

The Politics of Aid: African Strategies for Dealing with Donors

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Academic studies of aid to Africa have typically asked how 'we' in the West can get 'them' in Africa to adopt economic and political systems that look like our own. Suspicion of African politics has led to the assumption that governments seeking to resist the developmental models promoted by generous foreign donors are doing so for nefarious reasons. As a result, the negotiating strategies that African states have adopted to secure their own policies have been largely neglected.

In contrast, this article starts with a positive view of African states' sovereign rights. It asks how they can use aid to pursue their own policy preferences, resisting donor priorities while still taking the money. It reports on primary research from eight countries--Botswana, Ethiopia, Ghana, Mali, Mozambique, Rwanda, Tanzania and Zambia, investigating the strategies African states have adopted to identify and advance their objectives, the sources of leverage they have been able to bring to bear in negotiations, and the differing degrees of control that they have been able to exercise over the policies agreed in negotiations and those implemented after agreements have been signed. Based largely on interviews with politicians and civil servants, the cases reveal the implicit and explicit negotiating strategies African negotiators adopt. The cases were researched in the context of the Negotiating Aid project at the Global Economic Governance Programme, University of Oxford. Full findings are published in an edited collection (Whitfield forthcoming 2008).

The cases focus on Africa because the continent houses more countries that rely on foreign assistance for a significant share of their central government income than any other continent. The task of securing control over the implemented outcomes of negotiations is most challenging in these aid dependent countries. The selection of countries captures variation in the degrees of control achieved, the levels of financial dependence and the historical and political context for aid relations. Botswana provides for contrast with the currently aid dependent countries as it successfully managed aid in the 1960s and 1970s and exited from dependence by the 1980s.

This article first explains the rationale for conceptualizing contemporary donor--recipient relations as a negotiation. It challenges the fashionable construction of aid as a partnership as well as the idea that recipients increasingly 'own' their programmes, suggesting that these notions tend to obfuscate power relations. It distinguishes competing definitions of ownership as control over implemented policies and ownership as commitment to a pre-determined policy set, and seeks to identify a methodology for assessing degrees of success in winning control.

The second part of the article presents findings from the country cases and considers the factors that account for the negotiating strategies attempted by each Government, and the varying degrees of control they achieved. It concludes that while Botswana has had the greatest success, Ethiopia and Rwanda have also maintained significant control over the implemented policy agenda. The research finds little to suggest that either Tanzania, often cited as a case of a recipient achieving 'ownership' that others might emulate, or any of the four other countries have substantially challenged the donor-dominance that has defined their aid relations over the last decade. Finally, the article highlights some emerging trends, such as debt relief, economic growth and China's increasing role on the continent, and considers their potential impacts on African governments' negotiating strength and the future of Western aid policies.

Ownership as control or ownership as commitment

A focus on negotiating aid might appear unfashionable. There is a tradition of research that has treated aid as a bargaining relationship in which donors offer finance as an inducement to recipients to adopt particular policies, and this is discussed below. However, since Robert Cassen (1994) asked *Does Aid Work?*, most literature has focused on ‘impact’, considering whether aid achieves objectives that are assumed to be shared by donors and recipients, such as reducing poverty, building democratic institutions and promoting human rights (cf Sachs, 2005). A co-operative relationship, even a partnership between donor and recipient is thus often taken for granted, as is the idea that recipients increasingly have ‘ownership’ of the process and its outcomes.

Widespread deference to ownership disguises the fact that the concept is endorsed as an aspiration by actors with quite different views about how the aid system should be reformed, and they use it to describe quite different phenomena. On one hand ownership can refer to the *control* of recipients over the process and outcome of aid negotiations. Those using ownership in this sense tend to start from an acceptance that recipients currently have little control because donors have sought and achieved significant influence by attaching policy ‘conditions’ to aid and debt relief. Three critiques of conditional aid relations dominate, but all point to the need for more recipient control. Firstly, ‘one-size-fits-all’ economic policies implemented under donor-dominant conditions are widely understood to have enjoyed little success in promoting growth. Secondly, conditionality is criticised for limiting the opportunity for African polities (democratic or otherwise) to define their own futures, taking decisions further away from those affected by them. Thirdly, the need to devote enormous energy to negotiating with and reporting back to a wide range of funders has had a debilitating impact on African civil services. Proposing ownership as control thus involves urging donors to end conditionality and encouraging recipients to identify their own priorities, to establish their own systems to coordinate donors, and only to accept aid that comes on their terms. Success in securing ownership as control might be assessed through a focus on the extent to which recipients initiate new policies and press donors to accept and support them without onerous conditions.

On the other hand, ownership is also frequently used to refer to the *commitment* of recipients to an identifiable set of ‘free market’ economic reforms promoted by major aid donors at least since the 1980s and pressed since then through an ever more complex conditionality regime. Rather than worrying about the limitations of their own policy prescriptions, donors have increasingly diagnosed the failures of conditional lending as reflecting a lack of belief on the part of recipients in the policies they have adopted in order to access funding. Those encouraging recipients to ‘take ownership’ of reform policies might assess success according to the energy with which recipient governments implement conditions and face down domestic resistance to them. The term’s deployment in this way tells us nothing about how the policies were chosen and whose preferences they reflect, and thus enables the obfuscation of ongoing disagreements.

Settling on a term with loose definition helps lubricate international negotiations on reform of the aid system. Everyone, it seems, agrees on the need for more ownership. However, the elision of two contradictory concepts offers no clarity. While there have been significant changes in how aid is delivered in recent years our cases do not suggest that new modes of

giving and receiving have effaced the political encounter between institutions representing two separate communities with different interests to such an extent that it is no longer sensible to talk about negotiation. Rather, it appears that the willingness of donors to co-operate with *administrative* measures that increase recipient control over the aid process is often conditional upon the prior demonstration of *political* commitment to donor preferences. Thus where donors endorse recipient 'ownership', they may be doing so because it serves as an efficient means to co-ordinate a chaotic scene without implying any commitment to increasing the ability of African polities to pursue policies of their own design.

This article clarifies this confused discourse by adopting an understanding of ownership only as the degree of control recipient governments are able to exercise over policy design and implementation, irrespective of the objectives they pursue. Indeed, it is only where we can identify differences in the objectives of donors and recipients that the ability to control outcomes can be discussed.

Focusing on ownership as control follows from an understanding that over time recipients have lost much of their negotiating strength and that the subsequent loss of control over policy has had a malign effect. The defence of ownership is in effect a defence of the sovereign rights of African states and reflects a belief that only where communities are self-determining is there any hope of greater democratic or popular control over the policies and projects pursued in the name of the people (we follow here the argument made by Bickerton et al., 2007). The research is designed to explore how a realm of decision-making can be protected from external influence, defending spaces in which African agents can themselves struggle over the nature of appropriate political processes. It does not take the next step of discussing how such spaces might become more democratic but assumes that the defence of a realm protected from external influence is a necessary but not sufficient pre-condition for any such development.

Negotiating Aid

The country studies were guided by, but aimed to go beyond, the research questions identified in an established literature. The main works on the political economy of reform in Africa draw on rational choice theory (cf. Bates 1981; Hyden 1983; Callaghy & Ravenhill 1993) and on neo-patrimonial frameworks (cf. van de Walle 2001). The dominant texts on aid negotiations use game theory (Mosley et al. 1991), principal-agent models (Killick 1998; Dijkstra 2002), and new institutionalist approaches (Gibson et al. 2005). This article presents an alternative approach which builds on the useful insights of these approaches, but attempts to overcome their limitations. It does not present a new model of donor-recipient relations that can predict the outcomes of aid negotiations, but rather suggests a means to discuss issues in the political economy of aid that have been under-theorized.

The approach developed here differs in three ways from the established texts. First, rational choice and game theoretic models posit the 'players' in the negotiation as bundles of interests and capacities, rather than as political agents partially constituted by the ideas and memories of the communities from which they emerge. In contrast the cases assume that politicians and bureaucrats as well as more complex corporate bodies such as ministries, cabinets and political parties identify their preferences not simply with reference to their own interests and not simply through rational calculation. Ideology, domestic politics and geo-political factors

all play important roles. Previous studies typically accept that these factors do influence the negotiating strategies of donors and recipients. However, they note them principally as external factors that limit the predictive power of the models adopted. Where game theorists make some attempt to engage with domestic politics they ‘disaggregate’ the interests within donor agencies and the recipient state machinery. Nonetheless, they continue to treat these interests as material, individualistic, and ‘given’ by the position each actor inhabits in an incentive structure. In contrast, this study demonstrates how the interests and preferences of the actors are shaped by the global economic, political and ideological contexts in which each actor and the negotiations themselves are embedded.

Second, much of the literature is ahistorical. Identifying what is specific about any set of negotiations involves not only describing the contemporary system but also considering the ideological and institutional legacies of the systems over which innovations are layered. The works of Mosley et al. (1991) and Killick (1998) looked at the lending practices of the World Bank and IMF and the effectiveness of conditionality in the 1980s and early 1990s. As Mosley et al. pointed out, the game is bound to change significantly, not least as a result of the fact that after years of experience both sides of the bargaining table figure out ways to neutralize each other’s strategies. And indeed much has changed since they wrote. Evolutions in the aid system, including recent emphases on debt relief, national and participatory planning, and institutional ‘capacity building’ have both affected the process and content of negotiations as well as the actors and have been driven by strategic moves by players on both sides seeking greater leverage. However, these changes are not simply evolutions in a game. They reflect the position of the aid system as an epiphenomenon of broader global political, economic and ideological developments, not least the end of the Cold War, increasingly rapid capital flows and an increasing focus in US and European foreign policies on the promotion of claimed ‘Western values’. Only by situating changed donor and recipient priorities in light of these developments can we understand contemporary aid relationships.

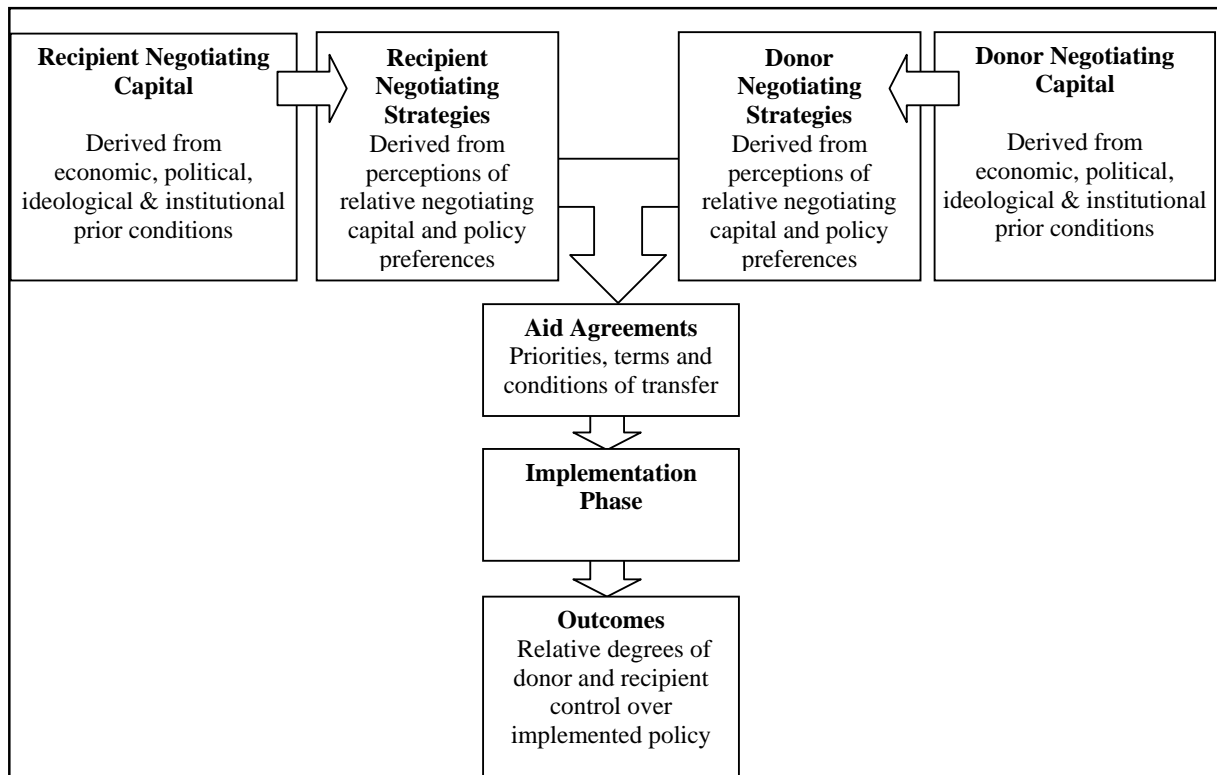
Third, both neo-patrimonial and rational choice approaches recognize that conflicts of interest are at the heart of aid negotiations and of the hesitance of recipients to implement outcomes. They also recognize that these conflicts occur between different groups within the recipient government as well as within the recipient society. However, these conflicts are rarely discussed as resulting from compromises, trade-offs and consensus building within both society and government, and thus from the legitimate and normal stuff of politics, rather than deviations from an assumed rational--bureaucratic norm. In much of the neo-patrimonial literature, resistance by recipient governments to the currently fashionable policy mix is understood as a ‘policy failure’ reflecting the nefarious motivations of elite network whose interests are threatened. The cases presented here do not start with this assumption. Rather, they attempt to identify the political bases of both donor and recipient preferences, challenging any notion that a technocratic ‘best policy’ exists and asking actors on both sides to articulate the underlying motivations for their negotiating strategies.

Conceptualizing aid negotiations

By treating aid as a negotiation, outcomes come to be understood as the product of an encounter between representatives of recipient and donor preferences.¹ A simplified model of negotiations might then consider the ability of each side to achieve their preferred outcomes given the conditions under which they meet and the negotiating strategies they adopt in

response to those conditions and their expectations of each other's behaviour. This framework is illustrated in Figure 1.²

Figure 1 Simplified Model of an Aid Negotiation



Under this simplified model the first step in describing an aid relationship would be to develop a clear understanding of the ever-changing global and national economic, political, ideological and institutional context within which donor and recipient define their preferences and select their strategies. Relevant *economic conditions* might include a recipient government's sources of finance and revenue, the state of the country's economy, its position in the global economy and the pattern of trade with particular donor countries.

Political conditions might include the relative geo-strategic importance of the recipient to powerful states in the international system, the ability of recipients to construct themselves in the minds of donors as a potential 'success story' of foreign policy or development aid, and a recipient government's ability to demonstrate its domestic political legitimacy in the international realm. A state which donors recognize as constrained by the need to respond to the will of its citizens, whether they express themselves through elections or other forms of political pressure, is better placed to negotiate than one which is understood as an 'insulated' bureaucracy that responds only to 'evidence' and 'incentives' provided by donors.

Relevant *ideological factors* are likely to include resonances between the political orientations of donor and recipient and, even in the absence of any 'fit' with donor ideas, the ability of the recipient government to express a clear vision about where the country is going and the

contribution of public policy to achieving that outcome. Resisting donor preferences and defending individual policy preferences is likely to be easier in a situation where recipients can situate choices in a wider frame of reference, particularly a national or party political 'project' understood as a key source of legitimacy for the regime. Lastly, *institutional conditions* concern the effectiveness of public administrations on both sides in researching the conditions in country, defining the problem to be tackled and devising, defending and implementing development strategies.

The mix of these conditions is unlikely to determine the outcome of any negotiation in a mechanistic sense. Rather, they present donors and recipients with constraints to consider in deciding what they think can be achieved through the negotiation, and with resources to draw on in a way that compels the other to consider their preferences seriously. 'Negotiating capital' is thus used here to refer to the leverage that a negotiator is able to derive from the conditions under which talks occur.

Each side's sense of its negotiating capital will inform the strategies they adopt. Nonetheless, their strategies are unlikely to be clearly articulated or explicitly stated, and may well never be written down or consciously designed. They may be implicit and the overall consequence of actions and choices of a range of actors, and may only exist as personally defined tactics or as a general approach informed by previous experiences in the minds of each negotiator. This presents difficulties for any researcher and explains the heavy reliance of the country case studies on post-hoc interviews with negotiators.

This analytical framework recognizes the aid negotiation process as including the full policy cycle: agenda setting, policy formulation, implementation, evaluation and revision. However, the cases focus particularly on the agenda setting and policy formulation stages because these present the best hopes for recipient government to control national development strategy and policies. Non-implementation of already negotiated policies and efforts to back-slide on commitments during implementation are certainly forms of negotiating strategy, and are considered in the cases. Nevertheless, they tend to reflect weak negotiating capital and allow 'control' only within constraints.

Assessing ownership

How then to measure the degrees of control achieved by different governments? Mosley et al. (1991) looked at the policy agendas with which donor and recipient arrived at the negotiating table, the final policy design, and the degree of implementation. This suggests a basic metric for assessing the control recipient governments achieve. We might ask;

- what proportion of the implemented policy agenda was decided by the recipient government without factoring in what donor preferences might be;
- what proportion resulted from a compromise between recipient and donor with each taking into consideration what they think the other's preferences might be; and
- what proportion was accepted reluctantly by recipient governments as a necessary price to pay to access financial aid in spite of conflicting policy preferences.

The task of discerning these proportions is more complicated now than during the early phase of structural adjustment lending considered by Mosley et al. In place of the aid talks of the 1980s, where a mission team from each donor agency flew into a country briefly to bargain

head-to-head with national officials, we now typically find multi-annual, multi-sectoral, multi-donor planning exercises that bring together in-country donor staff, local officials and a class of middle-men (consultant and NGOs) sometimes all paid for by a range of different donors. In some cases, most of a country's donors agree to be bound by the outcomes of mega-negotiations, such as those over debt relief packages, and all sign off on the same policy matrix or planning document, deciding, perhaps through a 'joint-assistance strategy' how each will contribute to the achievement of the overall goals. The location at which policy is contested shifts under these circumstances into both micro-level encounters between donor staff attending as one member of a sectoral planning sub-committee tied into a wider aid management structure and macro-level decisions where the terms under which the entire aid management structure operates and the highest level objectives of the national plan are defined. Numerous monitoring, evaluation and review processes create a rolling-agenda of built-in items for discussion which also make it much harder to identify the positions adopted by either actor 'prior to' the negotiation. To understand aid now, we must understand who defines the *process* of negotiating aid as well as at the *content* of the talks.

Given this evolving situation, the country study authors were charged with digging into the details of each country's specific experience of aid relations:

- To examine the material, ideological, political and institutional context for any country's aid relationship, tracing them through the past to the present;
- To outline changes in the government's formal and informal practices of negotiating aid and dealing with donors, as well as changes in aid practices driven by donors and how the government responded;
- To put together a picture of recent government strategies for dealing with donors and managing aid generally;
- To use strategic cases of negotiations over specific policies to interrogate the general picture;
- And to form a conclusion about the current government's degree of control over the policy agenda and implemented outcomes based on all of this.

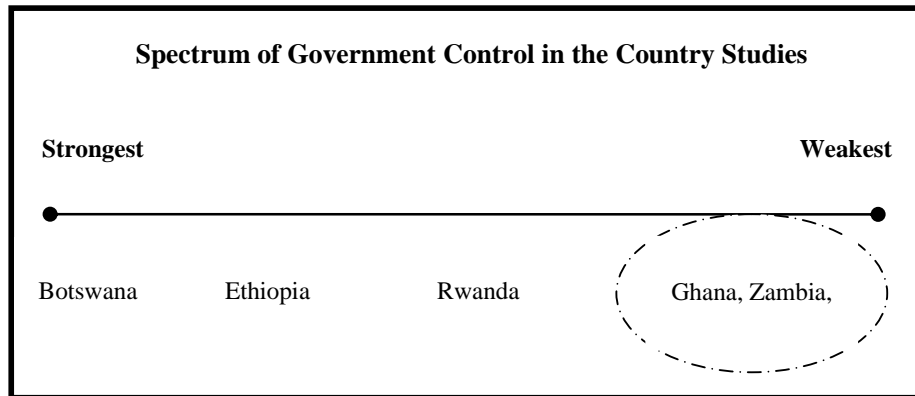
The country studies provide 'thick descriptions', reconstructing decision-making processes as far as possible by accessing the perspectives and strategies of the actors. Their conclusions on the degree of ownership are subjective but draw on a wide range of academic and policy literature, combined with either extensive experience working on or researching these issues in the country or intensive ethnographic field research. This approach was adopted because the question of recipient control cannot be turned into a series of quantitative indicators. However, the experiences of the eight countries can be compared and the strengths and weaknesses of their negotiating strategies, and the factors accounting for them, discussed in relation to each other.

The Experiences and Strategies of Eight African Countries

Based on the assessments provided by the country studies, the eight countries can be arranged on a scale ranging from strongest to weakest in their ability to control implemented policy outcomes (see Figure 2). Positions on this scale are not static. The studies were undertaken at a time when some of the countries in the weak group (particularly Ghana and Zambia) looked poised to change their negotiating strategy and assert a stronger development vision vis-à-vis their traditional donors. However, it is perhaps too early to say whether this heralds the return

of greater recipient control, or whether the material conditions on which they are based may prove shaky. This issue is discussed at the end of the article.

Figure 2



Botswana demonstrated the strongest degree of control in the contemporary period, having moved beyond financial dependence. This shift was achieved on the back of a strategy developed by the Botswana Democratic Party (BDP) upon taking power at independence that was designed to secure the integrity of Botswana’s domestic planning, democratic oversight and bureaucratic systems and to prevent institutional and financial dependency. The central plank of the strategy involved all aid being processed within constraints imposed by pre-existing national plans. With planning still internationally fashionable in the 1960s and 1970s, the government negotiated with *individual* donors, asking them to select projects to support from the national plan and to specialize in specific sectors. It did accept some projects initiated by donors, but only after scrutiny that they met with government priorities. The government also refused projects where recurrent costs could not be managed by the country alone after the donor stopped giving and insisted that projects and personnel be located and integrated within ministries, resisting the creation of donor-led project enclaves.

Ethiopia is placed next in terms of the degree of control achieved. Unlike Botswana, Ethiopia remains aid dependent and receives an increasing share of its state finances from donors, yet the Ethiopian People’s Revolutionary Democratic Front (EPRDF) government is in control of its development strategy, negotiating with donors only at the margins. The EPRDF government’s negotiating strategy, since it came to power in 1991, has been to adapt those policy prescriptions of the Bank and Fund that it finds acceptable to its own development agenda and to reject others. It has largely succeeded in controlling the pace and degree of reform. As in the Botswana case, part of the Ethiopian strategy has been the insistence on the sovereignty of pre-existing political and administrative systems, particularly regional and local government structures. Rwanda is placed in the middle of the spectrum. Although Rwanda’s policy space is constrained by its acceptance of heavy donor involvement in social and economic policy-making processes in order to access aid, the Rwandan Patriotic Front (RPF) Government has repeatedly transgressed donor preferences (suspending democracy and invading its neighbouring state) without losing access to external finance. The state has established ‘red-lines’ across which donor comment, let alone pressure, is not welcomed and

has established policies and programmes without donor support in areas that it defines as affecting social stability or state security. Donors play a role in pushing for and shaping reforms in areas that the government is concerned with addressing, but where donors and the government disagree, the government has persevered with its policies and approaches at its own pace, trying to keep donors on board but also going on without donor support. This raises the question, ‘how does Rwanda get away with it?’ A severe rupturing of post-colonial relations between Rwanda and its historic donors following the 1994 genocide, strategic use of the legacies of genocide, and the development of closer relations with the US and UK all play explanatory roles.

The remaining five countries belong at the weak end of the spectrum. Although there is variation among the countries, they are grouped together because each has attempted broadly similar contemporary strategies for managing donors, adopting internationally recommended systems of participatory planning and consensus building and seeking the harmonization of donor inputs to fund the resulting policies. Nonetheless, each country’s weak control is characterized by donors taking the initiative in designing new systems for aid management and introducing new policy areas for discussion. Recipient governments spend most of their time responding to donor demands, rarely introduce their own policy innovations, and rarely have the upper hand in talks.

It is clear then that certain negotiating strategies have been more successful than others. However, to claim that differing strategies *explain* different outcomes (to suggest, for example, ‘x country has refused to privatize water using y strategy, therefore country z could do the same’), would be to assume that African negotiators have a free hand to make history, without reference to the circumstances in which they try to do so. On the other hand, to read off outcomes from circumstances (x obviously could not resist y condition, it needed the money too badly) would be to treat African negotiators as helpless victims of economic circumstance or the coercive power of an international aid system. African governments have always had implicit strategies for negotiating aid and usually seek to maximize both funding and policy autonomy. The question is which strategies have worked best in which circumstances. We need then to consider the differing economic, institutional, ideological and political circumstances in which the various strategies were attempted before we can start trying to explain difference in the degrees of control achieved.

Explaining Negotiating Outcomes

Economic Factors

The first clear conclusion from the country cases is that the degree of control achieved by different recipient governments is not determined by their levels of aid dependence, measured in terms of aid as a percentage of gross national income (GNI). As Table 1 shows, in the most recent years for which data is available, two of our ‘stronger’ cases, Rwanda and Ethiopia rank second and third, respectively, for the highest aid dependency among the case countries, just behind Mozambique.³ Our strongest, Botswana has been omitted from Table 1, because aid contributes less than 1% of gross national income in these years. However, in the early years of independence as Botswana developed its strategy, aid as a percentage of GNI was 20%.⁴ Nonetheless, the historical perspective gained from the cases alerts us to the fact that economic factors have been important in explaining weak control. In particular, two oil crises

and Western recessions in the late 1970s led to debt and balance of payments crises in the early 1980s in all our cases except Ethiopia and Botswana.

Table 1 Aid Dependence of Country Case Studies

| Aid as a Percentage of Gross National Income | | | |
|--|------|------|------|
| | 2003 | 2004 | 2005 |
| Ethiopia | 20.2 | 18.8 | 17.4 |
| Rwanda | 20.3 | 27.1 | 27.1 |
| Ghana | 12.8 | 15.7 | 10.6 |
| Mali | 12.9 | 12.1 | 13.6 |
| Mozambique | 22.6 | 22.4 | 20.7 |
| Tanzania | 16.6 | 15.7 | 12.5 |
| Zambia | 14.1 | 22.5 | 13.9 |

Source: World Development Indicators, April 2007.

Economic conditions were central to Botswana’s success. Despite high dependence on aid after independence in 1966, the BDP government significantly decreased its dependence in the 1970s as a result of economic growth and prudent macroeconomic policies. The country’s newly discovered diamond mines brought a substantial net inflow of foreign exchange, which was used in such a fiscally conservative way that the country became an exporter of capital. Since the early 1980s, the government has not really needed the monetary value of aid and thus achieved strong leverage in aid negotiations.

Although Ethiopia is often cited as one of the poorest countries in the world, like Botswana, Ethiopia did not experience a debt crisis or a balance of payments crisis in the 1980s. First, the Derg government (1974-1991) was excluded from Western lending. Second, the balance of payments was kept in check through import controls and, remarkably, the currency remained close to its international exchange value (unlike in most African states that implemented import controls). After overthrowing the Derg, the EPRDF thus entered negotiations in 1993-94 with the World Bank and IMF to back its reform agenda without the need for massive debt relief that so weakened other African countries. Although the country went through the debt-relief process described below, the absence of a legacy of long-term adjustment meant that it did so from a much stronger position than other heavily-indebted countries.

The debt crises in our weak states, and Rwanda, placed recipients in a subordinate position vis-à-vis the Bretton Woods institutions at just the moment that these institutions were developing a more ambitious agenda for influencing policy in borrowing countries. The drawn-out nature of the adjustment and debt-relief programmes that all of these countries then embarked upon for two decades had a profound effect on their negotiating capital, on their state institutions, and on the ideological orientation of state elites, institutionalizing the routine presence of donors and their ideas at every phase of decision-making.

African governments facing fiscal crises developed a range of strategies in the 1980s to access capital and resist conditionality. Back-sliding on policy commitments accepted as the basis of conditioned loans and playing donors off against each other were both common strategies that were attempted with varying degrees of success in each of the weak cases. Incentives facing the World Bank and IMF to maintain disbursements and to retain influence meant that they were willing to allow some policy slippage. However, these strategies of evasion were increasingly closed down after the end of the Cold War as alternative sponsors receded and

Western donors coordinated their own activities, increasing their ability to keep African economic policies under surveillance and to punish non-compliance.

In the 1990s, donors sought not simply to shrink the state but also to transform the administrative and political systems in recipient countries through ‘governance conditions’ (cf. Williams and Young, 1994; Harrison, 2004). As anti-corruption and human rights and a cast of quasi-autonomous accountability institutions were layered on top of shrunken African state structures, recipient governments’ ability to plan independently and to express coherent visions for national development were further weakened.

At the turn of the twenty-first century, donors announced that the debt burdens that kept many recipients beholden to donors would be substantially reduced under the Heavily Indebted Poor Country (HIPC) initiative. This incentive seems to have been so powerful that governments in all of the most indebted countries more or less acquiesced to donor demands that, as a condition of debt write-off packages, they formulate and implement a Poverty Reduction Strategy Paper (PRSP) and stay on track with an IMF arrangement. With the hope of an escape from the debt escalator, the PRSP period perhaps marked the single weakest moment of recipient negotiating capital. Western donors appeared the only significant potential sponsors of African development and PRSPs the only game in town.

Institutional Factors

A significant aspect of the negotiating success enjoyed by Botswana and Ethiopia appears to result from their maintenance, throughout the period, of professional civil services, capable state institutions, strong planning institutions and centralized aid management systems. In Botswana these were all aspects of the state infrastructure developed in many post-colonies, in an age when Keynesian planning remained popular in both West and East. The BDP government has since resisted the creation of aid negotiation mechanisms when it felt that they could undermine government priorities, and has been able to do this because of the high calibre staff in the Ministry of Finance and Development Planning which controls the planning and budgetary processes. These strong institutions have been assertive in setting the policy agenda, keeping donors in line with national priorities, and instilling credibility in the eyes of donors concerning domestic systems. In contrast to post-colonial African governments that rapidly ‘Africanized’ the civil service, the BDP government retained colonial administrators, only replacing them gradually with nationals as they acquired skills and experience.

The EPRDF government in Ethiopia also operated in favourable institutional conditions. As one of the few African countries to evade long-term colonial imposition, Ethiopia has a deeply entrenched tradition of the state—the idea of government and the importance of a structure of effective public order. The creation of a functioning modern bureaucracy derives from the post-war Haile Selassie era (1941-74), and though it was strained by the revolution that overthrew Selassie, the civil service survived the Derg regime. Ethiopia’s effective civil service allows the government to develop and pursue its own development vision and gives the government credibility in the eyes of donors, who are hesitant to override what they perceive as low corruption and effective service delivery systems.

In contrast, although the official aid management structure in the group of weak countries may stipulate that aid should be negotiated centrally and in line with nationally defined

policies and plans, the country studies show that the reality is quite different. Negotiations have fragmented as donors negotiated directly with a range of line ministries, preferably outside of any political or bureaucratic oversight.

There are good reasons why the weak countries have been unable to resist these tendencies. As the World Bank and IMF initially sought to promote adjustment they typically sided with a section of the ruling party or regime whom they identified as supportive, and described as 'reformers'. Adjustment policy processes and reform packages were designed to strengthen these groups and insulate them from democratic pressure, sidelining groups identified as blocking reforms, including those associated with parastatal companies. Under the auspices of civil service cuts, the Bank and Fund pushed for the dismantling of planning departments in countries where they still functioned, such as Mali and Zambia, and tried to prevent the re-establishment of a planning department in Ghana. Ghana's civil service had been decimated by economic decline and politicization and here, as in other weak countries, the government itself also failed to improve public administrations during the adjustment period. The sometimes secretive nature of the adjustment process also tended to exclude bureaucratic and representative institutions and to avoid public debate on the objectives of reform.

African governments sometimes used the idea that they were bound by external conditionality to achieve their domestic aims, where they accorded with Bank and Fund objectives. However, where donors and recipients differed in their preferences, African governments pursuing this strategy were unable to make a convincing case to donors, to win popular support for their positions, or to articulate alternatives. 'Policy dialogue' arenas started to multiply as the absence of central planning meant donors needed to make contacts across all ministries in order to implement sector-specific reforms and projects.

This fragmentation of aid management systems made it difficult for recipient governments to manage aid donors during adjustment era negotiations. However, as donors started to reform their aid practices in the 1990s, it also became a problem for them. Frustrated in their efforts to push new aid priorities in recipient countries and amongst recalcitrant donors, some donors began emphasizing the need for a co-ordination mechanism. Towards the end of the 1990s and early 2000s, fragmented policy dialogue arenas became more organized and interconnected. Still, in the absence of effective states, there was little to hold the fragments together.

The acceptance of the World Bank's PRSP approach across donors presented a new opportunity to get a grip on the aid system. PRSPs extended conditions from the content of policies to the *process* of policymaking itself. 'Participation' of donors and international and local 'civil society organisations' in planning processes became a condition for access to debt relief, formalizing pre-existing trends to generate a new model of negotiation which we can describe as 'joint-planning'. Dialogue at the sector level became more systematized and began to feed into discussions of a national plan negotiated as part of the PRSP process. For example, in Mozambique there are twenty-nine sectoral/thematic working groups which meet regularly and include donors.

This transformation of the fragmented aid system of the 1980s into a joint-planning system by the 2000s took place against the backdrop of a continued failure (of both recipient governments and donors) to rebuild public administration systems. Fragmentation thus

remains despite the claim that the PRSP approach should help governments develop their own long-term, coherent development strategies. Indeed donors themselves have criticized PRSPs on exactly these grounds, describing most as shopping lists. The studies of the weak countries suggest this outcome results not from a failure of recipients to 'take the lead' in aid relations, but from incentives created by donors who urge that their favourite projects be included and who must approve the final document before funding is released. This typically leads to an aggregation of existing sector strategies and projects which donors have been heavily involved in drafting. A typical negotiating strategy attempted by the weak countries is to include in the PRSP (as well as sector plans) all aspects they expect to secure donor support and to write in some ambiguity, hoping of protect room for manoeuvre once finance is released.

What is left in many countries is multiple new arenas for decision-making, but no clear accountability or leadership. Donors tend to divide labour in sectoral groups, nominating 'lead-donors' to take responsibility for policy initiation and to support drafting of early versions of sectoral plans. These processes co-exist as a parallel system to the country's official or constitutionally endorsed policy processes, often including weak planning structures and moribund parliamentary systems struggling to (re)-assert themselves. The group of weak countries have often ended up folding one process into the other. Whether it is substituting the PRSP for constitutionally required social and economic programme (as in Ghana) or nominally stating that the country's domestic planning system is paramount but then following the same procedures of the PRSP (as in Zambia), the result seems to be the same: the domination of a joint policy process in which donors are extensively involved over domestic decision-making institutions and processes.

These joint policy processes at a sectoral level give the government little room to reach policy decisions independently *before* negotiating with donors. Once a 'consensus' is reached through the joint process, it is harder for the government to change its policy position (than it would be through domestic policy processes alone), partly because of the number of actors involved. Increasing coordination between in-country donor representatives from different agencies, while sometimes presented as an aspect of 'harmonization' with recipient governments' own plans, typically reduces the flexibility that governments have to seek alternative sources of finance.

The proliferation of donors and their agendas to which many African governments must relate means that discussions over the fine detail of policies, programs and projects are almost continuous. This has itself become a key constraining factor explaining the weak control achieved by some states. Permanent negotiations leave governments with little time and intellectual space to develop coherent policies independent of donors to bring to the negotiating table. Rolling agendas of built-in items-for-review mean that although donors may ultimately give up on a condition on a particular loan, or choose not to punish non-implementation, the issue will surely come up again. This makes it difficult for recipient governments to win a decisive victory on any issue, let alone keep up with all new demands.

As a result, ministers and civil servants in the weak cases pick only the most important battles. Relationships have become so routine that negotiators know what different donors want to see in national plans and sector strategies and may pre-empt donor preferences in order to be seen as willing reformers and to gain maximum finance and favour. This is

particularly true of ministries of finance which see their central task as maximizing resources and may encourage line ministries to compromise. In Zambia, for example, individual staff units in the Ministry of Finance have been designated to 'service' each major donor. The clear incentive for staff in each unit is to keep the relationship friendly and to maximize the flow of resources.

Into the gap left by the collapse of planning systems there has emerged an institutional entanglement between donors and recipients, such that in many cases it is more difficult to identify two separate actors in a negotiation. The devolution of decision-making authority from donor headquarters to in-country offices, the promotion of 'technical assistance' (donor staff and consultants working within or seconded to the civil service of the recipient countries), and the practice of conditioning aid on the establishment of special 'project units' attuned to the objectives of specific donor interventions bring donor agencies *inside* recipient bureaucracies. In the weaker cases, donor-employed or donor-contracted staff have often become instrumental in preparing and implementing programmes *on behalf of* the recipient state itself. This increased contact enables more intimate surveillance of the political and bureaucratic scene within African states and thus more pervasive influencing by donors.

It was only with the establishment of formalized joint-planning systems that the focus on 'ownership' and the harmonization of donor initiatives with recipients' own national plans (or rather with PRSPs) came to the fore. The cases suggest that ownership, joint-planning and harmonization agendas are thus premised on a subset of recipients responding to new donor incentives and prioritizing maximum aid and debt relief over the objective of policy control. They thus accepted as unchangeable, and willingly institutionalized, trends likely to undermine negotiating strength and perpetuate weakness, including fragmented development planning, the entanglement of donor and government institutions and a state of permanent negotiation. These can be contrasted with the strategies in the more successful cases of maintaining domestic planning capacity and securing the integrity and dominance of domestically-rooted policy processes and institutions.

Having discussed economic and institutional factors, Rwanda clearly resembles the weak group of countries more than it does Ethiopia and Botswana. However, the country has had significantly greater success than our 'weak' group in resisting donors. The following sections suggest that ideological and political factors explain this outcome. Rwanda's 'success', while it arises from very specific circumstances, suggests that indebtedness and the acceptance of joint-planning processes may offer more wiggle-room than many recipients are currently making use of. PRSPs for example clearly include a formal acceptance by donors of a concept of 'ownership' that relates in some way to an idea of recipient control. This offers some rhetorical leverage to recipients which most of the weak states have not thus far made much use of, and perhaps have not really tested.

Ideological and Political Factors

The debt crisis in 1980 changed the economic conditions under which donors and recipients met and negotiated. But it was far from obvious that this would herald a twenty year process of structural adjustment. That outcome can only be understood with reference to a confluence of political and ideological developments in rich and poor countries. In leading donor nations the grip of colonial guilt was loosening and monetarist and Cold Warrior politicians were

taking power (Reagan, Thatcher, Kohl). At the same time, African nationalist projects were exhausted. Many African governments appeared to donors increasingly detached from their populations and unable to identify, let alone pursue, projects of national development that donors felt any moral pressure to respect.

At the end of the Cold War, the heated 'policy dialogue' that adjustment occasioned became less confrontational as ideological polarization between African governments and the Bank and Fund eased. African Ministries of Finance increasingly accepted the importance of macroeconomic stability. Western donors increasingly recognized the failure of austerity to drive economic growth. Although, there were still substantial disagreements on economic policy and spending priorities, especially around privatization and the pace and sequencing of reforms, donors increasingly found themselves facing less government resistance, concluded that their policies were uncontroversial, and lost further respect for the sovereignty of African countries.

The balance of negotiating capital between donors and recipients has thus always involved political and ideological elements. Domestic political calculations within African states are also important. African governments have to some extent been politically dependent on aid since independence. Many initially needed external finances to try and meet the developmental aspirations of newly 'free' populations and thus retain power. At the same time, donors needed interlocutors in Africa, as geo-strategic allies and to meet where possible (and moderate where not) those same popular aspirations that seemed posed to overflow into support for communism. This aid 'partnership' between Western and African elites identified as early as 1971 in Teresa Hayter's *Aid as Imperialism*, has of course altered somewhat over the decades. The fluctuations of the Cold War and its conclusion altered the balance between geo-strategic imperatives encouraging unconditional support for dictators and development objectives to manage the political and social order within African states.

Nonetheless, there are also some strong continuities through the entire period. In some cases, contemporary relations between donors and particular parties and leaders are themselves decades long. How successful have our country cases been in using ideological and political conditions to build negotiating capital?

Mozambique and Tanzania both transitioned from one party systems to multiparty systems in the 1990s, with the same party remaining in power in spite of elections. In each case, factions and networks within ruling parties which have been in power since independence have since adjustment used their position in government to benefit from economic liberalization and the aid industry, and have in return become strong supporters of the donors' agendas. In both countries, donors have turned a blind eye to corruption as long as their reforms continue to be implemented. With strong emphases within the ruling parties themselves on unity, this has the effect of buttressing pro-donor factions against potential challenges from within their own parties.

Zambia is also a former one-party state, but in this case the ruling party (UNIP) lost in 1991 in the first round of multi-party elections to the MMD. The MMD party leadership decided, upon taking power, that the only way to rebuild the country was in partnership with donors. Donors clearly welcomed the move and offered massive financial rewards to try and make the 'dual transition' to market economics and liberal democracy work. When the economic

impacts of the reform programme decimated the MMD's urban support base, the government turned initially to repression and vote-rigging to stay in power, severely straining the partnership with donors. In 2006, however, a potential new interdependence emerged. Under pressure from donors for free and fair elections, the MMD narrowly survived the total collapse of its old urban base by winning big in rural areas. Successful famine relief programmes and delivery of rural development programmes, both heavily dependent on donor support, appear to have played a large role in saving the MMD from rising populist opposition forces in urban areas. Donors and the MMD thus find themselves again in partnership, this time with the main objective of keeping the opposition out.

In contrast, Ghana returned to multiparty rule after military rule and against a backdrop of historical political instability. Consensus building across the political elite to play by the new rules of the electoral game and a strong tradition of two rival parties since independence produced a highly competitive multiparty system with a credible opposition and the real prospect of alternation of power. This political context increased the political risks for a ruling party of trying to change the country's relations with donors. The ruling party and individual politicians need increasing budgets financed by aid to deliver visible public expenditures and election campaign promises in order to get re-elected. The party (NPP) that came to power in 2001 supported the status quo aid relationship because it wanted to secure debt relief and did not want to risk losing aid. Only when the economy improved and other sources of finance became available did the NPP government begin to take more risks and to pursue its own policy agenda. However, it still depends on official and private aid agencies to deliver development projects.

President Traoré in Mali is also politically dependent on access to aid resources to maintain patronage relationships that underpin the 'consensus' political system which he established in 2002. The consensus system is based on an oversized coalition in which all the main political parties share executive power. No party is willing to be in opposition for fear of marginalization from political power and resources, both monopolized by the executive. Donors nonetheless keep the resources flowing, investing in making Mali the Paris agenda success story in francophone West Africa.

These relationships all include important elements of interdependence. Not only do donors still need African states to achieve their objectives, they are in some sense committed to the particular regimes in these countries. Where donors want to retain their 'partnership' with existing administrations, this should give governments increased negotiating capital. In cases, such as the period after the 1991 and 2006 elections in Zambia, where the ruling party is seen as a bulwark against an economic or political agenda to which donors are particularly hostile, ruling parties are also aware that they gain negotiating leverage from being the 'best bet' or the 'least worst option'. But this interdependence also undermines governments' negotiating strength, in the sense that the 'special treatment', and vital aid governments are receiving, is at least implicitly conditional on the maintenance of a donor-friendly agenda and a demonstrated willingness to mobilize domestic public support around it. On the other hand, charting an independent development strategy and foregoing aid would involve justifying any decrease in public spending to their populations or maintaining ruling elite coalitions with access to fewer resources that might support patronage networks. Although the weak cases exhibit different internal political dynamics and types of interdependence with donors, they share a common outcome: their governments are not particularly confident of the stability of their position in

power and rely to a large extent on foreign aid to secure it. In the strong cases, governments are more clearly 'the only show in town'. In these conditions, donors have much less discretionary power to endorse or reject partnerships with the regime due to the absence of realistic alternatives. Donors here are typically more concerned to protect their 'access' to decision-makers.

Botswana's uninterrupted democratic governance based on multiparty elections has given it high domestic political legitimacy, even though the same ruling party has won these elections. Donors were keen to be associated with a democratic success story during the period when military and one-party regimes emerged around the continent, and the government keenly portrayed itself as a model of political and economic liberalization for the rest of the continent.

Ethiopia also had very favourable political conditions. The long-history of an independent Ethiopian state, the absence of extended colonial rule, and the resulting 'illegibility' of Ethiopian cultural and political life from the perspective of many outside actors lent Ethiopia negotiating capital that enabled it to keep donors at arms length and to play off Cold War rival sponsors without allowing any too close. Upon coming to power after the end of the Cold War, the EPRDF government aligned Ethiopia as a key geo-strategic ally of the United States. The Horn of Africa has only increased in interest to the US, especially under the US administration's War on Terror since 2001. Aware of its strategic importance, the government knows that it had and continues to have significant room for manoeuvre. For example, the US, which currently accounts for close to 30% of Ethiopia's total aid, continued to give assistance and did not join widespread condemnation of the Ethiopian government after the apparent rigging of the May 2005 elections and repression of protesters and opposition parties.⁵ Donors' responses to the elections and aftermath diverged to the extent that the effect on aid flows was neutralized.

Political and ideological conditions are key to the partial success that the government in Rwanda has had in controlling its policy agenda, despite having encountered economic crisis in the 1980s and having inherited devastated state structures after the genocide in 1994. The RPF-led government switched Rwanda from the Francophone to the Anglophone sphere of influence. Association with the defeated Habyarimana regime after the genocide placed France and Belgium, its former sponsors, in a difficult position. The decrease of French support was more than compensated for by increases in support from the UK and the US, which became the country's major donors. These new allies provide relatively unconditional support the RPF-led government partly for geo-strategic reasons (partly, proximity to the Islamist government in Sudan). This appears to have secured the partnership in spite of differences over the constitution, military incursions into the Democratic Republic of Congo, and numerous technical issues on aid implementation.

The RPF also de-legitimizes external interference in the country's domestic affairs through skilful use of the moral authority that flows from being the one force that stopped the genocide. The RPF does not hesitate to point out that some donors are tainted by their support for the Habyarimana government that sponsored the genocide and others by their failure to halt it. . Partly as a result, donors take different positions on policy issues limiting their ability to collectively push or punish the government. Lastly, domestic political conditions may play a role in shaping the government's negotiating strategy. The RPF's secure position in power,

until national elections were held for the first time in 2006, reduced the risks of pursuing its own strategy and hoping that donors would come on board, because it did not have to worry about the political fallout from reduced aid if the RPF gambled and lost.

The case of Rwanda shows that, despite an economic crisis and financial dependence on foreign aid with conditions attached, a recipient government can get away with ignoring a large portion of those conditions when it knows that for political or geo-strategic reasons, a particular set of donors (usually the most important) will not withdraw aid. This finding concurs with the observation of Mosley et al. (1991) that the degree of economic crisis and dependence on the World Bank could explain the toughness of the conditions imposed, but not their implementation and the related issue of the Bank genuinely punishing non-implementation of conditions.

The governments of Botswana, Ethiopia and Rwanda have also all expressed a clear vision about where their countries are going and about the contribution of public policies to achieving that outcome. It does not appear that the content of these development visions matters in securing donor partnerships. The development strategies in Botswana are decidedly more conservative and pro-private sector than those of the EPRDF in Ethiopia which are more socialist and emphasizes state management and parastatal corporations. Rather it is the ability to translate it into a coherent development strategy and project it which increases these governments' ability to defend their policies in aid negotiations and to argue against some donor policy preferences.

Conclusion

The country cases do not provide evidence that would allow us to conclude that any one of our categories of prior conditions determines the success of African negotiators in securing control over policy. Rather, the explanations of outcomes in each country rely on an analysis of the intersection of the global structures facing recipients and their own subjective engagement with that context. The successes of Rwanda and Ethiopia illustrate the point. Each has a singular history that has bequeathed negotiators unusual negotiating opportunities. In Rwanda international ideological and geo-strategic conditions are important; in Ethiopia both economic and institutional conditions do much of the explanatory work. However, the subjective element remains crucial. Negotiators in each country have had the vision and will to turn these conditions to their advantage. The common element is that the two governments both express a confidence that donors will *not* withdraw support even though all of their preferences will not be respected and have been willing to test the assumption by taking the risk of losing aid.

In contrast, governments in the weak group have no such confidence, seeming to live in constant fear of offending donors. They thus accept as inevitable intimate donor involvement in policymaking. In Zambia, for example, contemporary negotiators interviewed for the case study research continually referred back to the lessons learned in 1989 when the country suffered a donor freeze in response to efforts to revisit previously agreed loan conditions. In spite of democratization, many of the governments in our weak cases have fragile domestic political support. They feel that they need aid to retain power. There is an important difference though. While in the 1980s, recipients seemed to be accepting donor conditions almost cynically ('we will take this money and the conditions that come with it, though we

would prefer a different policy’), the long-running, now routine aid relationship and the gradual entanglement of donor and recipient institutions has left many recipients unable to imagine for themselves, let alone promote to donors or their own citizens, alternative policy prescriptions. This suggests that the ‘revolution’ of aid modalities, particularly the move from conditionality to ownership, often perceived by those who focus their research on donor perceptions of the aid relationship, does not appear so dramatic once we take the trouble to view the relationship through the eyes of those on the receiving end.

Since many more African countries have political, economic, ideological and institutional conditions similar to the group of countries with weak ownership than they do with Botswana, Ethiopia and Rwanda, one might expect this article to conclude on a pessimistic note. However, there are lessons that these governments may be able to draw from the stronger cases. Perhaps more importantly, we are not at the end of history. The weak cases suggest that acceptance of joint-planning has been heavily influenced by the global context facing aid recipients, particularly in the period 2000-2005:

- The urgency of debt relief, and the huge incentives offered by the HIPC debt-relief process for compliance with donor preferences.
- The united front facing recipients as a result of the monopoly on aid held by OECD countries and their increasing efforts at co-ordination.
- The apparent absence of alternative sources of finance, either from within moribund domestic economies or from alternative donors.
- The apparent absence of examples in the wider world of successful ideological or political alternatives to the liberal economic and political model.

All of these conditions are undergoing change. First, the completion of HIPC programmes in a number of countries has resulted in massive debt relief. While this has not typically made much difference to public spending, it has weakened a significant source of donor leverage and has improved the sovereign credit rating of African countries, allowing for example Ghana to raise new finance from international capital markets. Second, African economies have been growing at faster rates than the average for the world economy. Third, new sources of finance are available as the continent is seen increasingly as a place for high risk/high return investment. Fourth, China is also rapidly becoming a major provider of finance, both in terms of foreign direct investment and concessionary lending, often supported by investment and trade policies and arriving without intrusive economic policy conditions attached. The end of the OECD monopoly on aid giving not only weakens the leverage of these donors but also shifts the agenda for what constitutes development. China has been willing to provide loans and investment in infrastructure, energy, and the productive sectors—driving development in regions and sectors previously considered too risky or requiring too much prior investment to be of interest to Western firms or donors.

Furthermore, the experience of East Asia and the idea of a ‘developmental state’ have made inroads in the thinking among African intellectuals, economists, technocrats and politicians. The political vision and development strategies in Ethiopia (and to some extent Rwanda) appear to draw on this experience. The limited vision of development presented in the Millennium Development Goals, the narrow poverty focus on PRSPs, and the idea of aid-funded growth may appear triumphed largely as a result of a perceived lack of options. But in Ghana and Zambia at least, alternative ideas and approaches are increasingly making their way onto the political agenda.

The dominant discourse on aid suggests that progressive change in donor--recipient relations will be driven by developments internal to those relationships themselves, and specifically by widening acceptance of the proposals to increase recipient ownership codified by the 2005 Paris Declaration on Aid Effectiveness.⁶ Our analysis challenges that assumption, suggesting that the idea of ownership embodied in the declaration continues to legitimate external conditionality and surveillance. By demonstrating that aid relationships are not partnerships, but retain important elements of negotiation, we argue that change is much more likely to flow from changes in the wider context in which those talks occur, and thus in the relative negotiating capital on which recipients and donors draw.

Endnotes

1. It should be noted that this research deals only with the so-called traditional aid system, which includes OECD bilateral aid agencies, the Bretton Woods institutions, United Nations agencies and regional development banks. The term 'donors' refers collectively to these official aid agencies. The term is a convenient and almost unavoidable device for writing at a general level, but it is also rather imprecise because it portrays donors as a homogenous and unified group, which is not usually the case. However, donor agencies do exhibit a degree of homogeneity in their discourse and actions as the result of their participation in the OECD Development Assistance Committee, which sets norms and standard practices and promotes peer pressure on members to adopt them.

2. This diagram represents an abstraction from reality: amongst other issues, the way in which recipients develop their strategies can themselves become aspects of negotiating capital. This diagram also represents just one iteration of a game that is played repeatedly. Behaviour and relations through the negotiation and implementation phase of any one negotiation have an impact on the prior conditions and strategy for any future talks. Furthermore, perceived successes and failures of any outcomes will re-orient preferences and thus strategies for the next round.

3. The figure for total official development assistance to Ethiopia is misleading because it includes a high level of food and humanitarian relief which does not go to the government. However, non-relief aid was still 27-30% of total government spending between 2002 and 2005 (World Development Indicators, April 2007).

4. The comparable figures for Botswana would be the period when it was aid dependent after independence in 1966 until the early 1980s. Aid as a percentage of GNI averaged 22.7 % from 1966-1970, 14.4 % from 1971-75, and 11.4% from 1975-80. The government maintained strong ownership through the period. After Botswana gained middle-income status in 1992, total aid declined and now forms a negligible percent of total government revenue (World Development Indicators, April 2007)

5. Aid flows to Ethiopia increased threefold over the period from 2000 to 2005, just over 50 percent which is accounted for by increased aid from the US and the World Bank.

6. Paris Declaration on Aid Effectiveness, High Level Forum, Paris. Organization for Economic Cooperation and Development. See <http://www.oecd.org/dac/effectiveness>.

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- to conduct and foster research into international organizations and markets as well as new public-private governance regimes
- to create and develop a network of scholars and policy-makers working on these issues
- to influence debate and policy in both the public and the private sector in developed and developing countries

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