications for strengthening domestic accountability

The preceding section highlights the difficulty of putting in practice the concept of 'mutual accountability' when other valid, strong accountability lines exist. The literature of governance has traditionally emphasized the importance of domestic accountability, between the recipient government and its citizens as a critical condition for development and the importance of giving priority to vertical and horizontal national accountability. One important consideration, for the recipient government's approach to development cooperation, is to prevent that development cooperation undermines nationally-led accountability.

When thinking about accountability in the context of development cooperation, two questions are relevant: accountability for what and to whom? (De Renzio, 2016). Organisations that manage development cooperation in the recipient country face the dilemma of being accountable to their citizens and beneficiaries needs and priorities or to the donor's requests and priorities. Ideally, recipient organisations should be able to prioritise their constituency but cannot overlook the constraints completely that the donor agency works under; these can be political or programmatic. In terms of accountability for what, recipient organisations have to prioritise between long-term goals and short-term results. Here recipient organisations should, on the overall, focus on the long-term consequences, but acknowledge that short-term results may be required by donors given their political contexts.

Transparency and data availability

The principle of transparency assumes that more and better information on funding for development would allow recipient governments to plan strategically, donors to coordinate, and non-state actors to engage more meaningfully on the planning and assessment of development cooperation (OECD & UNDP, 2016). Although transparency is usually linked more explicitly with making data and information public, it also entails creating trust and enabling partnerships between actors. Transparency is also thought of as a mechanism to reduce corruption, a problem that is highlighted by donors as a hindrance to effectiveness (Swedlund, 2017). The evaluation framework for the Global Partnership for Effective Development Co-operation sets the goal of transparency as

mainly a responsibility of donor countries, who should make information on their funding publicly available. As a result, most transparency initiatives are driven by the publication of data by donor countries. In addition, the goal to improve transparency has also reached the national level, where aid information management systems (AIMS) have been deployed.

Park (2017) discovered at least 75 cases of AIMS either currently or previously deployed in 70 countries from 1996 to 2015. Within this sample, the author identified that the two major systems on the market had become the Development Assistance Database (DAD) developed by Synergy International Systems, and the Aid Management Platform (AMP) developed by Development Gateway. These systems were frequently deployed with the technical assistance of the World Bank or United Nations Development Programme. The author classified the 75 AIMS identified in three categories: i) relatively active and used (12 cases) ii) accessible but rarely used (31 cases) and iii) implemented but shut down (32 cases). The limited success of these initiatives to sustain and prove useful in the long-term should raise the question of what the goal of transparency within the national context of recipient countries is—that may be different from the goals at the global level—and what is the best way to promote it. The case ODAMOZ, Mozambique's AIMS created in 2005, sheds light on some of the challenges of such initiatives. It was first established as a mechanism for the European Union to provide information to the Government of Mozambique and later began including data from additional donors and became a success story of transparency (Steer et al., 2008). It is now categorised as one of the cases where the platform is still accessible but rarely used (Park, 2017). After a partial shutdown of the platform in 2015, an assessment of the platform was carried out. Significant bottlenecks were identified, including its technical complexity, its lack of alignment with the classifications used in the national budget, or with the planning processes by donors. It is worth noting that the system was developed by an international private firm, which also posed questions regarding licensing and the capacity of the government to adapt the system to its needs independently. In the future, more systematic analysis of the systems in place in recipient countries to have open information on development cooperation gave the identified cases could be a valuable starting point to support further recipient governments' efforts to manage development cooperation effectively.

While providing information more systematically is already a substantial challenge, research suggests it is not enough (Honing, Lall & Parks, 2019). Initiatives that only make information available are inadequate and they need to be "accompanied by recourse mechanisms that allow information seekers to appeal to an independent body when their disclosure requests are rejected—a body that enforces compliance with such policies and thus ensures that they generate information that can be used by stakeholders to improve project design and implementation" (p. 16). Without the appropriate enforcement

mechanisms, circumventing requests for information can limit the impact of transparency initiatives.

In addition to concrete initiatives to make information public, it is essential to reflect on implications of perceptions of lack of transparency and corruption. For donors, this poses the paradox that it is possible that aid must be most needed in a context with significant corruption. However, Kenny (2017) argues that there is no clear evidence that weak governance is a barrier to development. Instead, he argues that the “distrust of developing countries—and in particular developing country governments—is a big problem because no country has become wealthy without a large government involved in a huge range of regulatory, investment, and spending roles” (Kenny, 2017, p. 4).

Implications transparency initiatives at the national level

Further analysis of the functioning of the AIMS is required at the national level. The reviews available on the progress on transparency point to the fact that transparency initiatives seem to be driven by donor countries, and most importantly, as McGee (2013) points out, they do not have clarity of their theories of change. She argues that there is no clear link between becoming more transparent and increasing the accountability of donors, and no clarity of who the ultimate users of these transparency initiatives are. Transparency initiatives seem to exemplify more clearly the persistent issue

of incomplete feedback loops existent in development cooperation. Donor agencies are expected to provide information, their direct constituency, citizens from donor countries, would be the most likely target audiences of this information, but it is unclear how they can use the available data when these investments do not affect them directly. Specific groups and CSOs could advocate for changes in policy, but their wider impact on the donor's country policy debates seem limited. If donor agencies provide information to reach citizens of recipient countries directly, that raises the question of what can be done by citizens from recipient countries if they cannot hold the donor government accountable.

Transparency has also been promoted as a tool to enhance collaboration among donors, and to a certain extent, increasing the transparency of donors has also become



Transparency has also been promoted as a tool to enhance collaboration among donors.

a mechanism for them to compete with each other, and hold each other accountable to the principles agreed globally. However, more attention should be given to what occurs at the national level. Some outstanding questions include: who reports to whom in terms of financial disbursements, planning and evaluations, and who makes information public and how. In sum, the principle of transparency has been set at the global level and implemented through a top-down approach aiming to provide information from the global level to the national policy process unsuccessfully. Bottom-up approaches, initiated and sustained at the national level, may be worth exploring. Initiatives that promote open data and access to information on development cooperation must be considered within the broader governance and accountability context of each country.

Keeping commitments and predictability of funding

The Accra Agenda reaffirmed the Paris Declaration's commitment towards increased aid predictability to enable the recipient to "plan and manage their development programmes" (OECD, 2010a, p. 21). Aid predictability constitutes one of the indicators of progress towards the principle of alignment and contributes to accelerating progress towards ownership. This commitment to making aid more predictable was renewed in Busan Partnership (2011) as part of the principle of transparent and responsible cooperation, and in the Nairobi Document (2016) as part of the ownership principle. Actions include the provision of timely and accurate information by donors and strengthening of domestic systems and processes by recipients. The Nairobi Document mentions a much-needed institutional and cultural shift towards the provision of timely and accurate information by donors and for donors to work with their parliaments (Global Partnership for Effective Development Co-operation, 2016). Despite these statements, aid predictability is one of the lagging commitments of the aid effectiveness agenda. Why is it so hard to keep commitments? What does the lack of timely and relevant information denote?

Swedlund (2017) discusses the sources of commitment problems. Her investigation shows commitment issues on both sides of the aid relationship, between donor and recipient, suggesting attention should be given to the respective underlying dynamics and their interactions. Second, given her discussion of the source and nature of these commitment problems on both sides, envisaging perfect predictability might be futile. The question then becomes how to accommodate to those unexpected circumstances that inevitable impact the delivery of aid. Besides, absolute predictability is undesirable if it turns into a lack of flexibility which is a valuable characteristic among recipient countries (United Nations Economic and Social Council, 2008, p. 5).

Although there are a range of areas where both recipient and donor are often unable to keep their commitments, Swedlund (2017) focuses on the main ones identified by each

party as a source of frustration and an obstacle to the effectiveness of development interventions and donor-recipient relationship. Drawing from the cases she studied, she notes that donors signal corruption and speed of reform as impediments when it comes to recipient countries. Recipients point to continually changing aid conditions and aid predictability from donors.

Donors see corruption as a breach of recipient country commitment to development and an obstacle to a relationship built on trust. Furthermore, donor agency officials tend to react strongly to corruption cases as they affect them more directly. To illustrate this, she cites the example of Uganda, where donors were prompt to respond to an instance of money disappearing from a peacebuilding program set up in the Prime Minister's office by freezing aid. Contrasting it to the case of Rwanda, she indicates that donors, despite a tense relationship with the state, tend to pursue the provision of aid despite questioning the country's governance. This is because donors see the state as committed to reform with its anti-corruption stance. Donor officials take corruption 'more personal' because it hinders their ability to make a case for and justify development budgets to their governments. This in turn leads to questions regarding the longevity of the agency in the country and their jobs (Swedlund, 2017). The influence of individual and institutional incentives in donor agencies is clearly visible.

Although donors are aware of the difficulties and length of time associated with implementing reforms, the aforementioned institutional incentive that measures professional performance on the ability to disburse aid and complete projects on time combined with a results-based approach prioritises the speed of implementation. For these reasons, donor officials tend to question the slow pace of reform or sometimes move ahead with reform despite warnings signs about recipient commitment or implementation issues. There is also a tendency, though not always justified, from donors to interpret the slow pace of reform as a lack of commitment from the recipient (Swedlund, 2017).

Turning to donor commitment problems, Swedlund (2017) highlights that the inability of donors to keep their commitments when it comes to aid conditions and evaluation criteria also leads to a trust issue between both parties. Moreover, the changes that often result from a shift in plans and priorities of donor governments hamper the planning abilities of recipient governments. These changes affect governments with their budget preparation and the implementation of their development programmes. In a survey of actors in her four case studies, the author stresses that aid predictability on a medium-term remains a significant commitment problem for most donors. Of her respondents, "67% reported difficulty for their agency to deliver promised aid on time, while 65% reported [...] [difficulty] to give accurate predictions of aid disbursements even one year in advance" (Swedlund, 2017, p. 87). This impacts the recipient country's ability to plan

its budget and, more narrowly, for aid. It often leads to ill-designed interventions and spending.

Politics in both recipient and donor countries contribute to the inability to keep credible commitments. In recipient countries, donors are not the sole actor that the government has to contend with, and not necessarily the main one. Other, more pressing political demands and pressures recipient governments face, especially those related to its tenure in power, might supersede commitments made to donors. In donor countries, changes in government or in government priorities directly impact aid agencies and their ability to keep or withhold commitments (Yanguas, 2018; Swedlund, 2017). At times, aid is not always high or even on the list of priorities for donor governments.

How do recipient governments navigate this uncertainty in their relationships with donors? There are some cases where recipient countries negotiate conditionalities as part of a strategy to retain the commitment of the provider. Public officials point to the fact that by negotiating policy conditionalities they gain trust from donors as well as they becoming able to secure further technical assistance required to push forward the reforms (Dornan, 2017). On the contrary, there might be cases where if a donor is kept too distant from the decision-making process, they may lose trust or commitment (see, for example, the case of Ethiopia in Whitfield, 2009).

It is not surprising that in the context of a lack of predictability and changing conditionalities, recipient governments have been welcoming other forms of cooperation, including South-South Cooperation, and development finance from regional development banks or the private sector. For example, in the case of Uganda (Kasirye & Lakal, 2019), public officials believe it was positive that non-traditional donors do not have policy conditionalities. Public officials see these types of arrangements as less politically risky, and more predictable when they are based on economic agreements. However, the authors do point out that the deals are economically high-risk, as the government is acquiring new debt that may be unsustainable. In Bolivia, in addition to SSC, the government has increased its agreements with regional DFIs, as their conditionalities are more related to the economic, environmental and social implications of the projects rather than to political reforms. Furthermore, DFIs provide technical assistance that increases the chances of the government's capacity to fulfil these requirements. For Bolivia, the reduction of commodity prices means that debt is also becoming a significant concern for the future.

Implications for the management of unpredictable cooperation by recipient governments

The challenges of recipients and donors to keep commitments to each other result

in uncertainty and risk when it comes to development cooperation. Given the political factors underpinning changes in priorities, it is hard to imagine substantive changes in the capacity of parties to keep long-term commitments via stricter global rules. Unpredictability might be aggravated by the use of new instruments, such as blended finance, that are more aligned with the logic of markets and competition than with planning. In this context, strategies by recipient governments to attract funding with mechanisms that promote long-term commitment and shared ownership from donors remain as a vital area of research. Recipient governments are well-aware of the changing environment of development cooperation and have welcomed more options from non-traditional providers. But how can recipient governments ensure that more choice does not turn into more unmanageable fragmentation and a lesser focus on long-term objectives? Recipient countries may need to revisit their institutional setup internally. They may also need to look into mechanisms of coordination with non-government actors in the wake of a new development cooperation framework.

A future research agenda on development effectiveness at the national level

The aim of this analysis was to inform a future research agenda on the effectiveness of development cooperation that can inform a global framework for effective cooperation to achieve the SDGs. This study acknowledges that the context has changed from aid effectiveness towards an unclear development effectiveness paradigm, one that includes a diversity of providers, mechanisms and instruments of development cooperation. Development effectiveness debates are currently re-framed around the 2030 Agenda and the SDGs. The analysis has focused on the political economy dimensions of development cooperation at the national level. Here, we have looked at the roles actors in recipient countries have on promoting effectiveness and what the implications of these practices are on global debates on norms and standards. Previous research surveyed for this study focuses primarily on what donor agencies can do to promote effectiveness. We assert that a future agenda should focus on what recipient countries do to manage and engage successfully in development cooperation without overlooking the power asymmetries inherited from cooperation among countries at different levels of development. The emerging issues showcased in this study can inform three aspects of future research: which are the most critical principles of development effectiveness that should be studied more in-depth at the national level? Who are the most relevant actors and functions? What elements can be included in a conceptual framework that can also be used to study the political economy of effectiveness?

Thematic priorities

The principle of ownership has received significant attention in the review of the case studies. Looking more closely at the principle of ownership shows further unpacking is needed. Moving forward, an approach could be to see ownership along a value or distribution chain of development cooperation, one that starts with the negotiation and planning of a programme and ends with its delivery and sustainability. While planning development programmes that bring together the priorities of recipients and providers is an important first step, other actions can be taken to strengthen ownership throughout the entire process. Governments in recipient countries seem to take a proactive approach, through different strategies to have more ownership of the negotiation and implementation of programmes and projects. A future research agenda could look more closely at these strategies, and how they are used, in relation to different donors, sectors, and instruments and how impactful they are in improving the effectiveness of development cooperation.

As was highlighted earlier in this study, the principles of development effectiveness relate to each other. A holistic approach to ownership has implications to the other principles. We ask: what does ownership mean in relation to accountability? What does it imply for both recipients and providers being able to maintain commitments and predictability? What does it imply for transparency in the sector?

Accountability within recipient countries is another thematic priority. The aid effectiveness agenda moved from outward-focused accountability to mutual accountability. However, a closer look at mutual accountability shows that in practice, both recipient and provider governments have different, stronger lines of accountability themselves. In practice, mutual accountability is difficult to implement. There are two different levels where further analysis is required on accountability. At the global level, accountability should be framed around the global partnership for sustainable development, and how to enhance it. Instead of focusing at the global level on each relationship between donor-recipient, attention should be given on how to promote shared accountability among different actors. This is already quite a challenging area of work given the current lack of agreement between traditional providers and non-traditional providers. However, this seems a more useful focus at the global level, rather than individual relationships between the donors and recipient countries. At the national level, the focus should remain on strengthening domestic accountability.

Transparency is also a principle that can be updated in the context of a new development cooperation strategy. While progress has been made internationally on standards for making information publicly available, the use of the information available remains an agenda for the open data community. Instead of focusing further on bridging

the gap between the supply of information and its demand by potential users, the institutional arrangements and governance of information should be re-evaluated. For example, in the context of strengthening ownership by recipient governments, would it be feasible for them to become active custodians and publishers of information regarding development cooperation?

Finally, the capacity of different actors to maintain their commitments and ensure predictability of funding remains an important principle in the future. This is particularly due to the changes in the instruments used for finance for development from traditional budget support to more market-oriented instruments. While new instruments may attract private funds for sustainable development, questions about how to ensure its sustainability and predictability have not been looked at closely. For recipient countries, this may entail looking into different regulatory and legal frameworks that support long-term engagements and reduce volatility of funding and its possible negative consequences.

Conceptual framework

To look at the thematic priorities identified in the previous sections, different approaches and frameworks may be employed. The present study has highlighted the importance of three concepts in political economy that should be kept in mind for further research. These concepts have proven to be a fruitful framework by which to understand the dynamics of development cooperation. First, the principle-agent model, as a general framework, remains valid for the understanding of the relationships involved in development cooperation given the complex set of relationships at the political and operational level. However, the literature so far has focused primarily on the principle's side of the equation: the actions and strategies that donors can implement to achieve the development goals they have prioritised. Less attention has been given to the role of the agent, in this case, the recipient. This study has presented some of the challenges from the recipient perspective but given that the existing research focuses primarily on the donors, there is less evidence on the strategies of agents. Other areas of research that use the principal-agent framework, such as in the business sector, have moved towards understanding more the agent's role in the outcomes observed, for example through agency theory. In a similar fashion, further research in development cooperation needs to focus on the agency of recipient countries.

The problem of collective action is the second concept that remains relevant to the political economy framework. A political economy framework can provide insights on what can be the objectives of having global norms and how to ensure that they help solve problems of collective action. Finally, the concept of broken feedback loops has proven important to understand the reality of complex relationships between countries

and actors that are distant to each other both geographically, but also in terms of political agendas.

Actors and roles

By taking a new perspective on development effectiveness grounded in ownership, new actors emerge as relevant. In a future research agenda, more attention can be given to the roles of the actors at the national level. For example, the different case studies reviewed exemplify diverse models of organization at the recipient level. In some cases, for example, where budget support is significant, the Ministry of Finance seems to be taking a leading role on the relationships with donors. On other instances, there are more decentralised mechanisms, including line ministries or even local governments. Yet for other countries, particularly those in the middle-income bracket, cooperation agencies are beginning to take dual roles, both as recipient and providers of development cooperation. There is, however, little research on these institutional arrangements, how effective they are in managing cooperation, promoting coordination or monitoring outcomes. Knowledge on these structures may strengthen the work of cooperation agencies, and ultimately increase ownership and effectiveness. In addition, more reflection on the role of beneficiaries may be important to strengthen all the principles of ownership, transparency and accountability. There is less clarity of the role of the beneficiaries in identifying needs and priorities, sharing responsibilities, participating in evaluations, and so on.

Providers of development cooperation adjust their strategies to fit the needs and expectations of recipient countries. For example, in Bolivia (Peñaranda, 2019), development banks provide not only financial but also technical assistance to improve the quality of these services. In other cases, providers are adapting by taking a more active role in brokering the relationships with the private sector via blended finance deals.

Conclusion

Despite the shift and focus on development effectiveness, there is neither a global development effectiveness framework nor a shared understanding by development actors of what development effectiveness means and entails. What explains this unfinished agenda? First, the current debate seems to respond mainly to the confrontation of different positions of the relevant actors (both recipient and traditional and non-traditional donors), meaning that the actual objective of effectiveness becomes blurred in the dispute. Second, with more actors, who come with multiple objectives, creating a common norms agreement will become more difficult, particularly considering the

pre-existing power asymmetries among countries. But, is a common global framework still relevant? As in the provision of other public goods, lack of norms on development cooperation may reduce its provision. A lack of minimum global norms may hamper financing opportunities for the 2030 Agenda.

Even without global agreements, development cooperation keeps being deployed around the world. By focusing on a set of country case studies, this study has prioritised some issues around development effectiveness at the country level. The principles of ownership, accountability, transparency and predictability/capacity to maintain commitments, have been prioritised as key issues for a future research agenda and also a set of minimum global norms. However, these principles should be seen from the perspective of the recipient government. By setting the principle of ownership front and centre, new research could shed light on the strategies that recipient governments take to stay on the driving seat of development cooperation throughout the different steps of development cooperation, from its inception to its monitoring and reporting.

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