Aid Effectiveness in Sub-Saharan Africa:  
An Analysis of Mismatches between  
Donors and Recipients

2011

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- School of Environment and Development -
Table of contents

List of Tables .................................................................................................................. 4
List of Figures ................................................................................................................... 5
List of Acronyms ............................................................................................................. 6
Abstract ........................................................................................................................... 8
Declaration ......................................................................................................................... 9
Copyright Statement ....................................................................................................... 10
Acknowledgement .......................................................................................................... 11
Dedication ........................................................................................................................ 12

Chapter 1 – Introduction ............................................................................................... 13
1.1 – Study’s background................................................................................................. 14
1.2 – Problem Statement ............................................................................................... 18
1.3 – Aim and scope of the Study .................................................................................. 21
1.4 – Significance of the study......................................................................................... 23
1.5 – Structure of the Thesis ........................................................................................ 24

Chapter 2 – Political Economy of Aid in Sub-Sahara Africa ........................................ 26
2.0 – Introduction ........................................................................................................... 26
2.1 – Aid Conditionality and Contract Theory ................................................................. 27
2.2 – Aid fungibility.......................................................................................................... 35
2.3 – Aid Dependency ..................................................................................................... 41
2.4 – Aid and Growth ...................................................................................................... 44
2.5 – Aid and Policy......................................................................................................... 52
2.6 – Functionality: Impact of Aid.................................................................................. 67
2.7 – Conclusion ............................................................................................................ 71

Chapter 3 – Aid Management ....................................................................................... 73
3.0. Introduction ............................................................................................................. 73
3.1 – Aid Management Platform .................................................................................... 74
3.2 – Aid Management Mismatches .............................................................................. 77
3.3 – Aid Management and Contextual factors ............................................................... 82
3.4 – Aid Management Instruments............................................................................... 86
3.5 – Aid Management Evaluation and Human Capital ............................................... 92
3.6 – The conceptual model ......................................................................................... 95
3.7 – Conclusion ........................................................................................................... 97

Chapter 4 – Country Context: Cameroon and Tanzania .............................................. 100
4.0 – Introduction ......................................................................................................... 100
4.1 – Cameroon and Tanzania Profiling ....................................................................... 101
4.2 – Cameroon: Country Context ............................................................................... 106
4.2.1 – Historic Context ............................................................................................. 106
4.2.2 – Cameroon Political Economy ......................................................................... 107
4.2.3 – Cameroon Aid Management .......................................................................... 113
4.3 – Tanzania Country Context .................................................................................. 116
4.3.1 – Historical Context ......................................................................................... 116
4.3.2 – Tanzania Political Economy .......................................................................... 117
4.3.3 – Tanzania Aid Management ............................................................................ 124
# Table of Contents

4.4 – Conclusion ................................................................................................................. 128

**Chapter 5 – Research Methodology** ................................................................. 131
5.0 – Introduction .................................................................................................................. 131
5.1 – Research Philosophy ................................................................................................. 132
5.2 – Research Approach ................................................................................................. 136
5.3 – Triangulation and Validation .................................................................................... 138
5.4 – Research Design ........................................................................................................ 144
5.5 – Sampling and Data Collection .................................................................................. 145
  5.5.1 – Primary Data Collection ....................................................................................... 152
    5.5.1.1 – Monological Data Collection ......................................................................... 152
    5.5.1.2 – Dialogical Data Collection .......................................................................... 153
  5.5.2 – Secondary data ...................................................................................................... 154
  5.5.3 – Pilot Study ........................................................................................................... 156
  5.5.4 – Interviewees’ profile ......................................................................................... 156
5.6 – Conclusion .................................................................................................................. 162

**Chapter 6 – Research Findings** ................................................................. 165
6.0 – Introduction .................................................................................................................. 165
6.1 – Cameroon Summary Results .................................................................................... 166
6.2 – Tanzania Summary Results ..................................................................................... 173
6.3 – Pilot Study .................................................................................................................. 177
6.4 – Conclusion .................................................................................................................. 179

**Chapter 7 – Analysis of Findings** ................................................................. 181
7.0 - Introduction .................................................................................................................. 181
7.1 – Stakeholders Analysis ............................................................................................... 182
  7.2.1- Cameroon Stakeholders’ Analysis ...................................................................... 185
  7.2.2- Tanzania Stakeholders’ Analysis ...................................................................... 188
7.3 – Cameroon Data Analysis ........................................................................................ 190
7.4 – Tanzania Data Analysis ......................................................................................... 193
7.5 – Business Appraisal of Foreign Aid ......................................................................... 194
7.6 - Conclusion .................................................................................................................. 198

**Chapter 8 – Discussion of Findings** ................................................................. 201
8.0 - Introduction .................................................................................................................. 201
8.1 – Cameroon Case .......................................................................................................... 202
8.2 – Tanzania Case ............................................................................................................ 210
8.3 – Cameroon-Tanzania Key Findings .......................................................................... 215
8.4 – Summary of identified mismatches ....................................................................... 228
8.5 – Conclusion .................................................................................................................. 232

**Chapter 9 – Conclusion and Recommendations** ......................................... 235
9.1 – Conclusion .................................................................................................................. 235
9.2 – Recommendations .................................................................................................... 239
  9.2.1 – Visionary and Strategic Aid Management ......................................................... 239
  9.2.2 – Harmonizing stakeholders’ interests at all levels ............................................ 240
  9.2.3 – Deepening Recipients’ Participation ............................................................... 240
  9.2.4 – Human Resource Capacity Building ............................................................... 241
  9.2.5 – Answerability ..................................................................................................... 241
9.3 – Closing Remarks ........................................................................................................ 242
  9.3.1 – Limitations of the Study ................................................................................. 243
  9.3.2 – Suggestions for further research .................................................................... 245

**Reference and Bibliography** .................................................................................... 246
Appendices ............................................................................................................. 293
  Appendix 1: Grey Literature Lists ........................................................................ 293
    Cameroon’s grey literature .............................................................................. 293
    Tanzania’s grey literature .............................................................................. 294
  Appendix 2: Interviews’ transcripts .................................................................... 295
    Sample Cameroon Interviews ......................................................................... 295
    Sample Tanzania Interviews ........................................................................... 304
  Appendix 3: Interviews Summaries ..................................................................... 311
    Cameroon Interviews’ Summaries ................................................................. 311
    Tanzania Interviews’ Summaries ................................................................. 320
  Appendix 4: Nvivo 9 Analysis Results ................................................................. 326
    Cameroon Words’ Cloud .............................................................................. 326
    Cameroon Tree-map ..................................................................................... 327
    Tanzania words’ cloud ............................................................................... 327
    Tanzania Tree-map ...................................................................................... 328
    System Relations’ Coding Statistics ............................................................ 331
  Appendix 5: Similarity Coefficients .................................................................... 333
    Jaccard’s coefficient Table: Words’ similarity ............................................ 336
    Jaccard’s coefficient Table: Nodes’ similarity ............................................. 338
    Sørensen’s coefficient Table: Words’ similarity ........................................... 339
    Pearson Coefficient table: words’ similarity ................................................. 340
List of Tables

Table 1: Donors-Recipients’ Information Matrix ............................................................... 30
Table 2: The Matrix of Design Options for Conditionality – Source: Collier, 2000...55
Table 4: GDP per Capita Growth (Annual Average). Adapted from Agarwal, 2006...60
Table 5: Share of exports in GDP (Annual Average). Adapted from Agarwal, 2006...61
Table 6: Export percentage of GDP. Adapted from Agarwal, 2006 .........................62
Table 7: Share of Industrial value added in GDP. Adapted from Agarwal, 2006 ........63
Table 8: Share of Agricultural value added (% of GDP). Adapted from Agarwal, 2006 ..........................................................64
Table 9: Government Consumption Expenditure (% of GDP). Adapted from Agarwal, 2006 ..............................65
Table 10: Gross Fixed Capital Formation (% of GDP). Adapted from Agarwal, 2006 .......65
Table 11: Management-mismatches matrix – Source: Designed by Author (2011)...80
Table 12: Prisoner’s Dilemma Payoff Matrix. Source: Myerson, 1997 ......................82
Table 13: Comparison table Cameroon & Tanzania – Selected economic facts. Source: Infoplease 2009.................................................................103
Table 14: Western versus China Foreign Aid – Designed by Author (2011) ..........127
Table 15: Case studies’ Interviewees’ profiles .................................................................156
Table 16: Cameroon Interviewees’ management level/connection and key issues ...159
Table 17: Tanzania Interviewees’ management level/connection and key issues ....160
Table 18: Current Research Paradigm key-points .........................................................162
Table 19: Cameroon dialogical data summary.........................................................173
Table 20: Tanzania dialogical data summary.........................................................177
Table 21: Cameroon’s Stakeholders Mapping.........................................................186
Table 22: Tanzania’s Stakeholders Mapping.........................................................189
Table 23: Mismatches Matrix ..............................................................................238
Table 24: List of all nodes (System relations) with basic coding and reference statistics..................................................................................332
Table 25: Interviews’ words’ similarity, Jaccard’s coefficient.............................337
Table 26: Nodes clustered by coding similarity, Jaccard’s coefficient...............339
Table 27: Nodes clustered by word similarity, Sorensen's coefficient...............340
Table 28: Nodes clustered by word similarity, Pearson Coefficient...............340
List of Figures

Figure 1: Illustration of Aid fungibility, diversion of some aid from health to military. Source: Sandefur (2006) .................................................. 36
Figure 2: GDP per Capita Growth Histogram (Annual Average). Source: Agarwal, 2006 .................................................................................... 61
Figure 3: Share of exports in GDP Histogram (Annual Average). Source: Agarwal, 2006 .................................................................................... 62
Figure 4: Export percentage of GDP Histogram. Source: Agarwal, 2006 .......... 63
Figure 5: Share of Industrial value added in GDP Histogram. Source: Agarwal, 2006 .................................................................................... 63
Figure 6: Share of Agricultural value added (% of GDP) Histogram. Source: Agarwal, 2006 ................................................................. 64
Figure 7: Government Consumption Expenditure (% of GDP) Histogram. Source: Agarwal, 2006 ................................................................. 65
Figure 8: Gross Fixed Capital Formation (% of GDP) Histogram. Source: Agarwal, 2006 .................................................................................... 66
Figure 9: Managerial behavior, Adapted from Hersey and Blanchard’ situational leadership .......................................................... 83
Figure 10: Initial Conceptual Map: Donor-Recipient Relationship .................. 97
Figure 11: Aid to Cameroon & Tanzania – Comparative time series (OECD, 2010) ........................................................................ 105
Figure 12: Aid to Cameroon & Tanzania: regional trend (OECD, 2010) ........... 106
Figure 13: ODA to Cameroon time series – Source: OECD, 2010 .................... 110
Figure 14: Elements across the continuum identified in the Research Process ‘onion’ by Saunders et al. (2003) ................................................. 132
Figure 15: Critical Realism, Retroduction and Triangulation in this study - Adapted from Downward and Mearman (2007:93) ....................... 139
Figure 16: Analysis process in this research - Adapted from Danermark et al. (2002:109-110) ................................................................. 142
Figure 17: Cameroon’s Stakeholders Power-Salience Matrix- Designed by Author (2011) ........................................................................ 186
Figure 18: Tanzania’s Stakeholders Power-Salience Matrix – Designed by Author (2011) ................................................................. 189
Figure 19: Mismatches Explanatory Mechanism Schema I .......................... 205
Figure 20: Mismatches Explanatory Mechanism Schema II ........................ 208
Figure 21: Mismatches Explanatory Mechanism Schema III ....................... 213
Figure 22: Mismatches Explanatory Mechanism Schema IV ........................ 216
Figure 23: Mismatches Explanatory Mechanism Schema V ........................ 219
Figure 24: Mismatches Explanatory Mechanism Schema VI ........................ 221
Figure 25: Mismatches Explanatory Mechanism Schema VI ........................ 224
Figure 26: Mismatches Explanatory Mechanism Schema VII ....................... 227
Figure 27: Conceptual model with management levels .................................. 234
Figure 28: Donor-Recipient Mismatches Categorization – Prepared by Author (2011) ................................................................. 236
Figure 29: Nvivo tree-map for Cameroon interviews ....................................... 327
Figure 30: Nvivo tree-map for Tanzania interviews ....................................... 328
Figure 31: Nodes clustered by coding similarity ............................................ 329
Figure 32: Nodes clustered by word similarity ............................................. 330
Figure 33: Study sources clustered by word similarity .................................... 331
List of Acronyms

ACP  African, Caribbean and Pacific
AFRODAD African Forum and Network on Debt and Development
AFD  Agence Française de Développement (French Development Agency)
AGOA African Growth and Economic Opportunity Act
AMP  Aid Management Platform
APRM African Peer Review Mechanism
BW1  Bretton Woods Institutions
CAP  Common Agricultural Policy
CAS  Country Assistance Strategy (World Bank)
CCA  Common Country Assessment (of the United Nations)
CCM  Chama Cha Mapinduzi (Party of the Revolution, Tanzania)
CDF  Comprehensive Development Framework (World Bank)
CIA  Central Intelligence Agency (of the USA)
CIDA  Canadian International Development Agency
CPC  Communist Party of China
CPIA  Country Policy and Institutional Assessment
CR C Critical Realism
CSO  Civil Society Organization
CUF  Civic United Front (Chama Cha Wananchi, Political Party, Tanzania)
D-R  Donor-Recipient Relationship
DAC  Development Assistance Committee (OECD)
DfID  Department for International Development (of the UK)
EDA  Effective Development Assistance
EIU  Economist Intelligence Unit
ERG  Economic Recovery Program
ESAP  Economic and Social Action Program
FDI  Foreign direct Investment
FIPA  Foreign Investment Promotion and Protection
GATT  General Agreement on Tariffs and Trade
GDP  Gross Domestic Product
GNI  Gross National Income
GNP  Gross National Product
HIPC  Heavily Indebted Poor Countries Initiative
HRM  Human Resource Management
IBRD  International Bank for Reconstruction and Development (World Bank)
ICA  International Cooperative Alliance
ICFTU  International Confederation of Free Trade Unions
ICLS  International Conference of Labour Statisticians
IDA  International Development Association (World Bank)
IDT  International Development Targets (World Bank)
IEO  Independent Evaluation Office (of the IMF)
IER  The Institute for Employment Research
IFIs  International Financial Institutions
ILO  International Labour Organization
IMF  International Monetary Fund
INGO  International Non Governmental Organization
KPIs  Key Performance Indicators
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>LDCs</td>
<td>Less Developed Countries</td>
</tr>
<tr>
<td>MCA</td>
<td>Millennium Challenge Account</td>
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<tr>
<td>MDA</td>
<td>Multilateral Development Agency</td>
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<tr>
<td>MDC</td>
<td>Multi-Donor Committee</td>
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<tr>
<td>MDF</td>
<td>Multilateral Debt Fund</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<tr>
<td>MIS</td>
<td>Management of Information Systems</td>
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<td>MOFA</td>
<td>Ministry of Foreign Affairs (Tanzania)</td>
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<td>MTEF</td>
<td>Medium Term Expenditure Framework</td>
</tr>
<tr>
<td>NACSP</td>
<td>National Anti-Corruption Strategy Plan (Tanzania)</td>
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<tr>
<td>NATO</td>
<td>North Atlantic Treaty Organization</td>
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<tr>
<td>NEPAD</td>
<td>New Partnership for Africa's Development</td>
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<td>NESP</td>
<td>National Economic Survival Program</td>
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<td>NGO</td>
<td>Non-Governmental Organization</td>
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<tr>
<td>NPV</td>
<td>Net Present Value</td>
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<td>NORAD</td>
<td>Norwegian Agency for Development Cooperation</td>
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<tr>
<td>ODA</td>
<td>Official Development Assistance</td>
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<td>ODI</td>
<td>Overseas Development Institute</td>
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<td>OED</td>
<td>Operations Evaluation Department (of the World Bank)</td>
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<td>OGC</td>
<td>Office of Government Commerce</td>
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<tr>
<td>OOF</td>
<td>Other Official Flows</td>
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<tr>
<td>OECD</td>
<td>Organization for Economic Co-operation and Development</td>
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<tr>
<td>PDR</td>
<td>Policy Development and Review Department (IMF)</td>
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<tr>
<td>PER</td>
<td>Public Expenditure Review</td>
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<td>PFM</td>
<td>Public Financial Management</td>
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<tr>
<td>PFP</td>
<td>Policy Framework Paper</td>
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<tr>
<td>PPA</td>
<td>Participatory Poverty Assessment</td>
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<td>PRGF</td>
<td>Poverty Reduction and Growth Facility</td>
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<td>PRSC</td>
<td>Poverty Reduction Support Credit</td>
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<tr>
<td>PRSP</td>
<td>Poverty Reduction Strategy Paper</td>
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<tr>
<td>RER</td>
<td>Real Exchange Rate</td>
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<td>RPFB</td>
<td>Rolling Plan and Forward Budget</td>
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<td>ROI</td>
<td>Return on Investment</td>
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<td>SAP</td>
<td>Structural Adjustment Program</td>
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<td>SAR</td>
<td>Structural Adjustment Reforms</td>
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<td>SIDA</td>
<td>Swedish International Development Agency</td>
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<td>SSA</td>
<td>Sub-Saharan Africa</td>
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<td>SWAPs</td>
<td>Sector wide approaches</td>
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<td>UN</td>
<td>United Nations</td>
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<td>UNCT</td>
<td>United Nations Country Team</td>
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<td>UNCTAD</td>
<td>United Nations Conference on Trade and Development</td>
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<td>UNDAF</td>
<td>United Nations Development Assistance Framework</td>
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<td>UNDG</td>
<td>United Nations Development Group</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Program</td>
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<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
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<td>WB</td>
<td>World Bank</td>
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<td>WDR</td>
<td>World Development Report</td>
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<td>WHO</td>
<td>World Health Organization</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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<tr>
<td>ZSGRF</td>
<td>Zanzibar Strategy for Growth and Reduction of Poverty</td>
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Abstract

The last half a century of Foreign Aid disbursal to Sub-Sahara Africa had been dominated by the need to address the perennial problem of its effectiveness. This has provided to a great number of stakeholders a premise for dismissal of foreign aid to be an instrument for economic growth and poverty reduction as initially thought. Drawing from recent literature, a conceptual framework was designed to capture and investigate various contextual factors that would contribute or initiate particular characteristics of the donor-recipient relationship.

From a perspective of aid recipients, this study assumes that a management approach to aid would provide an understanding of mismatches between donors and recipients as a possible reason for aid effectiveness standards being unsatisfactory to many. A qualitative case study of two idiosyncratic countries: Cameroon and Tanzania was conducted utilizing a retroductive analysis approach. To provide additional internal validation, a stakeholders’ analysis and a business appraisal were also conducted. A number of explanatory mechanisms were constructed and answered positively the research preoccupation of identifying donor-recipient mismatches as well as showing that these mismatches affected to a very large extent the effective management of foreign aid.

Further research is recommended chiefly in the donor-recipient relationship vis-à-vis foreign aid quality looking at the history, current and future international interactions. Also, researches in new and meaningful ways of assessing foreign aid impacts.
Declaration

I, Didier Matamba, declare that the following thesis and its entire content has been an individual, unaided effort and has not been submitted or published before. No portion of the work referred to in this thesis has been submitted in support of an application for another degree qualification of this or any other university or other institute of learning. Furthermore, it reflects my personal understanding and opinion relative to the researched subject matter or topic and it does not represent the opinion of the University of Manchester.

Signature:

Dated:
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Acknowledgement

I would like to express my gratitude for my research coordinator, Dr Richard Duncombe and the second coordinator, Prof. Derek Eldridge for their guidance and scholarly advices.

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My heartfelt gratitude goes to my pastor, Reverend Geoff Pickup and the entire New Life Christian Centre in Derby for their incommensurable support and prayers that kept me going from the moment I set foot in the United Kingdom as an asylum seeker and throughout my fight to obtain my refugee status.

Also thanking not least, my wife Mamie Josephine and the children for their invaluable forbearance, for putting up with sleepless nights, family relocation and other major changes that brought in additional challenges to the already emotionally eventful PhD journey.

It is impossible to name everyone who helped with the research work, for that I sincerely apologize but would like to express my deepest gratitude for help and support willingly provided by various people.

Finally, I thank the Almighty God, the architect and engineer of the Universe for his loving kindness, compassion and care He bestows on me every day.
Dedication

This thesis is dedicated to:

Mamie, Chloë, Jonah, Chanelle and Charissa
Chapter 1 – Introduction

*If patriotism is the last refuge of the scoundrel, wrapping outdated industry in the mantle of national interest is the last refuge of the economically dispossessed. In economic terms, pleading national interest is the declining cottage industry of those who have been bypassed by the global economy.* – Dr. Johnson (1709-1784)

Development cooperation between rich countries and poor has centered on a collection of programs, bilateral and multilateral, loosely classified as "foreign aid". These programs include grants, long-term loans at subsidized rates of interest, short-term export credits, distributions of surplus commodities, military assistance, technical assistance and much more (Easterly, 2000). Thorbecke (2000) reiterates the purpose of these programs as aimed at promoting the economic development of poor countries in the expectation that global poverty would thereby be eliminated. In practice however motives were mixed, the donors pursuing diplomatic, military and commercial interests as well as humanitarian ones (Easterly, 2000).

The question of foreign aid and its effectiveness has been central to the very existence of aid. Most donors are of the view that aid is only as good as it effectiveness (Sobhan, 2001). The relationship between donors and recipients has not been uneventful to say the least as will be outlined and discussed further. This study will look at aid effectiveness by examining the donor-recipient relationship from a management perspective. Such a perspective assumes a working relationship or a contract of sort between the parties involved. A management perspective will be ethical, principled and result driven (Mintzbeg, 2009). As part of this research, a business appraisal or review will be conducted to assess the business viability and contractual aspects of this relationship following a stakeholders’ analysis and an examination of interviews that will be drawn from respondents’ assessment of foreign aid. However, it is challenging in practice to exhaustively explore the subject considering its immensity evidenced by the variety of donors and recipients as well as the numerous approaches utilized by either side of the relationship in engaging with one another within the time frame of a doctoral research.
If Aid is compared to a business transaction wherein a return is expected of an investment, the relationship between key stakeholders – donors and recipients – is fundamental to the success of the said business. As in any business appraisal, it is paramount to assess what added value does aid bring to the recipient? As a matter of fact, performance appraisals of all types are effective if they are conducted properly, and better still if the appraisal process is clearly explained to, agreed by, the people involved. In the business world, appraisals process provides the platform for development and motivation. For that reason, organizations ought to foster a feeling that performance appraisals are positive opportunities in order to get the best out of the people and the processes (Morden, 2007). In this study however, the scope will be limited to assessing management-wise and business-wise, the quality of the relationship and its value proposition in view of its impact on foreign aid effectiveness.

1.1 – Study’s background

It has become quite evident through a great number of reports that foreign aid, contrary to original expectations, has not contributed to a noticeable acceleration of the rate of growth of developing countries. While there still is much debate about the economic consequences of foreign aid, some facts about aid gradually are coming to be accepted (Easterly, 2001, 2006; Stiglitz, 1998, 2002, 2006). These facts will be outlined in more detail later in the literature review.

Riddell (1987; 1990) proves over and over again that, on methodological grounds, it had been so difficult to say for certain that foreign aid works. Fundamental challenges include lack of systematic data that would pinpoint to poverty reduction and ‘development’. The impracticality of ascribing with assurance any observed change (for the better or for the worse) to foreign aid considering that there are numerous other factors affecting a country’s socio-economic status (or development) and, pertinently the difficulty of determining what in fact is meant by saying that foreign aid works. Moreover, within varying time spans, different types of development interventions have not been observed to produce the same impacts. Finally, Riddell (2007) demonstrates that there are fundamental difficulties in
evaluating a moving target: aid in the present day is provided in quite different ways, yet, as impacts generally take a number of years to materialize, the effects that can be possibly assessed are those of previous aid interventions’ periods. According to Riddell (2007), this means a twofold negative bias built into development appraisal: in practice, current aid evaluations are based on less knowledge than one has of the past, and assessment is done according to criteria that are judged essential at the time of evaluation, but were not integrated into the initial design.

Stiglitz (1998) and later, Easterly (2001), establish that where aid inflows are large in relation to the recipient's national product, relative prices are distorted in an anti-development direction. Large inflows of foreign aid tend to result in an appreciation of the real exchange rate (RER), thereby discouraging production for export or production intended to replace goods produced abroad (Baum, 1978; Killick & Foster, 2007). Hayter and Watson (1985) and later, Boone (1996), find another fact to be that the availability of foreign aid makes it easier for the governments of recipient countries to increase unproductive current expenditure, to expand the military and to reduce taxation. Inflows of foreign aid, far from resulting in a rise in productive investment of equal magnitude, as generally hypothesized, have in practice been used to finance higher expenditure on a wide range of activities, some of which contribute to development and most of which do not. Erixon (2005) finds that any positive impact of foreign aid is solidly dependent on ownership and commitment to the development projects or programs by the recipient country. On the other hand, he finds that donor imposition has fundamentally been counterproductive. Riddell (2007) confirms that the real issue is not to assess whether aid works or not but rather “How can aid to poor countries be made more effective?”

If foreign aid is not the way to sustainable development, what could be the answer then? Or what more could be learnt? Erixon (2005) goes on to establish that mismatch between levels of foreign aid provided and recipient government capacity to absorb it has been one of the key reasons for foreign aid ineffectiveness. But other than this ‘absorption capacity’ mismatch, could there be mismatches between donors and recipients in terms of their very relationship? Could these mismatches be observed? Are they fundamental to the effectiveness of foreign aid? Indeed, different perceptions and practices surrounding aid could logically lead to a number of tangible
and intangible mismatches between donors on the one hand and recipients on the other hand. Understanding the extent of these mismatches’ impact on aid will achieve the objective if not provide pointers towards possible rational propositions to addressing the problem of foreign aid effectiveness in Sub-Saharan Africa (SSA).

Conceptually, a tangible mismatch would be observable, measurable and could be discussed about or agreed upon by both parties. An intangible mismatch would be an unspoken motive or interest; consciously or not, whose impact would be hard to measure and oftentimes culturally difficult to reconcile. However, notwithstanding the arguable measurability and/or observability of tangible mismatches, they could equally be culturally irreconcilable. One tangible mismatch could be identified as aid impact assessment level whether aid works or not. In Riddell “Does Foreign Aid Really work” (2007), another tangible mismatch – mentioned earlier above – is the aid absorption capacity of recipients against the disbursal capacity of donors. One more tangible mismatch is the one-sided measuring of inflows and results by donors. Intangible mismatches could be understood as issues such as expectations of aid impact, poverty quantifications, wellbeing level measurement before and after aid, corruption perception of one another by either side: donors and recipients, ideological and cultural constructs. Moyo (2009) presents a mismatch between intentions and realities in today's battles over aid as parameters or concepts that cannot justifiably be measured. She finds that while it is arguably possible to measure foreign aid impact, it is virtually impossible to measure or gauge intentions, which fuel donors and recipients motivations and actions alike.

To illustrate the concept of mismatches further, an example could be given of agriculture subsidies. Under the Common Agricultural Policy (CAP), European Union (EU) farmers and the farming sector are heavily subsidized. In 2005, the subsidy represented 48% of the EU public funding. However, the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO) have favored western farming products as opposed to African, Caribbean and Pacific countries (ACP) by imposing heavy tariffs and barriers to trade particularly on farming

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1 EU farm spending by sector (2005): Arable products: 40%, Dairy: 4.6%, Olive Oil: 5.4%, Beef: 18%, Sugar: 2.9%, Development: 12%, Sheep & Goats: 3.4%, Fruit & Vegetables: 3.6%, Other: 9.1%. (Eurostat Yearbook 2008)
products. Furthermore, the World Bank (WB) and the International Monetary Fund (IMF) have actively discouraged farming subsidies in poor countries and have done nothing to address trade injustices. These tangible mismatches do not permit a fair comparison of how effective the farming sector is in Africa for instance as compared to the EU or in general, on non-agricultural trade with a number of developed countries.

These mismatches translate in practice into negative facts associated with foreign aid impacts. However, it is important to mention that there is a great deal of policy issues that largely contribute to the present status quo (governance, financial control, information systems management, operations’ efficiency, management strategies, etc). Authors referred to earlier on have all without exception looked at the importance of policy implication on foreign aid effectiveness in sub-Saharan Africa. Considering that this study will assess aid effectiveness from a management perspective, foreign aid governance/management issues would prove to be an informative premise to critique aid effectiveness.

It might seem to be a simplistic view to reduce or summarize problems associated with Aid effectiveness in SSA to management. However Dalgaard et al., (2004) following up on Baum (1978), state that these different complex matters are in great part if not at their very core management issues: poor governance, irrelevant policies, human rights abuses, failure to access global markets, conflicts, etc. They are obstacles that call for the international community’ support as much as countries’ own commitment. Other limits to achieving development are the burden of debt, dependency on aid, ideological and cultural constructs. These various issues directly affect aid management at recipient level (Johnston and Van de Walle, 1996)

Burnside and Dollar (2004) support extensively the need to reduce any political mismatches but not least, did they discuss economical mismatches. They specifically looked at the impact of policy on aid effectiveness and found that in a neoclassical growth model, the impact of aid on growth will be greater when there are fewer policy distortions affecting the incentives of economic agents. They hypothesized that synergy effects among aid and policy are critically important. Additionally, Li and Karakowsky (2001) find that cultural understanding would be
central to appraising others reality without distorting what they value and thereby establish an effective working relationship.

An extensive exploration of aid effectiveness translates in a measure of how productive foreign aid is. Furthermore, effectiveness ought to be defined in terms of lean operations management; meaning, getting the highest return for the investment or defined as a production practice that considers the expenditure of resources for any goal other than the creation of value for the end customer to be wasteful, and thus a target for elimination (Cole, 2004).

In summary and simple words, there seem to be a problem with the effectiveness of foreign aid stemming from the relationship between donors and recipients. This problem is the mismatches between donors and recipients as will be set out in detail later on.

1.2 – Problem Statement

From its impact mixed outcomes, foreign aid has been a great disappointment to those who hoped that the end of the colonial era would usher in a new age of solidarity and cooperation between North and South. Easterly (2002) retrospective of over four and a half decades of international economic assistance to the developing countries, finds clearly that expectations of rapid and dramatic progress were too high, the economic analysis was faulty and the political assumptions were simplistic (Erixon, 2005).

Opponents and proponents of development aid, using the same set of data, have arrived at two diametrically opposed findings (Cassidy, 2002). Noticeably, both groups have in general essentially looked at foreign aid from a donor’s perspective (Moyo, 2009). They could be regarded as different schools of thought. The proponents’ position could be summed up as:

“... Aid can be effective in country where it is accompanied by sensible economic policies” (Dollar and Burnside, 2000:5).
Opponents find that more aid has a negative effect while proponents conclude that more aid will help eradicate poverty. Baum (1978) finds that in view of the general acceptance of development failure, opponents have engaged on a deeper analysis while supporters are more superficial and ostensibly politically motivated in their reflection of facts and interpretation of results. Peter Bauer (1981) is the only one to oppose foreign aid for a longtime, he is remembered for famously explaining that aid does not promote economic development for two reasons: (1), Poverty is not caused by capital shortage, and (2), it is not optimal for politicians to adjust distortionary policies when they receive aid flows. Peter Boone (1996) observes that Long-term aid is not a means to creating growth. Moyo (2009) has systematically supported the ‘deeper analysis’ of the opponents’ views.

It is paramount and interesting however to realize that most opponents are former employees and/or supporters of the Bretton Woods Institutions (Cassidy, 2002). Could it be that they had access to more information that outsiders did? Or could their change of side be a simple political reformation or is it rather a genuine desire to foster the birth of a successful and fair aid regime? In other words, if they were supportive of a system they thought worked, it ought to be logical to understand or believe that their change of side is an indication of foreign aid failure to foster growth. A key opponent to foreign aid; none other but Easterly (2003b:12) summarized his finding as follow:

“The stress on aid disbursements is understandable given the peculiar nature of the aid mechanism. The beneficiaries are supposed to be the poor of the world, who have little voice in their own governments, much less in the high-income country governments who control the aid agencies. One has little or no feedback from the intended beneficiaries whether aid is in fact raising productive capacity. Moreover, the high-income country governments may have many different objectives for their aid besides poverty reduction, such as rewarding allies, promoting donor country exports or fighting drug trafficking. Multiple objectives often work against each other and weaken each other, so that aid may end up serving none of its multiple goals especially well.”
In simple terms, the problem is that the measure or evaluation of foreign aid effectiveness as a key performance indicator (KPI) does not tell a clear story to both donors and recipients. For perceived foreign aid opponent such as Joseph Stiglitz in his book “Globalization and its Discontents” (2002), aid had been found to be successful in making it easier for developed countries to have cheap access to poor countries’ resources. Therefore, as a return on investment (ROI), it has achieved in a sense an objective for donors – whether stated or hidden – although it has not achieved poverty reduction or fostered economic growth as initially expected. Moreover, an aid opponent already referred to, William Easterly in his book “The Elusive Quest for Growth” (2002), outlines positive interventions made possible through aid such as vaccination, life expectancy improvement and, roads, school and hospital construction but found that the negative greatly out-weight the positive. From his time at the World Bank, he explains and critically analyzes the economic theories and policies that guided the World Bank and IMF over the past half century. He finds them wanting and, he discredits widely held viewpoints about factors believed to drive economic growth such as investment in physical capital, education, population growth control, crisis loans’ adjustment loans and debt forgiveness. In Easterly’s observation, the International Financial Institutions (IFIs) have very little to show for more than US$1 trillion spent over half a century in aid to poor countries’ development.

Could it be concluded that supporters of foreign aid were embarrassingly naïve? The end of the cold war, however, provided an opportunity to think afresh and to build a new framework for development cooperation. Numerous attempts have made Africa to be the laboratory for any growth theory or model aimed at making aid more effective. In reality, these growth theories and models are based on the donor-recipient relationship and also on the modalities of aid provision as will be discussed later. Therefore, it is crucial to equally consider the recipient’s perspective: how or what will be the recipient assessment of aid effectiveness? Also importantly, what are the mismatches between donors and recipients? These may partly elucidate the ambiguous aid evidence. Besides being seen as a measurable concept in economic terms, to achieve a better understanding of mismatches, aid effectiveness could be in management terms as part of foreign aid key performance indicators (KPIs) (Parmenter, 2007). It could well be comprehended as a measure of the quality of
attainment in meeting agreed objectives. The current aid debate – proponents versus opponents – is not only fuelled by the general disagreement on how best to read the numbers that are supposed to tell the aid story but more so by a general lack of convincing progress indicators. The return on investment (ROI) seems to be unconvincing to put it plainly. Moreover, speaking in production management terms, if critical success factors reflected through Sub-Saharan African aid effectiveness and other KPIs such as ‘Balanced Scored-card’ or ‘Return on Investment’ for instance, are mainly reduction of poverty and increased prosperity of the said region, it is paramount therefore to explore alternative means of evaluation in the face of such apparent failure (Mintzbeg, 2009).

1.3 – Aim and scope of the Study

The study’s key aim is to critically assess the effectiveness of foreign aid from a recipient’s perspective focusing on aid processes. The aid process will be understood as a business transaction wherein parties involved ought to agree on the said process. Thereby setting their relationships within a contractual framework. For the sake of clarity, it is important to note with John Locke (1632-1704) that business transactions as well as resource management did precede transatlantic slavery in Africa (Locke, 1997). This study will however not argue the legality of the agreed aid process between parties but within its scope, it will nonetheless analyze the agreement’s implications of the said aid process. The management perspective will be considered as both a practice and a key measurement of evaluating aid relationships. Management ought to be understood as a practice of utilizing all available resources to obtain desired results (Cole, 2004). To adequately pursue the above aim, the scope of the study will therefore extend to issues raised or resulting from mismatches and the understanding of how they affect aid effectiveness on different levels of the management function. Hence, in analyzing donor-recipient relationship as a basis for Aid effectiveness assessment, this study will focus on the sector of Infrastructure Development (Public Works) in Cameroon and Tanzania. Various development actors operating on different management levels will be interviewed. The choice of Cameroon and Tanzania will be explained later as their contexts will be looked at in detail.
The key research question is: “To what extent do mismatches between donors and recipients impact upon the effective management of aid in low income sub-Saharan African countries?”

This research question can be broken down into two key objectives as follows:

1. To identify key tangible and intangible mismatches between donors and recipients of aid.
2. To critically evaluate donor-recipient relationships from a management perspective.

The above objectives could be addressed by exploring three lines of enquiry. By exploring recipients’ perspectives on (1), aid processes, (2) aid institutions and (3), management of aid (e.g. Project planning, decision-processes, accounting structures, management learning, etc.) One of the common accusations brought against the foreign aid regime is that, recipients’ views are not considered and that they do not drive their development process. Aid management mechanisms or frameworks such as PRSPs for instance, are still not fully owned by recipients because they still require IMF’s approval before implementation (Stiglitz, 2002). Recipients’ inputs are considered for the sake of formality to both donors and recipients constituencies: processes of legitimization – in reality, donors’ interests are central to policy choice (Bond, 2006). Moreover, recipients’ proposals for success and/or improvements of aid institutions and processes ought to be equally explored. A key aid institution such as the IMF is known for maintaining and justifying a non-democratic internal system. Leonardo Martinez-Diaz of the Independent Evaluation Office (IEO) of the IMF explains that process matters more than outcome in that decisions are legitimate because they have been reached through a deliberation process in which all voices can be heard and considered. The claim that the IMF voting and decision process are “democratic” does not imply that members necessarily have equal voting or political power, but that they enjoy an equal right to speak and be heard (Martinez-Diaz, 2008). Furthermore, exploring what could be learnt from different donors’ approaches, both opponents and proponents have cited a lack of coordination between donors as a contributing factor to foreign aid ineffectiveness (Killick and Foster,
Various donors and institutions have collated good practice however; such information could be grouped into individual donor’s experience and individual recipient’s experience. Intelligence would be generated from as many donors to a recipient and as many recipients from a donor.

1.4 – Significance of the study

Aid management exploration and investigation are paramount in understanding reasons behind the apparent failure of foreign aid in reaching its intended goal of poverty reduction and/or eradication; the raison d’être of international aid agencies. The fact that poverty reduction targets have not been met is of course not entirely due to aid inadequacies alone. Key governance issues’ understanding – at recipients level – is therefore of utmost importance in managing the status quo of SSA countries. This understanding underpins the wholeness of different approaches in finding answers to poverty and its consequences.

This study is also significant in that major publications and studies informing it such as Donald Snyder’s 1997 “Donor Bias Toward Small Countries: An Overlooked Factor In the Analysis of Foreign Aid and Economic Growth”, Svensson (1998), the World Bank reports (2000 and 2002) and, famously earlier on the World Bank’s 1998 “Assessing Aid: What Works, What Doesn’t and Why” that tends to look at “foreign aid agencies’ management”, “aid inflow management”, “rich-poor countries’ trades”, and so forth such as Chong and Gradstein, 2006’s “Who’s Afraid of Foreign Aid? The Donors’ Perspective” while a relatively smaller amount of work had been poured into “aid policy” at recipient countries’ level in response to aid results such as Frederik Erixon’s 2005 “Aid and Development: Will it work this time?” Foster and Killick’s 2007 “The Macroeconomics of Doubling Aid to Africa and the Centrality of the Supply Side” and Roger Riddell’s 2007 “Does Foreign Aid Really Work?” Moyo (2009) supporting Erixon (2005) and Easterly (2002) considers the issues from recipients’ perspective focusing on the latter aspect will provide a fresh perspective in understanding the aid regime and henceforth empowering both policy-makers and practitioners with pointers toward better approaches on aid and, inform donors’ governments and institutions’ decision on the correct course of action.
Moreover, having a fresh perspective not least radical will support the revisiting and/or the re-framing of the development aid environment in SSA. Therefore, it is fair to claim that this study is looking at an area of both potential academic and professional interest.

In brief, most foreign aid related studies cited in the preceding paragraph have mainly covered the economic and political aspects of aid. This study’s significance will be drawn – for donors – from the premise of understanding or at least becoming increasingly aware of recipients’ perspective relating to their own growth. For recipients, stating the obvious, they are aware of donors’ perspectives and their somewhat conflicting motives (Calderisi, 2007), this study will be able to assess in essence their relationships with donors and their implications on foreign aid effectiveness.

Finally, it is paramount to point out that although foreign aid had been conceived and constructed by donors, generally using or striving to use a one-size fits all approach regardless of countries idiosyncrasies, this study will provide elements to justifying that each relationship ought to be uniquely designed rather been solely based on collected intelligence as will be discussed in detail later. To achieve the objectives of this study, a qualitative study in Cameroon and Tanzania will be conducted adopting a case study strategy within a critical realism philosophy. Data analysis will be by a retroductive process. The two countries’ choice will be justified later.

1.5 – Structure of the Thesis

This thesis is divided into nine chapters. The present chapter provides an overview of the rationale and a snapshot into the debate underlying the direction of the proposed study.  

Chapter 2: Political Economy of Aid in Sub-Saharan Africa identifies and outlines key characteristics attributed to foreign aid in the Sub-Saharan Africa region. A Donor-Recipient relationship history provides a good basis for the understanding of current attributes of aid.
Chapter 3: Aid Management provides a management perspective on foreign aid and possible implications of good management practice on the foreign aid regime as a whole.

Chapter 4: Country Context: Cameroon and Tanzania provides political historic information relative to each country as well as a contextual understanding of aid management.

Chapter 5: Research Methodology presents the philosophical assumptions and research strategy discussing data collection and analysis methods employed: the qualitative case study design underpinning this study. The conceptual framework, designed to capture dimensions of aid management practice, is equally introduced herein.

Chapter 6: Research Findings provides both monological and dialogical data collected during field trips to Cameroon and Tanzania. These findings are sourced from a recipient’s perspective following Critical Realism as the basis philosophy.

Chapter 7: Analysis of Findings provides analytical steps taken to understand explanatory mechanism underpinning the extent to which mismatches affect foreign aid management. Fundamentally, this chapter presents a retroductive analysis of findings following a stakeholders’ analysis to establish management understanding of the donor-recipient relationship.

Chapter 8: Discussion of Findings presents plausible explanations and explanatory mechanisms behind donor-recipient mismatches by linking various system relations based on their similarity. The evaluation, justification and significance of the extent to which aid effectiveness is affected are equally provided.

Chapter 9: Conclusion and Recommendations provides the contribution of this research to the aid effectiveness debate. A set of recommendations is also suggested as an attempt to provide answers to foreign aid management. Limitations of this study have been explored by way of closing remarks to the thesis.

Reference and Bibliography

Appendices
Chapter 2 – Political Economy of Aid in Sub-Saharan Africa

“Poverty is more than simple economic issues; it is also an ideological construct” - Dr. J.W. Smith (The Institute for Economic Democracy, 1994)

2.0 – Introduction

This chapter reviews the literature looking at problems and impacts of international aid on the SSA sub-continent and also, literature related to foreign aid policy at recipient countries’ level. Issues like human rights, weak governance, control and transparency, ethics, knowledge and information systems are just a few that countries’ leaders/governors are dealing with on a daily basis. However, reviewing the vast political economy literature of aid in SSA will run outside the scope of this study. This literature review would constitute the majority of secondary data; information regarding aid management, relationships between donors and recipients as well as other vital information (required for furthering and supporting the analysis of findings from primary data), would typically be the kind of secondary data that would be used in the study.

Most International Aid Agencies have got as main objectives: reduction of global poverty and promotion of human development. In reality, these objectives could be transcribed as issues that policy-makers have to deal with in SSA; generally under such headings as strategic resources management, ethics, operations management, health system management, infrastructure development and risk management. Resources would encompass raw material, finances, information, human and/or workforce (Stiglitz and Charlton, 2005). It is therefore only logical to consider poverty reduction as a key indicator of how well aid has done and has been managed in meeting International Aid Agencies’ main objectives.

The World Bank (2001) finds that there are clearly diametrically opposed views on impacts and at times, convergence of opinions supporting the lack of results or tangible impacts of aid endeavors (Hansen and Tarp, 2000). As a matter of fact, there are no simple answers to the question of whether aid works or not. Answers to questions such as “does aid improve human development (e.g. save human lives,
improve nutrition, promote food security?” “Does aid promote democracy, freedom of speech and political rights?” “Does aid reduce poverty and inequality (e.g. Headcounts, Gini coefficient, regional imbalances)?” “Does aid promote “good policies” (e.g. CPIA)?” “Does aid promote sustainable development?” depend on who is asking them.

Easterly (2001) and Erixon (2005) agree that with the possible exception of some of the very poorest countries on the margin of the global economy, even a better administered and more generous flow of aid would be a poor substitute for faster economic growth in recipient countries. Faster growth is a feasible policy, yet more aid is not. It would be beneficial to everyone, in rich countries and poor alike that more aid would require additional taxes or lower spending in rich countries, and possibly, increase marginally the adversities of some who already are suffering from the unsatisfactory performance of the economy. When all of this is combined with the fact that the record of foreign aid in promoting development is far from persuasive, it would seem sensible to build a new framework for development cooperation based on management good practice around policies for faster growth rather than on larger commitments of foreign aid. The solution might be seemingly directly linked with sound resources management (financial, human, informational, etc). However, it is paramount to understand the political context within which aid economics function namely, the stakeholders’ relationships and challenges that affect their decisions and practices.

Reviewing literature that attempt to answer earlier mentioned questions or make sense of foreign aid issues and regime will provide a context to addressing the question of mismatches between donors and recipients.

2.1 – Aid Conditionality and Contract Theory

The 2008 Cambridge Learner’s Dictionary defines ‘aid’ as money, food, or equipment that is given to help a country or group of people. The dictator Mobutu – hailed by the late US President Reagan as "a voice of good sense and good will" – in one of his multiple public speeches stated that ‘aid we receive is actually loan or
better, civilized slavery’. It is paramount to keep in mind that SSA or any world region Political Economy for that matter is really about power (Palan, 2000).

Aid has profound and tangled roots in the history of Western expansion. British ideologists came up with the notion of a Dual Mandate. One side of the mandate was trusteeship expressed as paternal obligations of Britain toward its subject peoples: taking decision on their behalf, protecting and guiding them. The other side of the mandate was accumulation: expressed as the undertaking of the colonial power in developing the colonies’ economies for profit and help their inclusion in to the world system defined and run by the West. The unspoken rationale of the aid regime has a striking resembles to the Dual Mandate (Lord Lugard, 1965). To legitimize the two objectives – trusteeship for the receivers and accumulation for the donors – colonialists elaborated doctrines of modernization and development for the attainment of political management of territories and the imposition of indirect rule models via local potentates (Taiwo, 1999).

Sogge (2002) states that as people of the South exercised their rights to speak for themselves and to manage their own affairs and resources, Western powers had to abandon their talk of “civilization” and mandate toward “backward” areas. Former dominions were repackaged as exclusive clubs: Britain’s Commonwealth, France’s Francophonie, America’s Good Neighbors in Latin America, Europe’s ex-colonies assembled as Lomé group, and Japan’s flock of ‘flying geese’ in Asia (Arase, 1995).

The political economy of African foreign aid is somewhat unusual. In Africa the interaction between the worlds of politics and economics, mainly the effect that political events have on economic systems is fundamentally dictated by the donors’ rhythm. The intra-state systems are usually in tension with external systems. Choosing to follow national policy is generally discouraged by external – global or donor’s directed – policies, which are by and large concocted by foreign policy-makers and/or politicians without given consideration to recipients’ grassroots’ needs. It is extremely difficult for outsiders to induce policy reform in a country from the outside, for the outside tail to wag the internal political economy dog. That has been the problem with aid agencies thinking it could do that. It is best for aid to follow those sorts of domestic changes rather than attempt to lead them. Aid cannot induce
policy change (Kanbur, 1998). Whatever form aid takes, its value or price, the donor or lender determines destination and intended outcomes. It is undeniable that these characteristics inherent to aid are politically informed and motivated. The ‘help’ nature of aid could well be related to its concessionality – the extent to which its interest rate is lower than and its repayment period is longer than typical or standard commercial or multilateral loans. The truth however is that these concessional loans are generally not cheaper than commercial ones. Moreover these soft loans come with socio-political regime imposition, national economies or markets structural adjustments conditionalities and governance prescriptions that generally absorb internal/recipients’ resources to lead into more debts. The rationale behind concessionality is to increase aid effectiveness by way of qualifying and monitoring criteria yet; in practice, results are contentiously reported and are far from supporting theory (Maipose, 2004).

In economics, contract theory has to do with understanding how the balance between competency and rewards is achieved. The communication rapport between a principal and an agent is paramount to addressing the needs of the former and the competence or ability of the latter in meeting the said needs. Once clarity of responsibilities is established, contract theory is then put in place to ensure that the agent is adequately rewarded for efforts or work performed (Tatum, 2003). While such a rapport is fundamentally a business relationship wherein resources have to be managed in a particular manner to achieve specific outcomes, it is also a relationship of two defined parties with different status. The North-South relationship from its onset has been one of ‘powerful-powerless’, ‘masters-slaves’, ‘civilized-savages’, ‘colonialists-colonies’ but also ‘principle-agent’ and it has yet to be philanthropic. This constantly changing relationship – at least in its format – has fundamentally affected and informed current states-firms dynamics that warrant monopolies, trade tariffs and state intervention in markets’ regulation. It is only recently that ‘critics have recognized the principal–agent relationship between donors (the principal) and governments (the agent) who have mismatching and generally conflicting views about the desirability of poverty alleviation’ (Azam and Laffont, 2003). However, an agency problem emerges when there is both a divergence of interests between those who perform tasks (agents) and those on whose behalf the tasks are performed (principals), and there is asymmetric information between the two parties. Kanbur and Sandler
(1999) note that to solve this problem, the principal has to use the stick and carrot approach so that the agent might undertake particular actions. In reality, particular packaging of donor-funded projects, specific conditions on policy reform attached to aid formulations, and specific reporting requirements are all expressions of donors’ effort to address the agency problem.

Martens et al. (2002) find that a chain of principal–agent or master-servant relations or contracts, in fact characterizes this peculiar relationship each of them offering the potential for incentive misalignment. This incentive misalignment possibly is both a cause and a result of tangible and/or intangible mismatches that create an intrinsic conflict of interests between agents and/or intermediaries that result in inadequate delivery processes. Many agency problems are inherent to the aid delivery process, particularly as a result of: (1) the existence of multiple principals and objectives, with no clearly defined trade-offs between these alternatives, (2) the existence of a ‘broken information feedback loop’ (meaning that the people for whom benefit aid agencies work are not the same as those from whom their revenues are obtained, which leads to stronger incentive biases), and (3), the trend towards more institutional reform aid (which increases agency problems as less tangible outputs are more easily subject to post-contractual uncertainties). Moreover, particularly large information asymmetries weaken incentives (Dixit, 2003). The matrix in *table 1* below is constructed to illustrate the concept of information sharing:

<table>
<thead>
<tr>
<th></th>
<th>Donor A</th>
<th>Donor B</th>
<th>Donor C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recipient A</td>
<td>Info DA1</td>
<td>Info DB1</td>
<td>Info DC1</td>
</tr>
<tr>
<td>Recipient B</td>
<td>Info DA2</td>
<td>Info DB2</td>
<td>Info DC2</td>
</tr>
<tr>
<td>Recipient C</td>
<td>Info DA3</td>
<td>Info DB3</td>
<td>Info DC3</td>
</tr>
<tr>
<td>Recipient D</td>
<td>Info DA4</td>
<td>Info DB4</td>
<td>Info DC4</td>
</tr>
<tr>
<td>Recipient E</td>
<td>Info DA5</td>
<td>Info DB5</td>
<td>Info DC5</td>
</tr>
</tbody>
</table>

*Table 1: Donors-Recipients’ Information Matrix*

For instance Donor A would benefit from information collated by Donors B and C in understanding how to manage better future relationships with recipients A, B, C, D and E. The same would apply to recipients benefiting from each other’s experiences.
Moreover, this information could be used regardless of whether it is recipients’ or donors’ collated information. Such rich information exists yet new aid processes are designed without learning from the past and there is surprise that the results are the same (Easterly, 2006). The above enquiry lines refer to apparently contradictory assertions yet they would constitute a starting point in the identification of donors-recipients’ mismatches as will be conducted later.

Principal–agent theory has been remarkably employed in the understanding of conditionality contracts between donors and recipients of aid. Conditionality attached to aid programs is indeed a way to surpass or overcome conflicts of interest between donors and recipients, but it is far from being a perfect tool. Moreover, if agency problems pervade the aid relationship, some of these inherent constraints on the performance of aid programs may be mitigated by informed institutional design. A number of economical models – broadly described hereinafter – defining the donor-recipient relationship have been identified. In most of them, the donor offers a ‘take-it-or-leave-it’ contract to the recipient government, often taking into account that the latter will react according to its own interests. The donor (principal) is still often modeled as an aggregate unit, and its relation with one, two or several recipients (agents) is explicitly analyzed. While it is standard in the literature on aid to assume that the donor is fully altruistic, that is, only cares about developmental investments or the consumption of the poor, the recipient is always assumed to be only partly altruistic. Kanbur and Sanler (1999) state that as the donor is viewed as more concerned about the poor than the recipient government, the donor is typically assumed to rely on conditionality to impose compliance with its poverty reduction objectives. The genuine supply of the international public good, together with the degree of burden sharing, depends on the type of relationship between donors and recipients. However, Berthelemy and Tichit (2004) using a random Tobit model found that most donors are not altruistic but rather egoistic. Berthelemy (2006) confirmed these findings with a more detailed study of donors’ behavior.

Azam and Laffont (2003) propose a donor-recipient model that assumes that aid is determined by aversion to poverty and they analyze foreign aid as a contract wherein the donor makes a transfer to the recipient in return for poverty reduction. The donor (principal) wishes to obtain a high level of the international public good,
‘consumption of the poor in the South’, and the agent (the rich: the recipient’s government) in the South, controls the level of the international public good through its redistribution policy – hence the moral hazard problem. This model assumes complete contracts and the donor is able to observe the production of the social good; thus, the donor can impose *ex post* conditionality by linking aid to the observed output. Svensson (2000) identifies a moral hazard as a problem affecting recipients’ incentives to undertake structural reforms that will eventually foster an environment conducive to effective growth. This problem is exacerbated by unfavorable competition for aid across recipient countries. For instance, when donors decide to disburse future aid partly according to the needs of the poor, potential recipients have less incentive to introduce policies that would reduce poverty as they realize future loss of income. This behavior is consistent with empirical evidence. Torsvik (2005) supports adoption of conditional aid contracts designed to influence domestic policy in recipient countries as a means to addressing ‘crowding out’ effects. But it is important to realize that despite the focus on public good, ‘poverty alleviation’, as a direct economic effect of aid, much foreign assistance has motives that may have little to do directly with speeding up economic growth. Oftentimes, donors may wish to increase the military capacity of a recipient country, to expend their commercial interests, to support an ideological compliant government in power, and to acquire goodwill for future political mileage. Consequently, the developmental impact of aid can be substantially undermined as the donor command resources over to the recipient without simultaneous direct payments or a commercial quid pro quo of some sort.

Another model is by Cordella and Dell’Ariccia (2003); it considers incompleteness of contracts by assuming that only some of the recipient's actions are monitorable by donors. This allows the analysis of a situation in which aid is disbursed before the production and consumption of the social good take place. In theory, the optimal amount of conditionality is variable and aid policies are tailored according to the recipient’s preferences and social commitment. But in practice, recipient’s preferences are generally overlooked in the name of good governance or adequate policy framework. This is all the more evident when – PRSPs – as donor’s preferences and priorities take precedent over recipient’s in designing a particular development program.
Mummert (2002), Murrell (2002) and Ndulu (2002) studied more complex aid relationships, for instance, where there are more donors, their sub-contractors and recipients. The moral hazard problem in the interaction between donors and their multiple agents makes the recipient government to play the role of both agent and principal – the recipient government may be viewed as the agent of the donor or the political principal, on the one hand, and the agent of the citizen on the other hand. In such cases when donors’ objectives are not reflecting those deriving from an inclusive domestic political process, conditionality may help overcome the time inconsistency of aid, and external agencies and domestic restraints may work to lock in the commitment to reforms.

While models above assume that agency problems are generated by the recipient government willingness to capitalize on information asymmetry, Torsvik (2005) identifies problems stemming from the aid delivery system or even the donor’s own incentives particularly the so-called ‘Samaritan’s dilemma’ characterized by the recipient government choosing specific policy reforms in anticipation of the donor’s ‘softness’ in lacking to commit to helping the poor. Another such model had been developed by Lundborg (1998); this is a ‘gift exchange’ game-theoretical model (whose predictions are confirmed empirically) in which aid is provided in order to attain foreign policy goals while recipients give political support to donors in return. Moreover, as Villanger (2006) notes, third parties to the relationship, for instance, firms from donor countries, also influence aid disbursement by creating incentives to continue disbursing aid even after non-compliance. Theoretically, aid conditionality should help overcome the conflict of interests between donors and recipients and increase recipient countries’ incentives to pursue behavior that will help aid succeed. Practically, conditionality is undermined by agency problem and ideological alliances.

The Paris declaration aims – as summarized by the ODI Briefing Paper 40 of September 2008 entitled "Is water lagging behind on Aid Effectiveness?" were as follow (Welle et al., 2008:1):

- **Ownership:** Developing countries must lead their own development policies and strategies, and manage their own development work on the ground. This is essential if aid is to contribute to truly sustainable development. Donors must support developing countries in building up their capacity to exercise this kind of leadership by
strengthening local expertise, institutions and management systems. The target set by
the Paris Declaration is for three-quarters of developing countries to have their own
national development strategies by 2010.

• **Alignment**: Donors must line up their aid firmly behind the priorities outlined in
developing countries’ national development strategies. Wherever possible, they must
use local institutions and procedures for managing aid in order to build capacity and
sustainable structures. In Paris, donors committed to make more use of developing
countries’ procedures for public financial management, accounting, auditing,
procurement and monitoring. Where these systems are not strong enough to manage
aid effectively, donors promised to help strengthen them. They also promised to
improve the predictability of aid, to halve the amount of aid that is not disbursed in
the year for which it is scheduled, and to continue to “untie” their aid from any
obligation that it be spent on donor-country goods and services.

• **Harmonization**: Donors must coordinate their development work better amongst
themselves to avoid duplication and high transaction costs for poor countries. In the
Paris Declaration, they committed to coordinate better at the country level to ease the
strain on recipient governments, for example by reducing the large numbers of
duplicative field missions. They agreed on a target of providing two-thirds of all their
aid via so-called “program-based approaches” by 2010. This means aid is pooled in
support of a particular strategy led by a recipient country – a national health plan for
example – rather than fragmented into multiple individual projects.

• **Managing for results**: All parties in the aid relationship must place more focus on
the end result of aid, the tangible difference it makes in poor people’s lives. They
must develop better tools and systems to measure this impact. The target set by the
Paris Declaration is for a one-third reduction by 2010 in the proportion of developing
countries without solid performance assessment frameworks to measure the impact of
aid.

• **Mutual accountability**: Donors and developing countries must account more
transparently to each other for their use of aid funds, and to their citizens and
parliaments for the impact of their aid. The Paris Declaration says all countries must
have procedures in place by 2010 to report back openly on their development results.

The Dual Mandate mentioned earlier typified Colonial contracts between various
colonialists and their colonies. Unfortunately, relationships between former
Colonialists and their former colonies seem to be haunted by ghosts of their eventful pasts. Colonialists on the one hand feel entitled to any domestic and foreign transactions undertaken by their former colonies. Former colonies on the other hand feel entitled to any foreign aid made available by their former colonialist. This ‘moral debt’ colloquially referred to as the ‘colonial debt’ has patronage characteristics but not least ghostly for both principal and agent alike. The extent to which the colonial debt might be influencing or even causing some mismatches is a possibility that will be explored in the cases of Cameroon and Tanzania.

2.2 – Aid fungibility

It is not easy to define fungibility in a specific way. Pedersen (1997) defines aid as fungible if it is possible for the recipient to divert it or its resources away from the activity that the donor seeks to finance; this is a situation where a donor allocates funds for a particular activity in the recipient country but at completion, expenditures on that activity do not amount to the full grant.

Figure 1 graph below shows how for instance aid for health has helped a government to increase military spending (Sandefur, 2006). Aid has been fungible is such a case. However, fungibility also constitutes another area of equally consistent debates such as whether it is corruption or not. Njeru (2004) case study on Kenya reviewed the literature of the impact of foreign aid on government expenditure and find that they are inconclusive. He notes that a number of studies confirm the theoretical proposition that developing countries have found means of transferring resources from the donor-aided sectors to non-donor aided sectors. Individual time series-based countries studies have equally found no significant evidence of fungibility and believe that countries spend aid money on the intended purposes. Feyzioglu et al. (1998) years earlier, using cross country data from fourteen aid-receiving countries find that there is no evidence of fungibility at aggregate levels in smaller samples, yet increasing the number of countries makes aid fungible.
At microeconomic level, they found that aid is fungible on earmarked concessional loans for agriculture, education and energy, but not for transport and communication sectors. In the smaller sample aid to recipient government expenditures ratio is approximately one to one. On the bigger sample of thirty-seven countries, the ratio drastically dropped dollar to dollar. In the same year, Devarajan et al. (1998) study finds that close to ninety percent of aid boosted recipients’ consumption. Almost half of it went towards servicing the external debt; a quarter went on to finance investments and the other quarter counterbalanced current account deficits. At sector level, as shown in the graph above, aid was highly fungible in health particularly but also in industry and agriculture sectors. However, aid to the energy, transport and communication sectors was moderately fungible, while that to education was almost non-fungible. Njeru (2004) finds empirical evidence that indicates that the flow of foreign aid does influence recipient governments spending patterns. Normally, development spending is stimulated by foreign aid increase more than do domestic resources. This result agrees with most studies on aid fungibility, which argue that foreign aid finances general government spending and not the targeted development.
activities (Pack and Pack, 1993; Feyzioglu et al., 1998; Devarajan et al., 1998, 1999). It is generally accepted that there is nothing basically wrong if aid is integrated into recipient budgets so long as such funds are put to good use - a situation that heavily rely on policy and institutional environment quality (Maipose, 2004). However, it is equally accepted that large and continuous aid influx, can have unintended negative impacts particularly undermining institutional capacity in poor countries. The widely known “knock-on effect” that comes as a result of continuous aid influx serves to retard development in the economy – possibly – on a permanent basis are: the effects of the “Dutch disease”: the possibility of depressing taxes and savings: the crowding-out of private investments (Maipose, 2004). Research findings have been paradoxical on high aid influx effects and Dutch disease. White (1994) for instance, finds that aid tends to be associated with reduced tax efforts, while Devarajan et al. (1999) in a sample of eighteen find that aid did not reduce tax efforts. Interestingly, repercussion on policy proved that the aid-growth connection tends to differ, hence the need for more research in this area. However, they [Devarajan et al., 1999] find that on the expenditure side of the budget, aid could be absorbed without having any diminishing returns if it closely connects with public expenditure. Tabi (2006) assesses whether aid is properly managed or is it really integrated in the national budget, and additionally to ascertain if it delays the development of other sources of recipient’s revenue, he used econometric techniques with data from 1965 to 2002 to study the Aid-Growth nexus. In reality, myriad of similar studies are a clear indication of the fact that aid flow is not well utilized whether it be by servicing wrong headings or be it by discouraging recipients efforts. McGillivray et al. (2005) review of a number of studies looking at the aid-growth relationship concluded that it was negative. Aid failure in supporting growth may be due to poor resource management as well as negligence and/or freezing of other revenue sources. Furthermore, Bulíř and Lane (2002) show that aid is extensively more volatile than domestic fiscal revenues and therefore poses challenges for short-term fiscal management.

The moral hazard, time inconsistency and poor selectivity issues mentioned earlier, stemming from the principal-agent relationship, are fundamentally catalysts of aid fungibility. Burnside and Dollar (2000) find that aid allocation and aid flows, do not induce the adoption of good policies. A country with a good policy environment will interact appropriately with aid to produce expected effects. But aid by itself
cannot induce the adoption of good policies. Aid has been flowing to those countries where the policies are bad, not good. Recipients are aware of the practical difficulty faced by donors to thoroughly monitor aid impact against its inflow (Cordella and Dell’Ariccia, 2003). Donors’ incentives and personal interests whether commercial, military or otherwise are fairly well understood by recipients, not least, donors’ responsibility and accountability to their own constituencies. These conflicting interests provide the recipient with a considerable degree of maneuverability in reassigning aid or substituting objectives. Aid fungibility will generally corrupt the process unless the recipient government could be following national priorities within a development context. Peter Boone (1996) understanding of fungibility is that aid for investment may very well have been used for investment but, if it was, the recipient governments concurrently lowered their own investment and transferred resources to additional consumption. He additionally found a strong correlation between the volume of aid and public consumption, signifying that a transfer of resources had occurred. Therefore, fungibility means that a recipient reallocates domestic resources such that the purpose of aid is turned upside-down. In this sense, fungibility is an indication that recipients’ priorities are not seriously assessed and moreover, they do not own their development process or importantly, recipients aligns policy to satisfy donors’ exigencies.

Most political or governance models or systems in the SSA region allow the executive – especially the president – to exercise a wide range of discretionary powers. There is no clear demarcation between the public and private as despotic leaders appropriate extensive political power, dominate the bureaucracy and unilaterally determine state policies (Good, 1997). With the recent wave of democratization, policy design and choices have been brought into the reform alongside the “taboo” arena of accountability. Although civil societies have more input into policymaking, thus improving the quality of public policies and services rendered by the state to the people, fungibility of aid is still fundamentally a defying challenge. Without doubt corruption is a universal phenomenon that affects practically all countries, in Africa however, its proportions are simply endemic (Transparency International’s, 2004). Rasheed (1995) and Olowu (1999) are of the opinion that the democratization process could be severely undermined or even reversed by the extensively institutionalized corruption. This stance is justified by
three factors: (1), The level of institutions’ weakness in many African countries makes way for corrupt political leaders and public servants to engage in embezzlement of national resources and abusing their power without being checked. (2), The deteriorating economic fortune and living standards of public servants in many countries makes corruption a viable means of social livelihood and (3), External actors such as foreign companies and private interests often capitalize on weak institutional mechanisms and high levels of poverty in Africa to bribe state officials in order to gain undue advantage or secure political privileges in state policies. Moss et al., (2005:7) points toward specific references made by other authors in the case relative to Ghana fungibility in the following manner:

Brautigam and Knack (2004), find that increasing aid levels acts as a “soft budget constraint”: the access to foreign resources convinces decision makers that budgets are flexible and encourages fiscal indiscipline. Killick (2004) calls such situation “budgetary façade” and Pradhan (1996) similarly calls the budget a “deceptive mirage”, in which aid was distorting both the budget process, itself and the government’s ‘ownership’ of the country’s purported development agenda.

African lack of accountability makes foreign aid fungibility a major example for the rest of the administration and management machine on public, private and parastatals levels. Corruption perception ranks very high after poverty in the list of problems households face in some African countries. For the rest of countries in Africa it ranks among the top three problems behind poverty and unemployment (IER 2002). Moreover, inadequate regulation mechanisms in many African countries have triggered a ceaseless network of corruption in the executive, the bureaucrats and the local and foreign business class. Clientelism, cronyism and patronage characterize many governments’ processes along with the intentional undervaluation and sale of state property or assets to political supporters and cronies, trafficking privileged information to potential bidders of government assets and bribes to government decision-makers. Corruption is so deeply embedded in African institutions that in some countries public regulatory bodies, watchdog institutions and auditors are equally corrupted or sometimes are reprimanded for casting aspersions on politicians whenever any corruption lead emerges. These institutions are generally weak, corrupt or lack autonomy of operation (Campos and Pradhan, 2009). To address the problem
of fungibility, consideration has been given to whether aid should finance individual projects or support a country's overall development program. So far as project finance is concerned, the argument is that capital is provided, skills and technology are transferred, and organizational procedures are taught. The counterargument however is that since money is fungible, aid has the result of releasing resources for other projects (Singer, 1965) and also, the macroeconomic environment shapes the returns on individual projects so that aid used to improve that environment might yield much more than if it basically increased the infrastructure within a framework of poor policies, and of course, program aid may be more effective than project aid for this purpose. Krueger (1998) believes that a mix of project and program aid that designed primarily to improving the welfare of recipient's nationals probably depends, for instance, on the extent to which donor and recipient objectives match, the receptiveness of the government to policy advice, the suitability of existing policies, and the recipient's development phase.

Rasheed and Chole (1994) find that nepotism and corruption are fundamentally very important barriers to growth and many other results of the neo-liberalist practices. Management areas – trading at microeconomic level – such as information systems management, management culture, organizational behavior, human resource management are just but a few areas that could be outlined as potential key managerial issues in SSA in so far as foreign aid policy implication is concerned. These management areas are strategic in supporting productive sectors; lack of strategy or bad implementation thereof is a major barrier to the development of the SSA’ region. SSA needs to develop or foster good management practices in view of achieving millennium goals. Absence of the right management culture could be observed through the current exercise of management functions that is mostly characterized by a paternalistic approach and an almost inexistent communication structure. Collier (2006) finds evidence to suggest that a high level of corruption did not always characterize Africa. In his view, the end of controlling regimes of the 1970s and 1980s – Socialists and Marxists – provided a vacuum on the economic regulatory arena. Henceforth, a mentality of misappropriation and misallocation of resources was developed against a background of poverty or economic regression. In an earlier paper, Collier et al. (1997) identify the donor’s desire to make certain that aid is spent on particular goods or services (this rationale may be called paternalism,
and indicates a disagreement between the donor and the recipient’s government in the use of aid. Moreover, while aid may be used as a mechanism of commitment (‘lock-in’) for government policies (with its objective being to provide a credible threat), such rapport gives rise to a fertile terrain for aid reallocation. It is therefore paramount for donors and recipients to match their objectives, discuss policy thoroughly rather than imposing them but importantly, to have an open and honest relationship safe from hidden agendas. Collier and Dollar (2002) mentioned earlier find cause to justify their “poverty efficient aid allocation” model generally referred to as selectivity by emphasizing the importance of fungibility. Their implied idea – as many selectivity advocates – is the notion that donors cannot in practice control how aid is spent. They hence support the stance that if aid is to achieve the purpose intended by donors, it must be given only to governments complying with donors’ preferences. Thus the aid allocation problem is transformed into searches for recipients whose preferences match the donor’s (Sandefur, 2006). Ostensibly, it is hard to resolve these issues. Donors may still be able to control recipients’ policies yet, no recipient’s government will let its domestic policies be dictated by foreign donors, and the degree of policy influence achieved will vary. The answer lays fundamentally in how aid is managed by donors and recipients both individually and collectively.

2.3 – Aid Dependency

Aid dependency can be understood as a situation wherein a country’s government cannot perform many of its principal functions, for instance operations and maintenance, or the delivery of basic public services, without foreign aid funding and expertise (Bräutigam, 2000). Aid has been so formalized and sophisticatedly elaborated that in most cases it is the main means of interactions between rich and poor countries. Bräutigam (2000) goes on to demonstrate that the economic and debt crises are paramount factors in explaining the unending recipients’ high levels demand for aid, and in explaining donors’ supply. A vicious circle is created such that deepening official debt in poor countries creates the need for continued aid. Large aid inflows have arguably been known to increase unproductive income readily available for activities hardly related to recipient’s population’s welfare improvement such as expending the military, public sector’s salary raise and real exchange rate appreciation. These consequences along with slowing down of manufacturing for
export and sometimes faster service sector growth are normally associated to “Dutch disease”. In the case of SSA, poor infrastructure, inadequate policies and conflicting interests with donors exacerbate Dutch disease-like symptoms of large aid inflows to lead to aid dependency. Collier and Dollar (1999) find that aid dependency becomes an increasing problem above 30% of GDP.

Libertarian writers such as Friedman (1958) and Bauer (1971) have abundantly discussed aid and reached a significant conclusion that Aid generates dependency by allowing countries to expand public spending and pursue unsound policies that are harmful in the long run. Supportively, Bräutigam and Botchwey (1998) confirm that high volumes of aid and the resulting dependence syndrome have their source both in supply (donor side) and demand (recipient side). Paradoxically, some countries may receive aid for short periods of time at quite high levels to enable them to recover from the ravages of civil war, or the impact of natural disasters; clearly, in such cases, temporary high level of aid can prove to be useful in the recipient development. Others, such as Bangladesh, Botswana, South Korea and Taiwan have wisely used high levels of aid to put in place basic necessary infrastructure that enabled them to eventually rely primarily on their own resources to finance their development. It is important to note that Botswana is the only SSA country named in support of high aid volume; although it is a mining-based economy, it escaped the Dutch disease syndrome. Seemingly, this is the exception rather than the rule; southeast Asian countries mentioned above being geologically poor [compared to Botswana] have focus on endogenous or organic growth of their different sectors, on foreign direct investment and also on non-concessional funding to finance their development. However, the drama with SSA countries is that many countries are geologically rich and susceptible to political instability thereby providing a suitable environment for rent-seeking and profiteering behavior. Their dependence on aid has henceforth become, by default if not by intention, a long-term strategy with Dutch disease-like symptoms. Political economists and scientists from both the old and new left have come to five main observations in support of aid dependency as a by-product of large aid inflows (Azam et al., 1998; Bauer, 1982 and Kanbur et al., 1999):

(1) Africa has grown less fast than the rest of the world as it has received much more aid relative to GDP than other developing areas. Large aid
inflows have hence reduced the incentive to adopt good policies and in most cases, project aid specifically, have overwhelmed management capacity of governments.

(2) ‘Welfare dependency’ analysis in poor households shows a pattern of welfare payments create high implicit marginal tax rates discourage simultaneously work and trapping recipients into need for more welfare.

(3) Large inflows of private capital during the 1990s, has made aid unnecessary and basically a distraction, as private capital has become a large multiple of aid. Henceforth, recipients ought to focus on attracting private capital rather than aid.

(4) Aid flows determined by donor fads, are so fickle that they are a source of instability rather than sustained growth. This stance is known to be the conventional International Monetary Fund (IMF) wisdom.

(5) Finally, in any event, aid is doomed: reductions in aid budgets will continue so that aid will rapidly decline in real terms. ‘Managing the transition from aid dependency’, a study by the Overseas Development Council, confirmed and aimed for this proposition.

The above observations have in common the inference that recipients ought to focus away from aid because it is either detrimental to growth or because it is bound to decline continually. Bikhchandani et al. (1998) observe that public opinion in economic policy oftentimes has the classic structure of an information cascade in which the publicly expressed opinions of the few become the received wisdom of the many. Another paramount aspect of aid dependency to consider is ownership of aid processes. It is apparent from decision-making that starts from aid approval leading to its disbursal that the recipient government has very little input save in the crucial monitoring phase.

Multilateral Development Agencies’ programs (MDA) and the Bretton Woods Institutions (BWI) were designed and established in an era when growth was prioritized over poverty alleviation. The general belief of the 1980s that high growth will reduce poverty has proved to be nothing more that truism considering the fact that poverty alleviation was not part of the early structural adjustment reforms (SAR). Current practices of donors to underwrite policy reforms conducive to poverty
reduction under the PRSP has nothing different that will encourage recipients to concoct their policies let alone own reforms served to them by donors. Moreover, recipients will remain dependent for development policy formulation as conflicts of interests prevail while the moral hazard problem is not adequately addressed. Needless to keep in mind the fact that poverty reduction will remain a key judgment point for aid effectiveness as will be shown later on. It is paramount to mention the fact that within the development agencies’ context, poverty is a good indicator for the quality of aid management. The past half a century has been characterized by over 300% increase of aid disbursal mainly from OECD donors with arguable evidence of poverty reduction and human development. Of total aid disbursed during this period, Africa received 42% from OECD countries and 48% from EU countries (World Bank Indicators, 2010). Setting goals to reduce poverty is an essential part of the way forward in better aid management. This study takes the assumptive view that tangible and intangible mismatches are birthed out of a fundamental lack of common vision or values’ set between donors and recipients. The millennium development goals (MDGs) address some of the many dimensions of poverty and its effects on people's lives – at least those perceived to be relevant by International Financial Institutions (IFIs). In accepting these goals, the international community makes a commitment to the world poorest and most vulnerable [and to itself]. Kofi Annan (2000) and Mbendi (2003) see these goals as set in precise terms (measured in numbers to ensure accountability). In other words, they are manageable targets. The openness and transparency of such numbers can help us chart a course to achieve the goals and track progress. But people are not numbers — happiness is not a statistic. These goals are worthwhile because they will improve the quality of human life. The world will be better, and safer, for its 6 billion people and for the projected 7 billion people in 2015. In so doing, the international community addresses resource management issues in such a way that people lives will be improved.

2.4 – Aid and Growth

A basic understanding of economic performance, structure, and behavior of SSA regional is useful in assessing aid effectiveness. Macroeconomic aggregated indicators such as GDP, employment rates, and price indices serve to study how the
whole economy functions by using models that seek to make sense of relationships between factors such as production, unemployment, investment, inflation, trade, even foreign aid and more affect national growth rate (Blaug, 1985). Most donors are of the opinion that poor countries are poor because they lack the funds and/or infrastructure that will facilitate economic activities that will attract much needed investments to take place. Aid was originally designed to fill the gap in the macro-economies of developing countries. The idea took inspiration from John Maynard Keynes who in 1930 argued the case for development stimulation by investments financing. The rationale was simple; savings determines investments and savings are in turn determined by income per capita. A new breed of development economists argued henceforth that poor countries needed injections of capital in the form of foreign aid to help them break out of their ‘poverty vicious circle’ brought about by their low income per capita and inexistent savings. Moreover, the extraordinary success of the Marshall Plan convinced many that similar programs in developing countries would promote their comparably spectacular transformation. That belief had two underpinnings. One based on the Harrod-Domar model, which extended the Keynesian emphasis on investment to include its capacity-building effects. The second was economists' emphasis on physical capital and the understanding that shortage of capital was largely responsible for developing countries’ poverty. The assurance inherent in the understanding that capital was the main thing lacking has been replaced by an appreciation of the complexity of development. Nevertheless, they have been recently a revival of the gap theory. In practice, the financing gap was calculated mutatis mutandis as the difference between domestic saving and the level of investment required for a targeted rate of economic growth (Erixon, 2005).

Economist Hollis Chenery and Alan Strout developed a ‘two-gap’ model, an extension of the Harrod-Domar model, where the first gap (the financing gap) means that the country has insufficient resources for investments, and the second gap implies that the country possesses insufficient foreign currency to pay for imports. Erixon (2005) found that although both gap theories have proven to be deficient, they have remained the core justification used by donors (bilateral and multilateral) to calculate aid needed and recently to campaign for aid increase. He also went on to demonstrate that the reason countries are poor is not that they lack infrastructure – be it roads, railways, dams, pylons, schools or health clinics. Rather, it is because they lack the
institutions of the free society: property rights, the rule of law, free markets, and limited government. Currently, the two-gap model has seen a revival and it constitutes the basis of funding figures related to the MDGs: US$25 billion a year for SSA until 2015 (Sachs et al., 2004).

Hansen and Tarp (2000) proposed the Medicine Model of aid where growth is explained by aid (positive) and aid squared (negative) where an optimum amount of aid exists of about 10–20% of GDP. This model has been generally used to estimate the level of dependency of the recipient. Although aid impacts both empirical and anecdotal are passionately debated, it seems that there is logically a threshold beyond which aid would not reach its intended outcomes; it hard though to pin down a specific figure as each recipient has its unique socio-economic condition. It is no secret that the effects of development aid on growth and policy change have given rise to an inconclusive debate. Three major findings were achieved from cross-country studies: (1) Burnside and Dollar (2000), already mentioned earlier, concluded that aid induced growth only in a good institution and policy environment. (2) Clemens et al. (2004) noted after decomposing aid into its consumption and investment components that there is a decidedly positive relationship between aid and growth and (3), Easterly et al. (2004) confirmed an earlier study by Hansen and Tarp (2000) in finding no relationship between aid and growth. Ostensively, the aid–investment–growth relationship is neither well understood nor statistically vigorous. Furthermore, when consideration is given beyond agency chains and cross-country regressions, aid effectiveness appears to be frustrated by a long lasting and inadequately understood economic transmission mechanism that associates aid and growth.

Another model worth noting is the Exogenous Growth model; also know as the Solow growth model or the Neo-classical growth model. This model is an extension of the Harrod-Domar model mentioned earlier by adding important elements namely, labor is added to capital as production factors and by introducing a time-varying technology variable distinct from capital and labor (Solow, 1956). In this model the prediction is that the income levels of developing countries will tend to catch up with or converge towards the income levels of developed countries. However, on average, the opposite empirical outcome has been observed since the 1950s. Growth rate per capita since 1960 shows that the developed countries appear
contrary to expectation, to have grown at a faster rate than the developing world; questioning the convergence theory. On a more positive note, convergence appears to be achieved within countries. The biggest criticism of this model is its failure to take into consideration institutions’ strength and entrepreneurship: a catalyst behind much economic growth. Additionally, it has failed to explain why or how technological progress occurs, giving rise to the birth of the Endogenous Growth Theory or the New Growth Theory which takes account of technological progress and/or knowledge accumulation (De Long, 1996). New Growth Theory takes technological progress into account and builds macroeconomic models out of microeconomic foundations. It emphasizes creativity and freedom as key success ingredients. For the sake of completeness, more about this theory will be covered later under the discussion section as the current study will be drawing its field research data at a meso and micro-economic levels which would be paramount in informing endogenous growth.

Numerous macro-economic models for development and growth have been proposed or used by donors in an attempt to address aid efficiency with varying results. They are actually based on donor-recipient relationship and also on the modalities of aid provision as mentioned earlier. For the sake of focus in this study, detailed appraisals of growth models will not be undertaken as there is abundance of literature to serve the purpose. The theories and/or models mentioned above constitute just few of the rational reasoning underpinning the aid debate, an expression of the aid effectiveness dilemma challenging both donors and recipients alike. To zoom in on project aid that is relevant to the chosen sector of this study’s focus, aid is targeted at infrastructure development that would provide a ground for capacity building sine qua none for accelerated future growth. Sachs et al. (2004) maintained that this ought to be one of the key approaches in achieving increasing returns. Most empirical literature on aid-growth linkages finds that there is a threshold, usually measured relative to GDP, wherefrom diminishing returns set in (Killick and Foster, 2007). There is an immense body of studies robustly evidencing - using various methodologies - that public investment in infrastructure has high returns for economic-growth performance. World Bank surveys for instance, find that, in SSA, 50% of firms recognize electricity as a serious hurdle to business operations, while a quarter cites transport and telecommunications (Aiyar et al., 2005; De Renzio, 2005; Erixon, 2005). Killick and Foster (2007) believe that one of the main reasons for aid
failure is the relative decline of project aid for infrastructure. For instance, investment in roads in a sample of 43 developing countries fell from 2.1% of GDP in 1980 to 0.9% in 1998. Electricity has been similarly affected.

In the cases of Tanzania (Foster et al., 2005) and Cameroon (Svensson, 2006, Birdsall, 2007), as is for most of SSA, much aid is now diverted at achieving MDG targets, and that the increasing costs of doing so are mainly local and more likely to affect non-tradable goods’ prices. Beneficiaries in such circumstances are education and health; which is not a bad thing since they contribute to the development of the human resource capacity thereby positively affecting potential productivity and innovation. The downside however, is that finding the right equilibrium between investments in physical infrastructure and human resource is not as predictable as it might sound. It is a tangible mismatch that provides recipients with an opportunity to reallocation fund or fungibility. A possible problem emanating from massive improvements in educational standards is mere qualifications’ inflation, unemployment and frustrated aspirations. The real issue is about balance in the packaging of aid, a balance that is not being well achieved at present as the donors’ motives often conflicts with recipients’ interests. The ideal situation might be channeling aid to expenditures and activities that increase the output of the economy therefore easing off the macroeconomic absorption problem.

Foster et al. (2005), Svensson (2006) and Birdsall (2007) find no significant evidence of aid benefits passed to the private sector in Tanzania and Cameroon alike. There has been also little or no evidence in their case studies of aid being utilized within the public sector for private-sector development, a fact also found earlier by the IMF (2005). Furthermore, in the case of Tanzania, Foster et al. (2005) find evidence that private investment declined after aid surges. Unfortunately, the private sector is where tradable are produced, while the public sector specializes in non-tradable. Even a well-designed aid program that could serve as a catalyst for self-sustained development would meet up with obstacles that result from tangible and intangible mismatches. Recent aid delivery models proposed by the World Bank recommended (1), moving away from project financing to general budget finance and (2), giving little or no financial assistance to bad-policy countries save for activities that involve transfer of ideas. While both proposals have received wide acceptance,
their efficacy is highly questionable. In fact, aid stimulates growth even in countries with poor policy, as indicated by very low CPIA scores, and non-financial aid instruments have yet to be successful (Calderisi, 2007). These new World Bank approaches to public expenditure reform seem to ignore both its own unhappy expenditure record over the past two decades and the central role played in the aid effectiveness debate by its own researchers. Investments in physical infrastructure and human capacity would provide the overall capacity required for proper aid absorption. Program aid rather than project aid, is highly unlikely to raise aid effectiveness in the least developed countries as they do lack necessary capacity and resource to manage or support donor’s aid operations. Additionally, they divert existing management and displace its function; basic tasks are not done, new priorities are created which do not probably match the recipient’s agenda.

Drawing on the Political Economy of aid in SSA, Griffin and McKinley (1994) pointed years earlier to four stylized facts about aid that are coming to be generally accepted across the debate’s sides:

1) First of all, contrary to original expectations, facts about foreign aid prove that it has not conspicuously accelerated growth rate of SSA countries. There is also increasing argument that on occasion aid has actually slowed down growth; strong advocates of foreign aid have been hard pressed to prove that foreign assistance programs have methodically achieved their primary goal of escalating the pace of development. In the case of SSA, by far the poorest part of the world, growth is no more the goal. Instead “structural adjustment” is been pursued. Yet "structural adjustment has neither restored growth nor eased poverty in Africa." The World Bank has been forced to admit the obvious and issued a paper entitled "Why Structural Adjustment Has Not Succeeded in SSA" in which it was argued that Africa hardly profited from World Bank programs. This report was withdrawn, and reissued under a blander title.

2) It has been noted that where aid inflows are greater than the national product of recipient countries, there is an anti-development direction distortion of relative prices. Large influxes of foreign aid tend to result in an appreciation
of the real exchange rate, so discouraging production for export or production intended to replace goods produced abroad and thereby creating incentives that lead local investors to assume techniques of production that are biased against the employment of labor. For instance, the European Union subsidizes the production of beef in Europe. Some of the beef is then dumped in West Africa, specifically in Cote d'Ivoire and Ghana, where it is sold at half the price of beef produced in Mali, Burkina Faso, Niger and Chad that once was exported to Cote d'Ivoire and Ghana. That is, agricultural subsidies in Europe, disguised as foreign aid, are used to destroy the livelihood of some of the poorest people on earth.

3) Third, the availability of foreign aid has made it easier for poor countries to increase unproductive current expenditure, to expand the military and to reduce taxation. Inflows of foreign aid, far from resulting in a rise in productive investment of equal magnitude, have in fact been used to finance higher expenditure on a wide range of activities, some of which contribute to development and most of which certainly do not. Aid has been highly "fungible" and this has made it possible for some governments to switch it from its intended functions or purposes agreed between donor and recipient governments. The goals of recipient governments, as revealed by their actual expenditure programs, often have little to do with promoting development and eliminating poverty. Flexibility of purposes is an unavoidable feature of all aid programs and makes it difficult to tie foreign assistance to particular goals, policies or expenditure programs in recipient countries.

4) Fourth, there is only anecdotal evidence to suggest that either bilateral or multilateral aid programs have succeeded in reaching the poor. In reality, most of the available evidence shows that middle and upper income groups capture most of the benefits of foreign assistance programs. In most SSA cases it is the international élite rather than the national one that gets the lion's share of the benefits. It has recently come to light; for instance, that half of the expenditure of the European Bank for Reconstruction and Development was allocated to itself and the residual half to the countries the Bank was created to assist. High salaries and perks of international aid agencies have caused
political outrage. Apart from this, when aid-financed projects are aimed directly at the poor and underprivileged, they do not hit their target. In the majority of cases the projects are not really aimed at the poor or at human development programs. In brief, the impact of aid on reducing poverty and inequality in developing countries or on raising the level of human development has been negligible.

Aid is far from gift giving being tied up with geo-politics, trade and banking objectives. It does not seem to properly fit either as coercion or exchange. A new dimension is surely required; probably this is where an arguable ray of hope might come in the form of Chinese aid; an alternative source that tends to be mostly focused on project aid. Pressure exerted on western donors might possible lead to a competitive review of proposed aid delivery modes. Chinese aid however, is not yet known and their motives are still opened to speculation. It will come with no surprise if they are equally [to western donors] pursuing diplomatic and geo-strategic aims. China’s advent on the African continent has been met with mixed views and sentiments – to say the least. Whether china is an “angel of life” or an “angel of death” is an entire matter to be considered; her influence and impact cannot be ignored particularly on ideological, political and economic grounds. African governments in particular, have been warned by their former colonial powers and their donors about China’s real intentions. The aid regime, major donors’ governments and international institution are all puzzled and in some degree of turmoil as none seem to know, to understand or to forecast what the future holds. However, a lot of hostility and suspicion has been expressed without any hard evidence to show that China has unbecoming hidden intentions. Unlike, most donors, china’s approach have been opened so far as her needs for raw materials is concerned. Africa needs basic industrial infrastructure for development, China needs raw material to sustain and expand her developing infrastructure and her strongly blooming economy. It is observable that China’s policy has moved from cold war ideology to classical pursuit of self-interest; yet, there is no doubt that China plays a positive role in Africa's strive for development in the face of more and more perceived imperialist exploitation from the International Financial Institutions (IFIs) serving US and, to a lesser extent, other Western powers. It is expected that western donors and the
International Financial Institutions will either readjust their policies in reaction to Chinese aid to SSA or will seek to enlist China to their current aid regime. With most African countries highly reliant on aid for their budgets, the macroeconomics of increasing aid proves to be wrong, as more aid will bring new challenges for macroeconomic management. These macroeconomic management challenges will eventually spiral down to the meso and micro economic sectors. Then it follows that aid will not be fully absorbed with the possible results of little growth of the tradable goods’ sector, an appreciation of the real exchange rate (RER), little or no growth of the private sector, an increase in government spending, less taxation effort, more resource diversion to service aid, Dutch disease like effects and much more.

2.5 – Aid and Policy

Studies linking aid and policy have outlined a number of facts. Chauvet and Guillaumont (2002; 2009) and Headey et al., (2004) for instance find that aid works where policy are good as it is likely to be invested rather than consumed. But earlier, Chauvet and Guillaumont (2001) and Collier and Dehn (2001) concurrently find that in volatile economies aid would only work if it appears to buffer economic shocks. Dalgaard et al., (2004) find that for unknown reasons aid works only outside the tropics in other words, it should therefore only be allocated to non-tropical developing countries – of which there are just but a few. However, in postwar economies Collier and Hoeffler (2002) find that aid facilitated general economic reconstruction. Crudely summarized by Burnside and Dollar (2000:17),

“…Foreign aid may be effective in “good” macroeconomic policy environments and politically stable countries.”

Following this study, Collier and Dollar (2002) go on to find that aid does not improve policies and therefore aid could be made effective if donors would allocate it to good policy countries. Conditionalities were fundamentally designed and introduced as an incentive to changing recipient governments behavior: in this case, potentially the main pay-off to aid is the behavioral change it induces rather than it intended use. Most conditionality were designed according to a time period and indicator(s) on which aid is conditioned. Time period can be ex ante (forward looking
with pre-set rigorous qualification criteria) or *ex post* (backward looking with monitoring of program implementation). *Ex ante* conditionality generally provides the strongest incentive effect as the donor unilaterally specifies precisely both the amount and timing of aid that will be provided, and the government performance that is required if and only if it is credible. *Ex post* conditionality are designed to reliably channel aid into specific environments with specific agreed characteristics. This type of conditionality may have some incentive effects but they are likely to be weak because in general governments do not know until some time after implementing change whether it will result in more aid (Collier, 2006). *Ex ante* policy conditionalities were born out of a failure to directly get policy change in most environments. In the 80s the World Bank therefore designed an instrument aimed at improving policy through negotiated aid conditionality: aid was provided in return for the promise of policy reform known as structural adjustment lending. On the whole this instrument was drastically unsuccessful (Dollar & Svensson, 2000). The failure reflected two fundamental weaknesses. First, governments learned to circumvent the policy reform system by reneging on their commitments. Aid was made on the basis of a promise, while the inadequate continuity in World Bank decision-making and the strong incentives to disburse made auditing and/or evaluation through future aid commitments far-fetched. In practice, some governments were selling the same policy reform commitments to the World Bank several times. This conditionality drawback is a forthright instance of a class of problems known in economics as time inconsistency. Government’s resistance to the World Bank coercion and/or change birthed the second weakness. This is also a straightforward instance of a class of problem’s known in the psychology literature as “reactance” (Collier, 2001:8). These two weaknesses constitute fundamental mismatches.

Subsequent to failure of *ex ante* policy conditionalities, the World Bank gradually moved to *ex post* policy conditionality. As mentioned earlier, with this type of conditionalities aid disbursal was based on attained policy levels rather than promises of policy change. Poverty Reduction Strategy Papers (PRSPs) were introduced as a means for country to draw up their roadmap to policy level change. The World Bank established the Country Policy and Institutional Assessment, an annual rating of attained levels of policies to be used as a guide to allocating future concessional lending, IDA. The Bank addressed both reactance and time
inconsistency by introducing budget support in environments believed to have reached some level of policy change. The European Union and the IMF retained *ex ante* conditionality, but turned to outcomes instead of polices. The greatest concern however with this approach has been the perennial time-consistency that got even more serious although governments took ownership of the process and were to a greater degree able to choose their own way to attaining the said outcomes. The US government on its side chose *ex post* governance conditionality, through its new medium the Millennium Challenge Account (MCA). This policy’s main consideration was the attained level of governance. Collier (2001) summarizes this policy as an approach that addressed legitimacy and efficacy. Recipients’ response to this donor is one of feeling violated by intrusion upon national sovereignty. Ownership and conditionality represent the heart of aid effectiveness issues and debates – as ownership is the defining issue in development, while donor governance conditionality poses one of the gravest challenges to country ownership yet it induced the accountability of governments to their own citizens. It is a fact that African governments perceived *ex ante* policy conditionality as a true affront to their autonomy and had portrayed them as a seriously damaged corner in which resistance to reform was the norm. This perception had possibly contributed to the severe erosion in collective aid flows during the 1990s. Nigeria and South Africa went on to lead an internal movement for improvements in governance through the power of their example and through the peer pressure formalized in the review mechanism of NEPAD. The Monterrey Consensus was birthed by the African governments to improving governance for donors’ commitment to increasing aid. These commitments were based on mutual trust rather than on formal conditionality. As neither side trusted the other, each side committed to gradual processes of improvement each of which could be monitored thereby making it equally a move from donor mistrust to mutual mistrust. The problem of time inconsistency – this time for both parties – is addressed by the two processes being in tandem: each party must be able to demonstrate to the other credible evidence of progress at each review meeting. Nevertheless, the Monterrey Consensus brought in a new problem to the already intricate conditionality: each party in the deal has very little control over its members and so is subject to a potentially severe free-rider problem. NEPAD may address some of the worst excesses of the political elites; it has been unable to address the fundamental problem of enormous power imbalance between the political elite and
key private sector producers. Moreover an even greater limitation is NEPAD’s incapacity to influence or sanction recalcitrant governments such that was cruelly exposed in the Case of Kenya and Zimbabwe. Donors’ limitations were equally exposed. For instance, the OECD coordination has been similarly exposed in a highly variable pattern of donor commitments. Each side has tried to assist the other to coordinate. The Monterrey’s MCA, was in reality a way of reinforcing the NEPAD incentives for improvements in governance. Likewise, the recent creation of an independent league table of donor country performance can be seen as a way of increasing pressure on recalcitrant donors (Collier, 2001).

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<tr>
<th>Policies</th>
<th>Outcomes</th>
<th>Governance</th>
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<tr>
<td>Ex ante</td>
<td>World Bank in 1980s; IMF currently</td>
<td>European Union currently</td>
</tr>
<tr>
<td>Ex post</td>
<td>World Bank currently (IDA); DfID currently</td>
<td>US currently, (MCA)</td>
</tr>
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Table 2: The Matrix of Design Options for Conditionality – Source: Collier, 2000

Sogge (2002), Calderisi (2007) and Riddell (2007) point to conditionality and levels of conditionality as an interesting tool capable of achieving both negative and positive aims. Unfortunately, it is yet to prove its positive outcomes in a sea of negative economic results founded on neo-colonial ideological motives. Burnside and Dollar (2001) strongly advocate that aid would work only in good policy environment. From their study, Collier and Dollar (2002) designed a “poverty efficient aid allocation” model generally referred to as selectivity. This notion is not new; it was initially enounced by post World War II development economist Peter Bauer, long foreign aid’s most eloquent critic. Bauer’s critiques have now being validated among development experts. His argument in favor of selectivity is based on donors’ disregard for policy environment in favor of ideological alignment. To address this propensity of aid to political affiliation, and thereby reducing the extent and intensity of political conflict, the World Bank has adopted aid selectivity. Aid would then have to be made “deliberately discriminating.” Aid would have to be channeled only to countries with domestic and foreign policies most likely to promote the general welfare of their people, particularly their economic progress. Aid would have to go to governments that try to achieve this end by effective administration, the performance of the essential tasks of government, and the pursuit of liberal economic
policies. Undeniably, existing aid instruments (projects and structural adjustment programs) are deficient, particularly owing to a lack of recipient ‘ownership’ over aid projects and programs, a lack of synchronization among donors and more so, a lack of coherence between the programs and policies of recipient governments (World Bank, 1998; Kanbur and Sandler, 1999 and Easterly, 2003). Fundamentally, these lack of coordination on multiple fronts constitute tangible mismatches that affect aid effectiveness. New aid instruments have been designed to increase coherence between donors and recipients, to include civil societies in recipient countries but also to clearly establish recipients’ accountability to both donors and own populations. The Poverty Reduction Strategy Paper (PRSP) is an instrument that has become a reference point in most recipient countries. Aid disbursal mechanisms relying on national systems, such as budget support and program-based and sector-wide approaches (SWAPs), were recommended whenever possible (OECD–DAC 2003 and European Commission 2003) so that a coherence may be achieved by developing meaningful partnership between donors, recipients and civil societies. David Sogge (2002) in his book “Give and Take: What’s the matter with foreign Aid” claims that although foreign aid has had some limited success stories, true success could probably be achieved once some donors and receivers would establish a degree of equality in status. Posing as a solution, foreign aid has become a problem as it is harnessed to market rules and doctrine on a world rapidly becoming one place. It has been cast in diverse and even contradictory roles in dramas of power and accumulation. In them, other actors with far less noble motives have played far more powerful roles. Thomas Pogge, known as the father of Institutional Cosmopolitanism, finds that the current aid regime is seriously deficient – whether economically, politically, operationally or morally – because it entirely ignores any analysis of the true causes of poverty perpetuation; a clear result of aid policy (Riddell, 2007). In Pogge’s view, continuation of poverty and suffering in poor countries are directly and overwhelmingly produced by actions of rich countries. The root problem lies, he contends, in the economic ground rules upon which the regulation of property, commerce and exchange are based. They are designed to benefit the rich at the expense of poor. Powerful rich country governments for instance, influences rules of international trade and commerce, resulting in drastically disproportionate gains for themselves. Likewise, natural resources are not only used and consumed by rich elites, but the global poor are systematically excluded from the created wealth. Pogge
goes on to maintain that against a backdrop of social injustice and corrupt international rules that regulate property, cooperation and exchange and which thereby condition production and distribution, international aid should cease to exist in its current form. It is, in his view, an “arrogant generosity that merely incorporates into our global institutional order the moral claim of the poor to partake in the benefits from the use of planetary resources” (Riddell, 2007).

The table below support both David Sogge and Thomas Pogge’s arguments; the amount of ODA to LDC is generally less than a third of total ODA thereby creating a serious imbalance between aid and trade. The ratio would be lesser should the ODA cover Other Official Flows (OOF) or private flows. Not forgetting that ODA is defined as financial assistance that is concessional in character, has the main objective to promote economic development and welfare of the less developed countries (LDCs), and contains a grant element of at least 25% (CIA World Factbook, 2008).

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<tr>
<td>USA</td>
<td>23,530 millions</td>
<td>22%</td>
<td>27%</td>
</tr>
<tr>
<td>UK</td>
<td>12,460 millions</td>
<td>13%</td>
<td>60%</td>
</tr>
<tr>
<td>France</td>
<td>10,600 millions</td>
<td>15%</td>
<td>64%</td>
</tr>
<tr>
<td>Germany</td>
<td>10,440 millions</td>
<td>10%</td>
<td>33%</td>
</tr>
<tr>
<td>Japan</td>
<td>7,500 millions</td>
<td>7%</td>
<td>35%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>5,452 millions</td>
<td>5%</td>
<td>51%</td>
</tr>
<tr>
<td>Sweden</td>
<td>3,955 millions</td>
<td>4%</td>
<td>47%</td>
</tr>
<tr>
<td>Canada</td>
<td>3,900 millions</td>
<td>4%</td>
<td>34%</td>
</tr>
<tr>
<td>Spain</td>
<td>3,814 millions</td>
<td>3%</td>
<td>24%</td>
</tr>
<tr>
<td>Italy</td>
<td>3,641 millions</td>
<td>2.8%</td>
<td>21%</td>
</tr>
<tr>
<td>Norway</td>
<td>2,954 millions</td>
<td>3%</td>
<td>43%</td>
</tr>
<tr>
<td>Denmark</td>
<td>2,236 millions</td>
<td>3%</td>
<td>62%</td>
</tr>
<tr>
<td>Australia</td>
<td>2,123 millions</td>
<td>2.6%</td>
<td>21%</td>
</tr>
<tr>
<td>Belgium</td>
<td>1,978 millions</td>
<td>2.6%</td>
<td>72%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>1,646 millions</td>
<td>2.5%</td>
<td>21%</td>
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*Table 3: Official Development Assistance to SSA from 2005 to 2008. (Amounts are in USD)*
The IMF in 1999 replaced Structural Adjustment with Poverty Reduction Growth Facility (PRGF) and their Policy Framework Papers with Poverty Reduction Strategy Papers (PRSP) as the new preconditions for loan and debt relief. Nevertheless, the outcome is still unchanged, as the prior disastrous structural adjustment policies, as the numerous researches and many civil society organizations are increasing their critique of the PRSPs (Shah, 2004).

In the Bretton Woods Project Update (2001), PRSPs were equated to nothing more than public relation by civil society groups. Moreover, PRSP process is simply delivering repackaged structural adjustment programs (SAPs). It is not delivering poverty-focused development plans and it has failed to involve civil society and parliamentarians in economic policy discussions. In their joint papers (39), the World Bank and the IMF mentioned on the PRSP poverty reduction and that they must be country-driven with the broad participation of civil society. Moreover, the IMF in its own papers stresses that this is over and above everything that was required in the past; none of the old “Washington consensus” policies have been removed. In a paper for a meeting of African finance ministers, 18-19 January 2000, to explain the new PRGF, (40) the IMF insisted that it will enforce on all countries a more rapid privatization process and a faster pace of trade liberalization — conditions greatly criticized by Joseph Stiglitz when he was chief economist of the World Bank. Countries’ ownership of the PRSP process was also reinforced by James Wolfensohn, president of the World Bank (1995-2005) when he commented, “it is also clear to all of us that ownership is essential. Countries must be in the driver’s seat” (Wolfensohn, 1999:9). Theoretically this is stupendous, but in practice the meaning of these words was twisted. Poor countries are in the driving seat only as chauffeurs of the Washington Consensus limousine. Angela Wood of the Bretton Woods Project and Matthew Lockwood of Christian Aid commented that, all too often “ownership relates to persuading the public that reforms are necessary and good in order to minimize political opposition to them” (Woods and Lockwood, 1999:13). Furthermore, governments wishing to take an alternative economic approach must expect to forgo aid and debt relief. Wood and Lockwood note again that “not only does the Bank define a ‘good’ policy environment very narrowly; the consensus on what defines ‘good’ policies is subject to change. What may have been regarded as a good policy yesterday may not be today”? Shah (2007) underlines the impossibility of ignoring
Joseph Stiglitz’ sweeping critique of policies as imposed on poor countries as a condition of debt cancellation and aid. These policies are being imposed in the names of “good governance”, “sound policies” and “poverty reduction”. Stiglitz notes that if the US followed IMF policy it would have not achieved its remarkable expansion (Hanlon & Pettifor, 2000).

It is paramount to mention that PRSP is a compulsory process as reported by Hanlon & Pettifor (2000:37):

“...Senior Bank official described the PRSP-PRGF as a ‘compulsory program, so that those with the money can tell those without the money what they need in order to get the money.’”

The cruel irony is that “those with the money” today have largely amassed it through plunder via slavery, imperialism and colonialism over those “without the money.” Prescribing how to get “the money,” in a Structural Adjustment and/or PRSP context then, is nothing but questionable. The ownership of aid process by recipients may be undermined by the fact that new policy supposedly growth-oriented could well be policy tying. Another fact could be that the PRSPs ought to be ratified and approved by donors who once more are not without various motives for aid and thereby reducing ownership and accountability for aid. The World Bank shifted to ex post conditionality in the PRSC (Poverty Reduction Support Credit) operations. These ex post conditionality have become as intrusive as ex ante ones as their matrices are blurred by use of indicative triggers included in the previous years becoming the following year’s ex post conditionality (ActionAid UK Review, 2005). Moreover, the advent of Brazil, South Africa and India generally and China particularly with its unique approach into the ‘aid market’ has brought a number of concerns that could undermine progress made to addressing the agency problem. Tom Killick is of the view that greater ownership can be achieved if aid modalities rely on program-based or sector-wide approaches resulting from political, managerial, and accountability systems of the recipient government (Killick, 2004).

The question posed years earlier by Mosley (1987:3) namely “Why does foreign aid appear to be surprisingly ineffective in macro studies when micro studies typically indicate that aid has high returns?” still stand and indicate variations of the
well known micro-macro paradox researches are confronted to in the face of so much heterogeneity in aid efficiency. Development economists found amongst many reasons for this phenomenon a common and obvious justification on a methodological level. In practice, there are (1), serious methodological problems with micro studies, particularly their inability to gauge the external effects of particular projects, as well as the fungibility problem. (2), There may be serious methodological problems with macro studies – cross-country growth regression (Roodman, 2004) – and (3), not all of the conditions of aid effectiveness have yet been identified (Headey et al., 2004). A paramount observation to make is that most literature and studies on aid effectiveness are primarily recipient-sided. These studies suggest a bleak picture for donors’ desire in economic growth promotion and are even harder on recipients as fundamentally suggest that aid ineffectiveness is the result of the recipient country environment: macroeconomic policies, political institutions, the structure of production and biogeo graphical environment. Donors are considered lacking only as far as they allocate aid to countries where it is predisposed to ineffectiveness – those with poor conditions – and in inconsistent disbursal/amounts such that absorptive capacity limits are reached and diminishing returns set in (Hansen and Tarp, 2001).

The aid effectiveness impacts on growth have been the center of interest for most donors. But aid has had a lot of unintended negative effects on local capacity in poor countries. These are particularly widespread in SSA where very weak administrative institutions coexist with heavy aid inflows. SSA has had aid/GDP ratios above 10% along with most aid-financed development expenditures for over two decades.

The following tables and their histograms will put into perspective some parameters par rapport to GDP in view of giving an idea of their impact and/or importance.

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<tbody>
<tr>
<td>World</td>
<td>2.37</td>
<td>1.77</td>
<td>0.52</td>
<td>2.02</td>
<td>0.61</td>
<td>1.70</td>
<td>0.38</td>
<td></td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>3.23</td>
<td>-1.14</td>
<td>-0.67</td>
<td>-0.66</td>
<td>-2.03</td>
<td>0.73</td>
<td>0.75</td>
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Table 4: GDP per Capita Growth (Annual Average). Adapted from Agarwal, 2006
Growth of per capita income has been negative for a long period with poverty increasing by just over 5% from 1981 to 1987. In the early seventies per capita incomes in Africa was one percent higher that of the world. In the late nineties however, poverty ratio in South Asia declined to 31% while in Africa it remained constant until 2001.

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<thead>
<tr>
<th>Year</th>
<th>World</th>
<th>Sub-Saharan Africa</th>
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<tbody>
<tr>
<td>1970–1974</td>
<td>8.35</td>
<td>2.82</td>
</tr>
<tr>
<td>1975–1979</td>
<td>4.96</td>
<td>3.51</td>
</tr>
<tr>
<td>1980–1984</td>
<td>4.34</td>
<td>-0.47</td>
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<tr>
<td>1985–1989</td>
<td>5.62</td>
<td>3.59</td>
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<tr>
<td>1990–1994</td>
<td>5.36</td>
<td>2.12</td>
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<tr>
<td>1995–1999</td>
<td>8.08</td>
<td>5.49</td>
</tr>
<tr>
<td>2000–2004</td>
<td>2.24</td>
<td>1.81</td>
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**Table 5:** Share of exports in GDP (Annual Average). Adapted from Agarwal, 2006
African countries made up about 1.4% of world exports and this share has been generally declining. African agricultural exports’ share was 23%, much higher than South Asia where it was 14%. The share of manufactures was only 35% for Sub-Saharan Africa against a world average of 78%. Being mostly dependent on agricultural exports, Africa had performed poorly as primary commodities prices had been declining in comparison to manufactured products. Additionally, SSA countries have not competitively engaged in exports of commercial services.

**Figure 3:** Share of exports in GDP Histogram (Annual Average). Source: Agarwal, 2006

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<tbody>
<tr>
<td>World</td>
<td>14.89</td>
<td>17.10</td>
<td>18.96</td>
<td>18.41</td>
<td>19.46</td>
<td>22.61</td>
<td>24.19</td>
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<tr>
<td>Sub-Saharan Africa</td>
<td>24.37</td>
<td>27.84</td>
<td>26.88</td>
<td>27.58</td>
<td>26.37</td>
<td>29.20</td>
<td>32.66</td>
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**Table 6:** Export percentage of GDP. Adapted from Agarwal, 2006
The exports GDP in Africa were always higher until the nineties when other regions overtook them. Although exports have been increasing, they do so as a result of foreign assistance in primary commodities sectors geared toward the supply of OECD industries.

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<tbody>
<tr>
<td>World</td>
<td>38.80</td>
<td>37.95</td>
<td>37.20</td>
<td>35.22</td>
<td>32.84</td>
<td>30.40</td>
<td>28.59</td>
<td></td>
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<tr>
<td>Sub-Saharan Africa</td>
<td>30.63</td>
<td>33.20</td>
<td>35.21</td>
<td>34.32</td>
<td>33.20</td>
<td>29.77</td>
<td>28.79</td>
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**Table 7:** Share of Industrial value added in GDP. Adapted from Agarwal, 2006

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**Figure 4:** Export percentage of GDP Histogram. Source: Agarwal, 2006

**Figure 5:** Share of Industrial value added in GDP Histogram. Source: Agarwal, 2006
At the new millennium, the share of industrial value added in GDP in Africa was equal to that of the rest of the world. But as services have not developed considerably in Africa – at least at the same rate as agriculture – the share of agriculture although increasing on average for the rest the world due to heavy subsidies, it appeared to decline in relation to the African share owing to a much more increasing share of services in the rest of the world.

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<tbody>
<tr>
<td>World</td>
<td>8.64</td>
<td>7.61</td>
<td>6.37</td>
<td>5.68</td>
<td>4.95</td>
<td>4.24</td>
<td>3.75</td>
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<tr>
<td>Sub-Saharan Africa</td>
<td>20.71</td>
<td>19.57</td>
<td>18.30</td>
<td>18.75</td>
<td>17.56</td>
<td>18.13</td>
<td>17.68</td>
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Table 8: Share of Agricultural value added (% of GDP). Adapted from Agarwal, 2006

Agriculture in Africa has been one of the neglected sectors as most aid goes to mining, petroleum, forestry and national debt servicing. Its value added in percentage of GDP has been slowly decreasing as majority on SSA populations live in the rural areas, surviving on agriculture.
Foreign assistance in the form of budgetary support has increased available income for SSA countries to expand their consumption over the decades. The rate reached that of the world in the late eighties and grew beyond in the early nineties. This rapid growth of share of Government consumption in percentage of GDP can be also attributed to limited or absent monitoring and public accountability. The trend however, started decreasing as more SAPs were implemented and the end of the cold war brought a slow down or a slight decrease to foreign aid disbursal.

Table 9: Government Consumption Expenditure (% of GDP). Adapted from Agarwal, 2006

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<tbody>
<tr>
<td>World</td>
<td>15.02</td>
<td>16.23</td>
<td>16.92</td>
<td>16.86</td>
<td>16.96</td>
<td>16.57</td>
<td>17.18</td>
<td></td>
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<tr>
<td>Sub-Saharan Africa</td>
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<td>15.18</td>
<td>15.55</td>
<td>16.88</td>
<td>17.80</td>
<td>15.80</td>
<td>17.98</td>
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</table>

Figure 7: Government Consumption Expenditure (% of GDP) Histogram. Source: Agarwal, 2006

Table 10: Gross Fixed Capital Formation (% of GDP). Adapted from Agarwal, 2006

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</thead>
<tbody>
<tr>
<td>World</td>
<td>24.56</td>
<td>24.18</td>
<td>23.29</td>
<td>22.63</td>
<td>22.37</td>
<td>21.94</td>
<td>20.63</td>
<td></td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>22.85</td>
<td>25.06</td>
<td>21.96</td>
<td>17.98</td>
<td>17.15</td>
<td>17.21</td>
<td>17.07</td>
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</table>
Since the late seventies, gross fixed capital formation has considerably decreased compared to the rest of the world. With the increasing government consumption expenditure alongside poor gross fixed capital formation in a climate of continue aid disbursal, it is fair to claim that aid has not clearly supported growth in SSA.

The World Bank (2003) confirms that weak governance; bad policies, human rights abuses, conflicts, natural disasters and other external shocks are just few of serious obstacles that policy-makers in SSA countries have to respond to from a management perspective in terms of strategy formulation and Implementation, business ethics, human resource management, etc. To these are more obstacles such as: the spread of HIV/AIDS, the failure to address imbalances in income, education and access to health care, and the inequalities between men and women. But there is more; limits on developing countries' access to global markets, the burden of debt, the decline in development aid and, sometimes, inconsistencies in donor policies also hinder faster progress. To use the World Bank’s own words:

“Aid has done much less than might have been hoped to reduce poverty”

And this prolonged disappointment has undermined the support of humane internationalists in the developed countries for foreign aid programs. The basis for aid will have to be reconstructed if the support for aid is not to wither away. Yet the
moral case for the people of rich countries to help those in poor countries remains intact (Mbendi, 2003). What will it take to overcome these obstacles? Most development and international institutions are actively using these development goals as a common framework to guide policies and programs and to assess effectiveness. The question it raises is in reality one of strategic management. In other words, development goals have to be consistent with stakeholders expectations as well addressing the pressing matters of a country for instance, to name just a few, national debt, poverty alleviation, infrastructure development, democratization and human rights in such a way that national competitiveness is achieved (Workgroup of Civil Society and Aid Effectiveness, 2008).

In conclusion, most problems and issues around aid effectiveness are blamed on recipients’ poor governance or policy environment. Recipients’ poor management quality is no doubt a major factor that affects foreign aid effectiveness. Nonetheless, donors and donor agencies being subject to political influences do contribute to the said lack of effectiveness. Without a doubt, political factors such as diplomatic or military incentives on the part of donors that lead to the granting of strategic aid play a central role in explaining the failure of foreign aid (Alesina and Dollar, 2000). Therefore, it is safe to claim that conditionality is not fit for purpose.

2.6 – Functionality: Impact of Aid

Many empirical studies done at macro-economic level using econometric analysis were found to yield ambiguous results and particularly failing to show any significant growth effect (Cassen, 1986). This is part of Mosley’s ‘micro-macro’ paradox referred to earlier (Mosley, 1987). This paradox is generally understood to result from inconsistent sample size and composition, data quality, econometric techniques and specifications. The most recurrent criticism of most of these studies relates to the core model of growth, which is by and large inadequately specified. Most of these studies ignored many of the recent advances in growth theory that allowed more sophisticated empirical growth equations to be specified. If aid is to be reliably identified as a growth determinant, it is important that it is included within a robustly specified empirical growth model.
In considering various sources of capital, Durbary et al. (1998) confirm results found by Papanek (1972, 1973) and Dowling and Hiemenz (1983). They find that foreign capital – aid or private capital flows – has a greater impact than national savings when comparing estimated coefficients. Private foreign capital appears to have particularly strong growth effects. They equally find that private capital flows have a greater impact than foreign aid in that they are mostly directed to projects and activities with higher expected private rates of returns while foreign aid are mainly directed towards building and communication infrastructure, education, water supply and so on where private rates of return – at least in the shorter term – are typically expected to be lower. Large aid inflows on the other side do not essentially result in general welfare improvements and high expectation of aid have only resulted in rent-seeking behaviors and diminished the projected public goods quality. Furthermore, there is no proof that donors take serious consideration of corruption while providing aid (Svensson, 1998). A time-sustained rise in foreign aid inflow reduces long-run labor supply and capital buildup, yet increases long-run consumption and has no impact on long-run foreign borrowing. Using the Solow growth model with foreign aid, foreign borrowing and endogenous leisure-and-consumption choices, Gong and Zou (2001) show that foreign aid discourages domestic saving, mostly channels into expenditure and has no relationship with investment and growth in developing countries. Years earlier, Pedersen (1996) affirms the impossibility of positively linking aid and growth. Using the game theory, he contends that the problems lied in the built-in incentive of the aid regime itself. These incentives for aid giving bodies hinders recipients’ motivation while increasing aid dependency and fungibility which distorts their development considering that aid conditionality has never been sufficient and penalties not hard enough for deviation from development commitments. Ceteris paribus, a given amount of aid tends to increase post-aid growth if domestic savings ratio is higher, the percentage of aid fungible into government consumption is lower and the term of aid is longer. The critical assumptions are that government replaces portions of its savings with aid then allocates this freed money to other programs, which can not be cut back once started (Dacy, 1975).

Burnside and Dollar (1997), in their well-known paper “Aid, Policies, and Growth” abundantly referred to earlier, found that aid has a positive impact on growth
in developing countries with good fiscal, monetary and trade policies but has little impact on countries where such policies are poor. They found in summary the following:

1) Aid on its own has little and insignificant impact.
2) Aid interacting with good policy has a significant positive impact on growth.
3) Policy seems more important for aid effectiveness in lower income countries.
4) Aid follows diminishing returns to scale.
5) There is no tendency for total aid or bilateral aid to favor good policy, while multilateral aid is allocated in favor of good policy.

Although aid works well in a good policy environment and a poor country with good policy ought to get more aid, which is not always the reality, donors’ perspective is that a well-designed aid plan will support effective institutions and governance by providing more knowledge and transferring technology and skills. The truth however is that idea aid is more important than money aid. Moreover, Burnside and Dollar (1997) find that in a good-policy environment, aid increases growth via the investment channel whereas in a poor-policy environment, it nurtures the reforms through policymakers training or knowledge and technology transfer. These non-money effects are believed even more essential and practical than the money value of aid. Aid works much better where the reform is initiated or internalized by local government rather than when outsiders impose it. Therefore, aid is normally more effective when it facilitates efficiently and timely reforms triggered by the local authority (World Bank, 1998).

Singh (1985) find that foreign aid has a strong positive impact on economic growth in less developed countries (LDCs) for both decades 1960-1970 and 1970-1980 when state intervention is not taken into account. As soon as the state intervention variable is included in the regression, the effect of foreign aid gets weak over time. Moreover, foreign aid negatively affects the domestic savings rate whereas per capita income, country’s size and exports positively affect it. Whenever foreign aid is decomposed into different categories, Islam (1992) notes that loans could be observed to be more effective than grants and food aid more effective than project aid. In fact, aid might have different effects in different developing countries. In
comparison to a no-aid pattern of growth, post-aid growth rates can be higher or lower depending upon three factors as described by Dacy (1975): (i), initial poverty of country (ii), additional rise of government consumption as percentage of aid received and (iii), the term of aid.

The need for aid in Africa remains very high considering the ever-prevailing poverty and incapacity to attract private foreign capital. The end of the Cold War has brought about new investigations into the real motives behind continued foreign aid to Africa. Beyond security motives for aid during the Cold War era, competition for existing resources has recently increased among the world's developing nations such as China, India and Brazil. Additionally, donors facing economic difficulties in their homelands have turned some of their funding onto addressing their own budget deficits. Therefore, donors focus solely on encouraging growth achieving policies rather than sustaining continual aid flows. Aid has then come to support budgets while it had been declining (from the mid nineties, on average by 6% per annum) since the in comparison to its promises and pledges made by donors. Individual donor efforts and NGOs have undeniably helped to construct infrastructure, health and education systems, and to provide agricultural technologies. Infant mortality and literacy rate have shown improvement across Africa (Ibehru, 2001). Paradoxically, donor efforts have not succeeded in fostering economic growth and poverty alleviation in most African countries. As a matter of fact, by the late nineties, the whole of sub-Saharan Africa presented a negative trend of growth. In addition, aid has had a disappointing record of promoting institution building, such as a primary health system, that is not highly dependant on resources outside the immediate donor and which does not foster any appropriation of these institutions by national or local governments. Factors such as changes in international trade environment explain the downward trends in specific periods and countries (Johnston and Van Der Walle, 1996). For example, in the seventies, a major drop in oil price and its ensuing economic impacts reversed foreign aid achievements in oil-exporters. However, the post 9-11 world economic slowdown did not affect Africa as it is only marginally involved in globalization. Nonetheless, Africa was indirectly affected due to foreign aid reduction by donor countries that were economically impacted. Furthermore, factors such as recipient’s economic policy, political system and civil unrest, infrastructure and human resource capacity if
and when taken into consideration, would suggest that aid has not exactly led to sustained economic growth in most African countries (Joseph, 2002).

2.7 – Conclusion

Results of years of research on the relation between aid and growth vary depending upon the growth models, data and countries of analysis. With aid having profound and tangled roots in the history of western expansion, different types of aid have different impacts on growth. The North-South relationship from its onset has been one of ‘powerful-powerless’, ‘masters-slaves’, ‘civilized-savages’, ‘colonialists-colonies’ but also ‘principle-agent’ and has yet to be philanthropic. As a contractual transaction between donors or principals and recipients or agents, the donors/principals interests fundamentally determine the political economy of African foreign aid. Tatum (2003) stresses that in economy, contract theory has to do with understanding how the balance between competency and rewards is achieved. The communication rapport between a principal and an agent is paramount to addressing the needs of the former and the competence or ability of the latter in meeting the said needs. Once clarity of responsibilities is established, a contract is then put in place to ensure that the agent is adequately rewarded for efforts or work performed.

Donor-recipient various contracts lead to a number of scenarios, for instance:

(1) Aid is determined by aversion to poverty wherein the donor makes a transfer in return for poverty reduction. The donor being able to observe the production of social good and thus imposes *ex post* conditionality by linking aid to the observed output.

(2) When some of recipient’s actions are monitorable by donors, aid is disbursed before the production and consumption of the social good take place. The optimal amount of conditionality is variable and aid policies are tailored according to the recipient’s preferences and social commitments although they are overlooked in the name of good governance and adequate policy framework.
Where there are more donors, a moral hazard problem emerges in the interaction between donors and their multiple agents. Donor’s objectives are not reflecting those deriving from an inclusive domestic political process.

The Samaritan’s dilemma characterized by the recipient government choosing specific policy reforms in anticipation of donor’s “softness” in lacking to commit to helping the poor.

In the “gift exchange” setting, aid is provided to attain foreign policy goals while recipients give political support to donors in return. Donor’s firms for instance, influence aid disbursement by creating incentives to continue disbursing even after non-compliance.

Aid flows to Africa have drastically increased in the last two decades, but as reviewed earlier, there is almost no true evidence that the said increase has been favorable to growth. Conditionality has not been found to be a credible tool in the sense of driving to a short-run increase in output, and aid flows were not effective. Practically, conditionality is undermined by agency problem and ideological alliances. A partial solution to the problem has been found in the Paris Declaration five pillars: Ownership, Alignment, Harmonization, Managing for results and Mutual Accountability. It is paramount to remember that issues such as time inconsistency, moral hazard and poor selectivity that generally stem from principal-agent relationship are catalysts of aid fungibility. Recipients are aware of practical difficulties faced by donors to thoroughly monitor aid utilization against its inflow. Access to foreign resources convinces decision-makers that budgets are flexible and encourages fiscal indiscipline. Large aid inflows have been known to increase unproductive income readily available for activities totally unrelated to the improvement of the welfare of recipients’ populations. Aid therefore distorts both the budget process and the government’s ownership of the country’s purported development agenda. Consequently, the debate over the functionality of aid on growth is unending and stays open to more study or put in simple terms, if it works, it needs less or no proof! For this reason and more discussed earlier, it is fair to suggest that the Political Economy of Aid is not enough in addressing the question of SSA foreign aid effectiveness. Africa has grown much slower than the rest of the world yet it has in proportion received much more aid relative to GDP than other developing areas.
Chapter 3 – Aid Management

Fit no stereotypes. Don't chase the latest management fads. The situation dictates which approach best accomplishes the team's mission – Colin Powell (1937-date)

3.0. Introduction

To progress the debate for or against foreign aid – considering both side of the debate – it is paramount to realize that there is a number of convergence points. The success requirements on the recipients’ side as reviewed earlier under “Aid and Policy” are recipient ownership of aid programs and/or projects, accountability to aid beneficiaries, wider participation of the population in recipient countries and growth-centered policies. There are equally points of convergence so far as the debate goes on the donors’ side such as formulating fair trade policies and extending social justice beyond national borders. As already discussed, failure of aid in increasing growth in recipient countries as well as failure to encourage organic growth due to large aid inflows. In practice, these points of convergence would set off from successful donor-recipient relationships in view of becoming premises for positive contribution to aid effectiveness. The common denominator could safely be named “management”: the very central area of donor-recipient’s mismatches. They express how various elements making tangible and intangible mismatches coexist within the foreign aid management environment (Iheduru, 2001).

Unfortunately, in most cases, as will be discussed further below; aid management within the donor-recipient relationships most often is the only relationship between many donors and their aid recipients; they have no relationship beyond or beside aid relationship. In practice, management is situated or exercised on three levels strategic or executive, tactical and operational which corresponds with the macro, meso and micro-economic levels of aid (Stoker, 1998; Morden, 2007). However, in considering foreign aid management, there is a ‘meta’ level that would be managed above the macro-economic level. This could be identified as the level at which the United Nation operates on through its various development agencies and major institutions such as the Bretton Woods Institutions. This corresponding level of
management is above individual countries’ national management and recipient could only negotiate in hope of achieving some degree of influence. The meta level could be merged with the macro level as it is fulfilled by the same people and in practice, it all comes to three management levels that recipients could oversee and influence (Fleetwood, 2005):

(1) Strategic or Administrative or Executive: at this aid management level – which correspond with a macro-economic – overall strategy with major course of actions are decided alongside objectives setting. A bigger picture is drawn in line with donor’s national strategy and/or vision. At this level, management is generally referred to as ‘governance’ meaning what a government does;

(2) Tactical and Regulatory: at this level – which could be paired with the meso-economic level – detailed strategy and directions on various aid processes such as monitoring, reporting mechanisms and tendering are determined;

(3) Functional or Operational: at this level – corresponding to micro-economic level – aid activities are rolled out and management function is exercised on aid projects and aid related activities.

It is also important to remember that management [as policy] can be applicable to all economic and political levels [macro, meso and micro] of foreign aid process. However, for the purpose of focus within the remit of this study, an aid-supported sector within chosen recipient countries will serve to identify and understand donor-recipient mismatches. Management perspective therefore ought to be focused on the functional or operational level of aid as this will put to evidence any mismatches at sector level. Functionality herein is understood as the impact of management on the aid process (Fleming and McNamee, 2005).

3.1 – Aid Management Platform

An aid management platform (AMP) can be understood as a management framework that will allow various aid management functions to achieve their objectives. Such a platform is a strategic instrument of coordination, capacity building and integration of various management functions to effectively manage foreign aid.
Donor-recipient mismatches are a fundamentally potential challenge to aid management. Various management tasks depend on each other and need to be orderly executed; any strategic misalignments or uncoordinated activities will compromise agreed objectives and expected outcomes (Mintzberg, 2009). It is paramount for the various management functions to work in concert not only within a level but also across the levels in view of linking to overarching objectives determined at the most senior level. Management quality and principles ought to be the same regardless of the level at which a management function is operated. These functions can be grouped as governing functions and management functions – at times referred to as executive functions. They could be also understood as:

(1) Governing functions: these are normally fulfilled by the top management consisting of the board of directors, the chief executive officer or managing director in the corporate world. They are performed by managers – in this case, ministers – at macro-economic or policy level in a national development setting. It is therefore at a presidential or prime-ministerial and ministerial level. They provide the essential strategic direction, resources and structures required to meet specific national needs. Direction is set to reflect the needs of the populations of the country. Resources development is made in support of various programs and/or projects. At this level, leadership ought to be developed and accountable to their country’s population – their shareholders – for sustainable development to be achieved. This top management level is the ultimate source of authority and it manages goals and policies for the country. It is concerned with planning and coordinating functions, in other words, it is the administration. They issue necessary instructions for preparation of ministry/department budgets, procedures, schedules. They appoint executives for the next lower level. Most importantly, they are responsible for maintaining and managing relationships with the outside world (Hitt et al., 2005).

(2) Management or Executory functions: this type of management is where tactical and operational levels are. In a corporate world, this is where the middle and lower management sit, responsible for interpreting and communicating the policies of the top-level management:
(a) Middle management devotes more time to organizational and directional functions. In a national development context, they would also correspond to a regulatory, functional and/or operational levels’ management. These functions provide activities and necessary support to reach the objectives and policy choices of each country sector or government ministry. These functions serve to take the strategic direction to the next level of detail and putting it into action – it is planning and implementation. Additionally, management functions ensure the effective management of programs/projects’ in terms of administration. It ensures revisions and amendments to policies for recommendation to higher-level management. As in major corporations, they might be two layers of middle management, senior and junior middle management. In a development setting, these two layers will correspond to heads of departments or ministry director-generals and the layer of administration civil servants or branch managers. They are the link between top level and low level management and are fundamentally executory by nature. They receive orders and instructions from top level management and relay them to their subordinates at the lower level. This management level supervises, direct and control the activities of foremen, inspectors and supervisors. They receive reports of actual performance from below, study them and issue necessary instructions. Middle level management bridges the gap between top and lower management. This level has the role of removing misunderstanding and creating cordial relationship among the different levels of management (Fleetwood, 2005).

(b) The Lower level management is supervisory, functional or operational. This level work in real work situations and is made of foremen, supervisors, inspectors and superintendents. These managers guide and instruct workers on a daily basis. According to R.C. Davis, “Supervisory management refers to those executives whose work has to be largely with personal oversight and direction of operative employees” (2006:145). In other words, they are concerned with direction and controlling functions of management. Their activities include:

- Assigning of jobs and tasks to various workers.
- They guide and instruct workers for day-to-day activities.
• They are responsible for the quality as well as quantity of production.
• They are also entrusted with the responsibility of maintaining good relation in the organization.
• They communicate workers problems, suggestions, and recommendatory appeals etc to the higher level and higher-level goals and objectives to the workers.
• They help to solve the grievances of the workers.
• They supervise & guide the subordinates.
• They are responsible for providing training to the workers.
• They arrange necessary materials, machines, tools etc for getting the things done.
• They prepare periodical reports about the performance of the workers.
• They ensure discipline in the enterprise.
• They motivate workers.
• They are the image builders of the enterprise because they are in direct contact with the workers.

In a nutshell, top-level management can be said to be determinative, middle level management as executory management and low level as operational management. Once more, absence of working synergy and coordination among the three levels of management, an enterprise or a nation in this case cannot prosper or progress. Accordingly, managers at their level ought to effectively and responsibly perform their duties so that maximum productivity and best quality of service may be provided as cheaply as possible (Mintzberg, 2003; Davis, 2006).

3.2 – Aid Management Mismatches

Bruno et al. (1996), Van Den Berg (1997) and Hugon (2004) agree to the fact that every single obstacle to development may be transcribed into a specific policy issue around aid management. Management is a crosscutting area or tool that reflects adequately country policy and is directly impacted by policy changes regardless of specific government or country sectors. Progress in development is to a great extent directly proportional to Management practices and culture in any sector of a given country. In reference to the Paris Declaration’s development process ownership, only
Africans themselves could achieve development and good governance. Tentative steps toward democratization and self-monitoring are positive signs so long as donors and recipients do find common objectives for poverty alleviation.

Generally, management capacity has been negatively impacted by large aid inflows; these negative effects are familiar to officials, practitioners and academic observers (Alesina & Dollar, 2000; Sachs, 2005). It is therefore paramount to realize that these impacts affect the operational and production level of the recipient country compromising sustainability and incentives for development priorities. Considering the governance level in development aid, the following points could articulate its impact:

- Aid management demands absorb huge amounts of time and energy from relevant government departments. At times this could be for the right reasons such as technical training overseas. Unfortunately, in most cases concerned department, firms or officials have no system to pursue traditional functions in their absence (Droeze, 2007).

- No attention is given to traditional function as availability of resources depends on relationship with donors; educational and financial incentives for attending seminars, conferences and meetings abroad take precedent over most normal tasks. Most managers become less reluctant to delegate and their subsequently repeated or prolonged absence paralyzes firms [or government departments in ministers’ case] (Dollar & Svensson, 2000).

- Recipient governments fail to hold onto national priorities and strategies in favor of donors to maintain aid disbursal. In many cases in SSA, donors enlist middle and junior management to create internal pressure within government departments and firms to push their ‘good policies and programs’ thereby affecting management function (Hanlon & Pettifor, 2000).

- No local policy-making or discussions are undertaken since what matters is what the donors want. Policy passivity is then induced to satisfy the donors’ exigencies (Allesina & Dollar, 2000; Easterly, 2003b).
• At government level, budget discipline and constraints are eased up, new expenditures are adopted, salaries are raised, project staffs are recruited in most cases, and as a result dual salary and expenses structures are created. Parallel management structures are created to run aid project autonomously or sometimes, members of staff are made redundant consequently dimming hopes for sustainability (Stiglitz, 2006).

Lack of activities coordination and objectives’ matching against recipient’s priorities undermines the role of management by yielding some or all the phenomena listed above. The tangible mismatch relative to aid absorption and aid disbursal could be perceived by management level as a tension between abundance of resources and administration capacity to manage them. Donors see the need to recruit more or create an autonomous aid unit for fear of frustrating the existing capacity. The outcome though is that duality of management and capacity is created but will not be merged at the end of the aid program or project (Easterly, 2003b).

Another tangible mismatch that critically affects aid effectiveness is recipient management exclusion. Donors and/or their consultants identify and design projects that cannot be carried out by local people alone. Obviously they then include technical assistance to make implementation possible. Local management is not included in such project design and worst they are not generally considered as consultants. Recipient’s workforce is only reduced to unskilled and menial tasks while their management is simply sidelined for mostly presumed lack of appropriate knowledge (Ateba-Eyene, 2008). An intangible mismatch to mention is the expectation for technology and/or knowledge transfer. Learning is not achieved and technology is not freely transferred since the donors are responsible for most program/project identification, approval, implementation and evaluation process. The paucity of learning is organic in the portrayed inability of donors to implement changes in aid processes (Berg, 2001).

Western values and African values determine the foreign aid environment value system. Whether these value systems work in synergy or not is paramount to understanding mismatches. Additionally, management practice evolving from the
combination of factors such as scholarly knowledge, in-job best practice, local culture, international culture and motives hidden or revealed do individually and collectively impact donor-recipient relationships. Other than some recipients’ perceptions of inadequacy – whether right or wrong – as well as some donors’ perceptions of superiority do conflict directly with the issue of aid project/program ownership. Donors feel entitled to the ownership of the project/program by virtue of having to account to their taxpayers. Recipients on their side feel equally entitled as the aid project/program is in their country notwithstanding that their population will have to bear at some point or another the wait of debt repayment (Mintzberg, 2003).

A simplified matrix to illustrated the above management remarks could be suggested as follow:

<table>
<thead>
<tr>
<th>Management Level</th>
<th>Tangible mismatches</th>
<th>Intangible mismatches</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top level (Macro)</td>
<td>Objectives influenced by donor &amp; International Organizations; Governing functions suffer external interference: no national strategy design.</td>
<td>National strategic governance choice; National ownership of development</td>
</tr>
<tr>
<td>Middle level (Meso)</td>
<td>Receive mixed messages from donor &amp; own government; Spend huge amount of time on extra administration, reports, etc.</td>
<td>Limited management capacity; Absence of management culture</td>
</tr>
<tr>
<td>Lower level (Micro)</td>
<td>Operational functions done by donors’ multi-nationals; No true technology transfer or development project/program ownership</td>
<td>Management learning; Limited project/program flexibility</td>
</tr>
</tbody>
</table>

Table 11: Management-mismatches matrix – Source: Designed by Author (2011)

In table 11 above, mismatches items are actually contrasted in terms of management between donors and recipients alike do not complement each other but rather tend to be in direct opposition or contradiction. These contradictions stand as obstacles for both camps in relation to one another management reality and perceptions. In light of these obstacles, it is paramount to achieve flexibility of aid project and/or project purpose. This flexibility of purposes is unfortunately not generally accompanied by a flexibility of strategy. This is a paramount strategic issue.
In practice, there is ‘decline’ when a country experiences resources loss sufficient enough to compromise its economical viability (Cameron et al., 1987). In counterpoint, ‘turnaround’ may be considered to have occurred when it recovers adequately to resume normal operations. The ‘turnaround’ process is absent or not properly implemented. While this is true for any country, it is primarily true for individual firms in the said countries. Whether the decline is caused by internal or external factors, the ability to ‘craft’ a national strategy and its successful implementation is related first of all to the pre-existence of a healthy, ethical management culture, a sound business understanding, a sense of ownership rather than a ‘free for all’ mentality. The sense of ownership is a very important element since a decline in performance may prompt an exodus of a country’s most capable managers, leaving a serious deficiency in key skills necessary to formulate and implement a successful turnaround strategy (Zajac et al, 2000). This sense of ownership and its ensuing participation have long disillusioned and discouraged local management as highly paid counterparts are brought in from abroad to carry tasks that they may well have done. It is true to state that donors have made some improvements regarding ownership under the PRSP however, participation seems to work only where relevant institutions already exist and oftentimes, there is no assurance that the people whose participation is sought (the poor, for example) will be those whose participation will count. Generally and mistakenly so, donors have a unique conception of “participation”; they see it as ratifying their proposals and increasing the local “sense of participation” (Viera da Cunho and Pena, 1997).

Focusing on the recipient side, lack of corporate governance, accountability and transparency compounded on the above-mentioned phenomena become the fundamental cause for aid failure. These additional issues translate into poor management practices that are perpetuated and equally fuelled by corrupt ethics and a bad work culture. In SSA, these problem-causing phenomena could be cited for the sake of this study as follows: False reporting mechanisms and measurement systems (Blomqvist and Lundahl, 2002; Shaw, 1978) and, unethical human resource management practice (Poole, 1990).
3.3 – Aid Management and Contextual factors

Every country has a unique culture that influences and permeates through the fabric of its entire society. In today’s globalized world, various national cultures have come to share more and more common values with each other. Management has not been spared from global influence. For the sake of this study, it is paramount to liken donors or principals to employers and recipients or agents to employees. Noreen (1988) understands the agency theory referred to in the earlier on in the previous chapter as a means of explaining how individual usefulness can be maximized by good human resource management ethics. Agency theory advocates that dysfunctional actions can be controlled through designing a ‘rewards and punishments’ system. Nevertheless, foreign aid management case being not different from any other management, this system is problematic in situations where activities and their outcomes are not easily discernible. Noreen posits that the best possible way out of this predicament is paved when actors can be trusted to adhere to a set of ethical codes. This is a principle applied in the famous Albert W. Tucker’s ‘Prisoner’s Dilemma’ which could be represented and adapted as follows:

<table>
<thead>
<tr>
<th>Player 1</th>
<th>A1</th>
<th>B1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Player 2</td>
<td>A2</td>
<td>10, 10</td>
</tr>
<tr>
<td>Actions</td>
<td>B2</td>
<td>20, 0</td>
</tr>
</tbody>
</table>

Table 12: Prisoner’s Dilemma Payoff Matrix. Source: Myerson, 1997

The highest overall payoffs (ten in this case for each player) occur in situations wherein players can all rely on each other to choose the mutually beneficial solution (A1A2). According to Noreen, given enough trials, players eventually arrive at the A1A2 solution. In his opinion, however, ethical HRM can lead to a constructive solution more promptly than learning by attempted exploitation, namely, each player trying to achieve the payoff of 20 even though it results in a payoff of 0 for the other player. It can be noted that one of the challenges for foreign aid managers or process designers is developing systems that can help donors and recipients swiftly reaching mutually beneficial solutions. Fostering a culture of respect for principled HRM could assist in successful aid management (Cohn & Friedman, 2002).
It is important to mention at this point that without proper measurement systems of all resources [including human], business processes cannot be improved or implemented (Lundahl & Pienaar, 2004). Reward and retribution mechanisms as part of measurement systems to effectively manage the work force do not exist or at least are not consistently applied in most SSA countries. There is a measurement crisis, with aid managers implementing new measures to reflect new priorities but failing to discard measures reflecting old priorities, resulting in uncorrelated and inconsistent measures (Meyer and Gupta, 1994). So the MDG for instance, become simply immeasurable goals. HRM is not utilized in Bratton and Gold (2003:19) terms as a “Strategic approach to managing employee relations which emphasizes that leveraging people’s capabilities and critically set up to achieving sustainable competitive advantage, this being achieved through a distinctive set of integrated policies, programs and practices”.

Armstrong (2003) found that in SSA aid programs/projects both donors and recipients do not adopt an integrated approach to managing people. In simple terms, there is no relationship evaluation between and/or contribution of HRM with/and competitive advantage and added value (Beardwell et al., 2004). Notion such as best practice are simply ignored. The role of the manager becomes more of directing and delegating with virtually no support, coaching or motivating as shown in the figure below adapted from Hersey and Blanchard situational leadership. Managers are taskmasters or slave drivers. They do not fit in the structure in so far as resourcing, developing and supporting are concerned (Marchington and Grugulis, 2000).

<table>
<thead>
<tr>
<th>- Directive</th>
<th>Behavior +</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Supportive</strong></td>
<td>Delegating</td>
</tr>
<tr>
<td><strong>Behavior</strong></td>
<td>Supporting</td>
</tr>
<tr>
<td>+</td>
<td></td>
</tr>
</tbody>
</table>

*Figure 9: Managerial behavior, Adapted from Hersey and Blanchard’ situational leadership*
Mabey et al. (1998) could not have been any clearer in concluding that the success or failure of an organization depends on its people, therefore good people’s management or lack thereof will respectively result in better performance or poorer one. Management is more committed to tasks than it is to people in majority of cases. In Rodgers (1994) assessment, it is difficult to evaluate the level of trust between managers and workers; which is an important ingredient to a good communication and ultimately transparency and accountability. Recent climate of increased accountability has brought ethical element of governance to public, which is a moral indicator or measure of the health of an organization’s management. From an operation management perspective, all management functions are inter-related (Fleming & McNamee, 2005).

Heap (2000) notes that the changing external environment has major propositions for the role of public organizations, governments’ organizations and NGOs, their sources of funding, the nature of their relationships and their activities. Factors as globalization, the increasing multinational nature of business and the advent of electronic communication, has caused an equivalent reduction in the control of the nation state to affect development and an increase in the influence of the business community. This is a positive thing as far as SSA countries are concerned, as responsibility will be lesser in governments’ hands or at least, in a way that responsibility will be shared to foster development of specialism and lead the government to negotiate its regulatory role. More responsibility and accountability have thus moved into NGOs, businesses and private sector’s hands, and for that matter into different partnerships that could be formed between them. These partnerships have been very instrumental in poverty alleviation and have so moved beyond the purely philanthropic causes.

One other important issue confirmed by Gable (2003) is the absence of learning. There is no management learning form one generation of managers to another or from one government to another. Managers are expected to make sense of their environments in order to reach expedient and decisive actions. They are also expected to develop deep understandings, foresight, and ethical judgments. As a matter of fact, both of these ‘cognition’ processes are expected to be seen: ‘sense-
making’ and ‘learning’, exhibited simultaneously. In practice, there is no learning from one aid round to the next one. These two ‘cognition’ processes are an intricate part of the manager’s work. These processes ought to be beyond normal “education.” Therefore managers must not only learn how to make sense but also learning how to learn (Huff et al., 2000). This fundamental flaw from both sides – donor and recipient’s – is critical in compromising the attainment of development goals. Knowledge therefore is an important asset in the success of any business. The question ‘What is knowledge?’ has been the subject of many philosophical discussions and has as many answers. However knowledge management is as important as understanding what knowledge is. Knowledge can and should be evaluated by the decisions or actions to which it leads (Davenport and Pruzak, 1998).

Knowledge management is part of a recent trend in business to view knowledge as a valuable asset for a value-adding organization. Companies are defining their own knowledge-management strategies for explicating, developing and distributing their knowledge assets. However, people interested in knowledge management often find that there is a lack of support techniques for practical day-to-day knowledge management (Buckman, 1998). Before knowledge can be effectively manipulated for the business purposes at hand, it must be harnessed from within the organization or acquired in some sense from outside the firm. Chandra et al. (2001) hypothesized that such harvesting activities lead to the creation of competitive advantage. They thought that, even in this context, knowledge continues to be more value-added because it implies the acquisition of not only the information but the benefits of why it may be useful to the strategic initiatives of the organization, as informed by the perceptual lens through which it is known. The question however becomes geared toward how willing are employees to volunteer and/or share knowledge; keeping in mind that knowledge sharing is the process by which individuals collectively and iteratively refine a thought, an idea or a suggestion in the light of experiences (Raisinghani, 2000). This willingness to relinquish knowledge in the SSA context is marred by issues mentioned earlier such as reward/retribution, development, etc. Although this knowledge management is relevant to individual firms or organizations, it could be generalized to countries as functional business entities. The ability to learn and transfer knowledge will strategically benefit any SSA country.
Tayles et al. (2002) suggested that government departments worked as functional units of a business or even as companies within a holding/group of companies. These departments ought to be knowledge-based, technology driven to achieve competitiveness and fully functional as far as management is concerned. Each government department has to have its own strategy. While there is an overall strategy to reach national goals, there ought to be departmental strategies that will not be formulated without learning. Learning and ‘turnaround’ cannot be achieved if there are no proper reference systems. Referencing systems encompass archiving and/or a relevant Management of Information Systems (MIS). Without a MIS it is extremely difficult if not impossible to know if there is learning or there is ‘re-invention of the wheel’ (DuBois, 2004). This calls for strategic flexibility; an organization’s capability to identify major changes in the external environment (e.g. introduction of disruptive technologies), to quickly commit resources to new courses of action in response to change, and to recognize and act promptly when it is time to halt or reverse such resource commitments (Shimizu & Hitt, 2004). There is a great need for strategic sensitivity meaning (1) the capability to pay attention to negative feedback [attention stage], (2) the capability to collect and assess negative data objectively [assessment stage], and (3) the capability to initiate and complete change in a timely fashion even in the face of uncertainty [action stage] (Hitt et al., 2005).

All managerial issues explored above are inter-related. However, the main problem areas that characterize SSA aid process effectiveness and its policy – from a management perspective – is the failure by both donors and recipients to (1), transfer knowledge (2), to learn and pay attention to negative feedbacks and (3), to have flexibility of strategy.

3.4 – Aid Management Instruments

From various aspects of foreign aid discussed earlier above – to different extents – amounting to aid management, could be understood as the process of integrating external and internal resources in the performance of recipients’ development programs and activities. The UNDP (1994) believes that this process requires full transfer of ownership of aid from foreign to national institutions, and the
integration of foreign aid into national procedures for planning, priority setting, budgeting, implementation and accounting of development activities. The Paris Declaration’s framework is based on the principles of ownership, alignment, harmonization, managing for results, and mutual accountability. Donor and recipient countries made 56 commitments around these five tenets. To meet the commitments, 12 indicators and some targets for 2010 were set (Paris High-Level Forum, 2005).

The practical pertinent question to be asked is “who should manage aid?” Ownership remains a difficult matter to address particularly within the current PRSPs participative context. It is unthinkable that donors will let aid be freely managed regardless of the quality of public institutions of the recipients. This could be because donors have to be answerable to their own constituencies but it could also be because donors have gotten used to formulating and enforcing policy choices onto aid recipients (Stoker, 1998). To put the Paris Declaration as well as the PRSPs into a historic perspective, it might be naïve to believe that donors will relinquish ownership of aid projects or programs without holding onto something else. Earlier in the literature review, relationship between Europe and the Africa was defined under the British “dual mandate” for example. Additionally, the transatlantic slavery, the “Scramble for Africa” at the Berlin Congress in 1885 with ensuing colonization of Africa and its distinct features such as the massacres in Kenya and north Africa, the Anglo-Boers wars, the “red rubber” of Congo, the Bushman pleasure-hunting, the unending border conflicts and recent military strikes in Cote-d’Ivoire and Libya in the name of persecuted people equally defining the heritage and the contribution of Western countries to Africa, it is simply naïve to think that ownership of aid-supported development will be handed over to recipient countries.

The World Bank Operations Evaluation Department OED (1999) found that it is unlikely that donors, with their various vested historical, political and economic interests, would cede the role entirely onto recipients. However, after they have increased their economic, institutional and technical capacities, various recipient governments do and should in fact assume the leadership role, at both the local (micro) and sectoral (meso) levels. The management of aid requires adequate capacity in recipients’ countries’ institutions involved in aid-supported activities. The said capacity ought to be relevant to management instruments (systems, tools and
indicators). Within current development context, the effectiveness of a government is generally judged in terms of its technical competence, efficiency in the use of resources, financial viability, responsiveness to the needs of growth, sensitivity to the needs of the poor and concern for environmental protection. Such management requires a strong political will (Devas and Rakodi, 1993).

It is paramount to note that the status of public sector management and national governance is a precise indicator for the quality of management instruments of a nation – it is in reality, the efficiency of government to the extent that, within the confines of state powers, it promotes an enabling background for civil society [and the private sector] to achieve economic and social development (Swilling, 1997). Public sector management sometimes referred to, as public governance comprises the process of ensuring adequate capacity in government to design and implement responsive, accountable public policy and programs, and to build and sustain strong and legitimate public institutions. Thus, management function will engage with the achievement of development objectives on institutional level and programs of the public sector in creating or providing an enabling environment. This engagement is on meso and micro levels of the economy. On a macro level however, as already mentioned, management will be referred to as national governance. It concerns the exercise of power in the management of a nation's economic and social resources for development. The World Bank (1997) had identified three distinct aspects of management: (1), The political regime format (2), the process by which authority is exercised in the management of a country's economic and social resources; and (3), the capacity of governments to design, formulate and implement policies and discharge functions. Accordingly, governance is concerned with the legitimacy of government (namely the degree of democratization), accountability of political and civil servants (media freedom, clearness of decision-making, answerability mechanisms), devolution of decision-making, competence of governments to formulate policies and deliver services, respect for human rights, and rule of law (individual and group rights and security, framework for economic and social activity, participation) (Schacter, 2001). In reality, most aid programs are operated with very little consultation with would be beneficiaries and collaboration with related activities within the relevant governments, or even within relevant ministries. These “island projects” as labeled by Samuel M. Wangwe, tend to erode rather than build and
strengthen capacities. Whenever capacities are weakened as a result of fragile institutions, both donors and recipients ought to make a stronger case for capacity building and integrated activities instead of the usual parallel operations. Capacity building should thus be considered a process, guided by a national framework, rather than isolated events (Wangwe, 1997).

Donor-recipient joint management of aid activities have generally been a complex partnership concept; workers with similar functions earning flagrantly different wages, divided loyalties and conflicting management cultures are called to work within limited recipient capacity to handle multiple donors and various reporting requirements. Moreover, there is an added difficulty of constantly shifting donor agendas and a lack of harmony between country and donor objectives (Disch, 1999). Stoker (1998) argues that fragmented policies on recipient and donor levels, separate donor schemes operating outside a national framework, and lack of joint project ownership, lead not only to a diluted aid coordination structure and lack of sustainable development, but also to various problems of accountability and responsibility levels. Furthermore, different donors’ accountability systems can force recipient governments to abide by different accountability arrangements, few of which are coordinated. Historically and as mentioned earlier above, this as yielded:

- Overloading recipient governments with the burden of managing various accountability arrangements;
- Failed to develop local capacity for public financial management;
- Limited ownership / commitment to development projects.

From the earlier discussion in relation to aid management, aid coordination might be constrained from the donors’ perspective, as they may perceive joint management or joint ownership as power sharing, or simply a constraint to their freedom of action. Additionally, to counter the fragmented project-by-project approach to development assistance, and to force both donor-home country and donor developing country accountability, Sector Wide Approaches (SWAPs) have becoming more popular and effective than project-based funding and coordination. Wangwe (1997) found that the sector wide approach in its very nature makes it complicated to overlook the impact of governance on development assistance. Also, it helps recipients and donors’ agencies concentrate on policies rather than purely on physical
outcomes, and provides some budgetary support rather than funding particular items. However, it is important to note that, with respect to both SWAPs and to donor aid coordination in general, even the most detailed sector policy reforms and sector aid cannot “compensate for the absence of firm and sincere government commitment to and ownership of reform”. Although international aid coordination is essential to improving the macro management of aid, country-level mechanisms are fundamental to ensuring real impact. Oftentimes, the extent of activities and mechanisms for coordination become an obstacle to efficiently managing aid national. An alternative approach to aid coordination and management is giving priority to dialogue on policies and strategies between donors and recipients (Shacter, 2001). Needles to mention that donors still dominate the international aid cooperation. Just as during the 1885 Berlin Congress, nowadays the G8 conference still do scramble for resource-rich underdeveloped countries through influencing policy and implementing trade conditions, concessional loans and political new world order conducive to their own national interests defended and perpetuated by their multinational corporations (Pratt, 1991, 1999). To improve aid coordination, Maija Halonen-Akatwijuka proposed a number of considerations to be looked at:

- Information ought to be complete, accurate and synchronized between donor and recipient;
- There must be a clear national strategic policy framework and long-term development visions [expressed in national priorities and strategies];
- There must be a system of medium-term rolling development programs that encompasses budget estimates tied to sector strategies, programs and/or projects;
- There must be a clear division of responsibility between different core and line ministries involved in aid management (Halonen-Akatwijuka, 2004).

The greatest weakness however still is a flagrant absence of discussion forums at country level for dialogue between government and donors on procedural and substantive integration of aid into national institutions and priorities, although round table process has elements pointing to the right direction. While recipients’ governments are still lacking adequate capacity to coordinate and manage aid, donors will be forced to provide a number of aid coordination services together with the national government. UDNP (1994) proposed four types of services:
• Providing a forum for dialogue between government and donors;
• Collection, processing and dissemination of information on development cooperation;
• Coordination within sub-groups of donors such as the UN system;
• Mobilization of resources and fund-raising for national development programs

Additionally, donors would have to provide technical cooperation to toughen aid coordination and management by government, since the aim is that national institutions themselves provide the above-mentioned aid coordination functions. UNDP (1994) suggested that technical cooperation could take three forms:

• Capacity building assistance to improve aid coordination and management;
• Direct aid coordination in cooperation with national institutions;
• Assistance for improved public sector management and development.

Johnston and Van de Walle (1996) identify three significant shortcomings that help explain the lack of management performance of aid in Africa: first of all, they find that recipients do not take possession of development activities. Donor stance within the aid process is plainly dominant, scarcely paying any attention to recipient preferences for how to utilize and distribute the aid. Donor expertise is preferred, projects they identify as good and effective are thus perceived as their responsibility and subsequently projects lamentably fail for lack of recipient appropriation and integration. Secondly, they realize that poor management and lack of coordination of aid between numerous donor agencies exhaust recipients limited managerial capability to follow-up projects and integrates them into their own development strategies. Johnston and Van de Walle (1996) proposed that recipient governments would better placed to coordinate donors aid rather than accept indiscriminately any form of aid form any donor. Thirdly, they notice that outcomes of aid-funded projects are often undermined by donors’ withdrawal due to their failure to cover recurring costs. Fourth and final, the multiplicity of isolated projects that bypass recipient institutions, making aid management difficult and as a result, aid comes short of contributing to more permanent institution building.
It therefore goes without saying that capacity building for aid management becomes an increasingly important key area for technical cooperation by international donors. Capacity building assistance may involve a range of instruments, such as: Organized and in-service training; Financing of workshops and seminars; Analysis of policy and strategy options; Support to reorganization or the establishment of new institutions; Development of administrative procedures for planning, priority-setting, etc.; Provision of flexible (e.g. performance-related) financing; Provision of advisers and consultants for catalytical tasks; and Support for staff development, including performance-based compensation (International Competition Network Working Group, 2003).

3.5 – Aid Management Evaluation and Human Capital

The main objective of Development is to serve human society. Most inventions through history – except military ones – were made with the purpose of making life a little easier. Henceforth, human beings are not only the reason for development, but are also the cause and the key means for its achievement. As a key means of development, human beings are a capital for the said development. Human capital is then an intangible asset; It is basically all of the competencies and commitment of the people within a country namely their skills, experience, potential and capacity. Some other intangible assets include: brand, software, design, working methods and customer relationships (Itzkoff, 2003).

Keeley (2007) summarizes human capital therefore as a person’s productive elements in some economic context. It is the stock of skills and knowledge embodied in the ability to carry out labor so as to generate economic value. Adam Smith (1776) in his book entitled An Inquiry into the Nature and Causes of the Wealth of Nations described four types of fixed capital: 1) useful machines, instruments of the trade; 2) buildings as the means of procuring revenue; 3) improvements of land and 4) human capital. To shun from stating the obvious and to the exception of “human capital”, the other three types of fixed capital have one factor that need to cause them, design them, direct and manage them, which is the human factor notably the human capital. Therefore, it could obviously be said that the greatest development tool is “human
capital” without which aid will not achieve its objectives or be effective. One typical example to illustrate this stance is the case of Japan (Forsberg, 2000). It moved from an aid-receiving country to become a leading donor of foreign aid. This was fundamentally achieved as its government started giving higher priority to human capital rather than physical ones. Receiving aid made a serious impression on Japan’s foreign aid policy in giving it the ability to be aware of the mind-sets and responsiveness of aid recipient countries. Its aid-giving mechanism and philosophy had been substantially influenced. Japan expressed support for the Western democracies’ efforts to promote “universal values” via foreign aid and introduced new aid procedures essentially centered on according more attention to political conditions, such as human rights and democracy, in the recipient countries. In 1991, Tokyo officially pledged to promote less tangible values, such as human rights and democracy, in aid-receiving countries rather than to promote merely more tangible physical capital investment in developing countries (Jansen, 2000; MOFA, 1991).

The ODA Charter is founded on the four core values: 1) environmental conservation and development should be pursued in concert, 2) any use of ODA for military purposes or aggravation of international conflicts should be avoided, 3) full attention should be paid to trends in recipient countries’ military expenditure, their development and production of weapons of mass destruction and missiles, their export and import of arms, 4) full attention should be paid to efforts for promoting democratization and the introduction of market-oriented economy, and the situation regarding the securing of basic human rights and freedoms in the recipient countries (MOFA, 1992). The Japanese government pointed out that the human resources development is the most crucial foundation for economic development in the recipient countries. As MOFA (1992) put it, a priority of Japan’s ODA is placed on assistance to human resources development which, in the long-run, is the most significant element of self-help effort towards socio-economic development and is a basic factor for the nation-building of developing countries. In 1992, Tokyo took appropriate measures when serious concerns were raised about human rights and the democratization process in aid recipient countries. Either aid was partially or fully suspended (MOFA, 1992).

Disch (1999) specifically expresses how donors and recipients workers on
same aid projects are remunerated and treated differently. Such a mismatch epitomizes the value accorded to workforces by both parties and sadly donors who do nothing to redress the inequality condone this regimen. Whether it is a continuation of the colonial social order or it is the normal way workers from different backgrounds ought to be treated can only be understood within the context of poor-rich countries relationship. Failure to integrate aid into the recipients’ national development management efforts is characteristically at the origin of most challenges that undermine foreign aid effectiveness. Johnston and Van de Walle (1996) conclude that for improvement to the effectiveness of aid to be made, African states’ aid resources management has to be integrated into the government’s development planning and budgeting. Foreign aid management has not changed the mismatched manner in which SSA human capital is undervalued. Unfortunately, advocates and aid proponents have not equally addressed this matter as a potential de-motivator that not only will affect work quality and work culture but will also affect aid effectiveness. While culture from either side of the aid transaction is important and of course mismatching, it cannot strictly be used as an excuse for aid failure. On the contrary, it ought to enrich aid management. However, it is an evident issue in literature that donors do not always respect recipient cultures. As alluded to under “Aid and Human Capital” and under “Aid and Management”, basic good management practices seem to be fundamental to achieving aid effectiveness. Beside culture-related elements such as motives and values, elements such as monitoring, aid absorption and debt management are management-related. However, political and/or ideological elements such as human rights, democracy and markets’ freedom degree provide a climate whether conducive or not to proper management practice.

This study considers as part of investigating the extent to which donor-recipient mismatches impact on aid effectiveness by examining a managerial perspective in two recipient Sub-Saharan African countries. It is of the utmost importance to note that by examining the extent to which donor-recipient mismatches affect aid effectiveness is a Business Process Review or a Business Appraisal as it considers stakeholders’ relationships and how those relationships impact on the business management, process and results.
3.6 – The conceptual model

Any research has an underlying model of the phenomena it investigates, be it tacitly assumed or explicit. Such models, called conceptual frameworks (Engelbart, 1962; Järvelin and Wilson, 2003) or conceptual models become topics of discussions and debates when a research area is in transition. Often two or more models are compared and debated. According to Engelbart (1962), conceptual models are made of: (1) the essential objects or components of the system to be studied, (2) the relationships of the objects that are recognized, (3) what kinds of changes in the objects or their relationships affect the functioning of the system - and in what ways and (4), goals and methods of research. Conceptual models are generally broader and more fundamental than scientific theories in that they set the preconditions of theory formulation. In fact, they provide the conceptual and methodological tools for formulating hypothesis and theories. The conceptual model of a research area is always constructed. A conceptual model is the "mental map" that a researcher builds in order to present information logically (Botha, 1989).

Järvelin and Wilson (2003) state that a conceptual model provides a working strategy, a scheme containing general, major concepts and their interrelations. It steers research towards specific sets of research questions. Therefore, conceptual models may and should map reality, guide research and systematize knowledge, for instance, by integration and by proposing systems of hypotheses.

The assumptions in the conceptual model are the focus of this research. The assumptions are as follows:

1- Foreign aid will be beneficial to Sub-Sahara African countries only in the measure that its management and decision-making process are based on sound and equitable business, managerial and ethical principles (Hansen & Tarp, 2000);

2- New management approaches might be required to either achieve success or to monitor existing successes (Berg, 2002);
3- The presence of new players such as China, India, Brazil or South Africa may change the balance of power within the SSA environment for better rather than complicating or exacerbating current relationships status quo (Berg, 2001);

4- Donors and recipients relationships have to be fairly and publically accountable through democratically representative governments (Abegaz, 2005).

These four assumptions and their underlying concepts for instance, strategic management approaches, good governance, public accountability, proper implementation and control processes, availability of alternative aid approaches are all interrelated and underpins the understanding of the extent to which foreign aid effectiveness is tributary to mismatches between donors and recipients.

The diagrammatic representation below (figure 10) shows a presumed position of different basic components of the conceptual framework. This framework portrays the aid management environment within a bigger international aid environment. More economical and political elements could be added however, for the sake of research focus, only elements – although non exhaustively presented – relative to the essence of the relationship between the two camps are portrayed. These elements or components could later be portrayed along various perceptions of status of each group by the other as the conceptual framework will be evolving following the actual field research. Economic and political elements such as sector subsidies, taxation structures, property or real estate laws have impacts as will later be reviewed for the sake of contextualization. Nevertheless, some mismatches could be attributed to the economic or political issues such as aid absorption capacity, impact monitoring and hidden motives to name but a few (Mogilevsky and Atamanov, 2008).
This preliminary framework is based and built as a result of an integrated observation of major factors or elements that would potentially affect aid effectiveness (Berg, 2002). Identification of further mismatches would proceed from the literature and importantly the findings of this study. Changes in any or all of these elements will affect foreign aid effectiveness; for instance, improving donor-recipient perceptions, managing donor-recipient expectations and gathering good management practices will improve relationships between both parties and thereby providing a winning environment for foreign aid. This is why this study is intended to be the outcome of research utilizing an approach based on theory building from case study.

3.7 – Conclusion

Management of aid does not only happen within aid-supported projects or program but start from policy choices made by both donors and recipients. These choices affect the manner in which recipient governments’ various ministries or sectors manage their resources. Management is therefore located at three levels as in
the corporate sector. At the top management level, the macro-economic level, strategic and administrative decisions and choices are made and taken. At the middle management level, the meso-economic level, tactical and regulatory mechanisms are designed to implement choices made by country leaders. At the lower or bottom management level, the micro-economic level, functional and operational activities are rolled out in all aid-supported programs/projects. Unfortunately, the major concern proceeds from the value accorded to local management by donor agencies; human capital, the real asset for development is drastically undervalued. Little or no credibility is afforded to local management to carry out development activities. As the key resource for managing development, capacity-building is very weak, reward and retribution mechanisms are unreliable, as a result, managers are discouraged and are driven on mass exodus to more developed countries.

It is paramount to remember that other than political and policy factors, contextual factors also determine management function and its quality in any recipient country. They will vary from one country to another yet general trends are similar. Contextual factors – just to name but a few – are (1), quality of employer-employee relationship; this is really the quality of human resource management (2), management ethics and belief system; in SSA, these are greatly influenced by religious beliefs (3), the effects of globalization and the multinational nature of business (4), level of management learning and knowledge management and (5), strategic flexibility. Strategic flexibility ought to be understood as the capability to identify internal and external changes and being able to act proportionally and responsibly for the benefit of the country.

For the sake of staying within the remit of this study, it is paramount to stress that understanding contextual factors is fundamentally capital in understanding mismatches between donors and recipients – at least, from a management perspective. Other areas of potential mismatches are aid management instruments or tools. Just as was the case with SAP, policy and management tools such as SWAPs and PRSPs, the question of process’ ownership remains by and large unanswered. Discussion forums at country level between donors and recipients have not proved to be helpful to joint management of foreign aid; as a result, local management capacity building suffers, no real coordination exists and donors’ choices are still imposed onto recipients. As a
result, mismatches between foreign aid donors and recipients could be broadly classified in three following groups corresponding to the three management levels described earlier:

(1) Ideological and strategic: mismatches at this management level could be based on politically different perceptions and practices (political system for instance) of the management function. They would therefore tend to be by and large intangible. These mismatches are determined by economic, geo-strategic and diplomatic choices. They establish power relations between donors and recipients and generally operates on a macro-economic level;

(2) Tactical or regulatory: mismatches at this management level would tend to be tangible as they are related to the design of detailed strategy and directions on various aid processes such as monitoring, reporting mechanisms and tendering are determined. They would be generally operating at a meso-economic level;

(3) Functional or Operational: mismatches at this micro-economic level would be mostly linked to the practice of the management function as influenced by societal or social construct differences. Some could even be a result of cultural (mindsets) perceptions. Other would relate to basic beliefs drivers such as religion and ethics. At this level there will be a great mix of both tangible and intangible mismatches.
Chapter 4 – Country Context: Cameroon and Tanzania

“The object of government in peace and in war is not the glory of rulers or of races, but the happiness of the common man.” – Sir William Beveridge (1942)

4.0 – Introduction

The complexity of social, economical and political conditions in the Sub-Saharan African region makes such research particularly challenging since there are continually lesser-established or defined ways to responding to the somewhat elusive question of foreign aid effectiveness. Although aid effectiveness has been heavily measured and researched in relation to poverty alleviation and economic growth by the World Bank, addressing it has been probably one of the greatest challenges of the past century (Hauge & Kusek, 2004). Aid management is an important piece of the puzzle insofar as aid effectiveness is concerned. Management quality could be considered as a fair predictor of the direction of a country economic and social growth has taken. Foreign aid management function in Cameroon and Tanzania is exercised against a backdrop of endemic corruption, inexistent democracy, weak judiciary and a history of very little evident economic development.

Without stepping ahead of the findings of this study, it is wise to outline that aid management is a piece of the public management puzzle of any recipient government. Sir William Beveridge (1942) concludes that the key concern of governments in all countries is the happiness of the common man. The tool that governments use or ought to use is management to achieve the happiness of the common man. It is also logical to realize that a recipient’s government which is good in managing foreign aid will be equally good at managing its public pursuit of common good for its citizens – and vice versa. Public management is understood according to Mark Schacter (2008:3) as the sum of “Activities, structures, processes, procedures, rules, norms and incentives established within the public service that facilitate, monitor and control the direct or indirect production of outputs by the public sector.” Schacter (2008) believes that public management contributes to the fulfillment of outcomes but it cannot fully control either their realization or their quality. This is because it is generally subjected to various pressures, internal and
external. In the area of foreign aid, such pressures have been abundantly documented and researched – on aid processes, on aid institutions and, on aid monitoring and evaluation. Social and economic outcomes are specifically the ends that public management serves. Then the means to those ends are (i), the financial and human resources that public management has to work with (“inputs”), (ii), the activities supported by the inputs and (iii), the outputs that result from the said activities.

4.1 – Cameroon and Tanzania Profiling

These two countries choice was informed by their differences namely, their official languages, population profiles, political histories and contexts as well as their current socio-economical systems. They have both not known great civil unrests and have had some degree of democratization. In general terms, Cameroon and Tanzania have been considered as good scholars by various International Financial Institutions (IFIs) particularly, the World Bank, The International Monetary Fund and the International Finance Corporation (Fayissa & El-Kaissy, 1999). This choice was deliberate and purposive in view of understanding the underpinning mismatches between donors and recipients in exploratory studies. Tanzania has a population size (Ca. 41 million) just over double that of Cameroon (19 million).

The research methodology choice for these two countries is fully discussed in the following chapter. In a nutshell however, it could be said that the choice of a qualitative research paradigm was purposive and not probabilistic, representative of the issue rather than the population and ideographic, rather than nomothetic. Moreover, the choice of interviewees within each country is equally purposive in that it intends to draw experiences from a wide variety of people chosen within the donor-recipient mismatches’ context. Other than methodological consideration, the target population was also chosen for logistical and financial reasons. Methodological considerations are essentially related to the unique nature of each country and the desire to go beyond the “observables” using Realism as a research philosophy.
<table>
<thead>
<tr>
<th></th>
<th>Cameroon</th>
<th>Tanzania</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GDP/PPP</strong></td>
<td>$39.37 billion (2007 est.)</td>
<td>$48.94 billion (2007 est.)</td>
</tr>
<tr>
<td><strong>Per Capita Average</strong></td>
<td>$2,100</td>
<td>$1,300</td>
</tr>
<tr>
<td><strong>Real growth Rate</strong></td>
<td>3.3%</td>
<td>7.3%</td>
</tr>
<tr>
<td><strong>Inflation</strong></td>
<td>0.9%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Unemployment</strong></td>
<td>38% (2009 est.)</td>
<td>Not known</td>
</tr>
<tr>
<td><strong>Arable Land</strong></td>
<td>13%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Agriculture</strong></td>
<td>Coffee, cocoa, cotton, rubber, bananas, oilseed, grains, root starches; livestock; timber.</td>
<td>Coffee, sisal, tea, cotton, pyrethrum (insecticide made from chrysanthemums), cashew nuts, tobacco, cloves, corn, wheat, cassava (tapioca), bananas, fruits, vegetables; cattle, sheep, goats.</td>
</tr>
<tr>
<td><strong>Labor Force</strong></td>
<td>6.86 million; agriculture 70%, industry and commerce 13%, other 17%. Industries: petroleum production and refining, aluminum production, food processing, light consumer goods, textiles, lumber, ship repair.</td>
<td>20.04 million; agriculture 80%, industry and services 20% (2002 est.). Industries: agricultural processing (sugar, beer, cigarettes, sisal twine); diamond, gold, and iron mining, salt, soda ash; cement, oil refining, shoes, apparel, wood products, fertilizer.</td>
</tr>
<tr>
<td><strong>Natural Resources</strong></td>
<td>Petroleum, bauxite, iron ore, timber and hydropower.</td>
<td>Hydropower, tin, nickel, phosphates, iron ore, coal, diamonds, gemstones, gold, and natural gas.</td>
</tr>
<tr>
<td><strong>Exports</strong></td>
<td>$3.236 billion f.o.b. (2005 est.): crude oil and petroleum products, lumber, cocoa beans, aluminum, coffee and cotton.</td>
<td>$1.581 billion f.o.b. (2005 est.): gold, coffee, cashew nuts, manufactures and cotton.</td>
</tr>
<tr>
<td><strong>Imports</strong></td>
<td>$2.514 billion f.o.b. (2005 est.): machinery, electrical equipment, transport equipment, fuel and food.</td>
<td>$2.391 billion f.o.b. (2005 est.): consumer goods, machinery and transportation equipment, industrial raw materials and crude oil.</td>
</tr>
<tr>
<td><strong>Major Trading Partners</strong></td>
<td>Spain, Italy, UK, France, U.S., South Korea, Netherlands, Nigeria,</td>
<td>India, Spain, Netherlands, Japan, UK, China, Kenya, South Africa, UAE and</td>
</tr>
</tbody>
</table>
Table 13: Comparison table Cameroon & Tanzania – Selected economic facts. Source: Infoplease 2009

It is paramount to mention that developing countries broadly share some common characteristics as summarized by Todaro and Smith (2003):

(i), low standards of living characterized by low incomes, large inequality, poor health, and inadequate education  
(ii), low levels of productivity  
(iii), high rate of population growth and dependency burdens  
(iv), substantial dependence on agricultural production and primary-product export  
(v), prevalence of imperfect market and limited information and  
(vi), subordination, dependence and vulnerability in international relations.

The two case studies are tropical countries with high population in the interior and low population in coastal regions. However, they both have got sea-based trade access to international markets which is an advantage compared to inland countries that were traditionally believed to grow slower although nowadays, railroads, automobiles, air transport and telecommunications have reduced the said advantages of coastlines relative to hinterlands (Gallup, Sachs and Mellinger, 1999). Cameroon and Tanzania are very different countries, but they are faced with some of the recurrent and common problems to many SSA countries and do therefore qualify to be good case studies for the purpose of this study: they have got high rates of poverty, corruption, clientelist politics, and weak national institutions. Both are ‘hybrid states’; exhibiting differing levels and forms of capacity, ranging from features of the command-hierarchy model to the types of relational capacity associated with the influence-network approach, which can be a source of tension. Most scholars agree that all states, including advanced capitalist states, demonstrate considerable inequality in capacity across functions and jurisdictions (Skocpol, 1985; Weiss, 1998). They are however very different because their natural resources, histories, leaders and societies are not the same. Nevertheless, in both countries national legal institutions remain weak, and so decision-making and political legitimacy are influenced as much or more by patrimonial thinking – rooted in deep social structures
– than by notions of good governance and democracy. This socio-political landscape influences economic policy and whether politicians effectively prioritize and address poverty (Robinson, 2008).

Tanzania is more agricultural than Cameroon, yet more than three-quarters of both countries’ populations depend on the land, mostly in subsistence farming. Poverty is so much widespread that opportunities are scarce and countries’ vulnerability to shocks is extremely high. In the past decade, cities have grown extensively in both countries – in Cameroon relatively more than Tanzania – as people try to escape rural poverty, making them larger and poorer than before. Additionally, Cameroonian oil revenues – which could have been spent to improve livelihoods – have been squandered in influencing politics and policies, and incentivize politicians, much more than gold revenue does in Tanzania. Generally this is reflected in corruption indexes, which appears far worse in Cameroon at all levels of society than in Tanzania. In both countries however, conflict is sporadic; in Cameroon it was generally confined to the Bakassi peninsula before it was ceded by Nigeria in 2008, in Tanzania, conflict is largely confined to Zanzibar, where ethnic-religious divisions have become politicized; a much more serious than it was in Cameroon. Pro-poor policy has been revitalized in both countries recently, and progress appears to be made slowly. In practice, tackling poverty in both states requires infrastructural development, opportunities’ improvement and human capital development, institutional and mentality change, establishment of effective civil services, and visionary leadership (Mulinge and Lesetedi, 2001; Robinson, 2008).
Almost all items suggested to tackle poverty require either human capital management or management of various resources. Foreign aid as an important resource for recipients ought to be managed effectively. In figure 11 above and figure 12 below, Cameroon and Tanzania have followed generally the same trend of aid received as the rest of SSA. However, aid disbursed in Cameroon has dropped considerably in the last couple of years in contrast to Tanzania.

Figure 11: Aid to Cameroon & Tanzania – Comparative time series (OECD, 2010)
4.2 – Cameroon: Country Context

4.2.1 – Historic Context

Cameroon derives its name from Rio dos Camarões – Portuguese for “River of Prawns” – as referred to by Portuguese sailors when they reached the coast in 1472 because prawns and crayfish were abundant in the Wouri River. In 1884, Germans claimed the territory as “Kamerun”, their colony and, started pushing inland through infrastructure development projects relying on forced labor. France and Britain took were granted a portion of the land by the League of Nations in 1919 following the defeat of Germany in World War I. France carefully integrated “Cameroun” economy with its own and improved the infrastructure with capital investments, skilled workers, and continued forced labor. Britain administered their “Cameroon” from neighboring Nigeria. Natives of British Cameroon complained that this made them a neglected "colony of a colony". On January 1, 1960, Cameroun gained independence from France, and on October 1, 1961, the Southern Britain-administered Cameroon united with its neighbor to form the Federal Republic of Cameroon. In 1972, the
federal system of government was abolished in favor of a United Republic of Cameroon (Infoplease, 2009).

4.2.2 – Cameroon Political Economy

It is a well-known fact that foreign aid is a paramount source of finance to a great number of developing countries since it sustains the budgetary process and therefore assumedly enhances the development of these countries. Tabi (2006) shows that in Cameroon government spending and tax revenue responded positively to aid flows from 1965 to 2002. His study also provides evidence that aid flow leads to greater tax efforts. To achieve this, he examined the extent of aid fungibility as a contributing factor to aid fatigue in donor nations as well as raising concerns over aid’s effectiveness. The question posed by Tabi (2006) is one of knowing what does aid ultimately finances in Cameroon or what form of public expenditure is supported by donor funds? This is precisely important as some public spending have direct link with particular macroeconomic variables like productivity and growth than others. Hansen and Tarp (2001) and later, Erixon (2005) show that the focus of the aid effectiveness debate is on evaluating the impact of aid on growth. However, notwithstanding the increasing centrality of poverty reduction as the key objective of foreign aid, the empirical literature seeking to evaluate the functionality of aid on poverty and human wellbeing is sparse and weak (Feeney, 2005). Growth is often perceived as the main driver of poverty alleviation and for that reason assumptions of the impact of aid on poverty are generally drawn from the impact of aid on growth. It is possible for aid to reduce poverty by other channels than growth. For example, project aid benefits poor people directly or alternatively, it can have an indirect effect by financing government spending areas that are likely to benefit the poor.

While Burnside and Dollar (2000) find that aid achieves growth only in good policy environments, Kosack (2003) later finds that aid can directly increase welfare in democracies. However, there is strong evidence from numerous studies that foreign aid has an indirect impact on poverty and wellbeing through its impact on pro-poor

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Cameroon is a 469,440 sq km, 19 million strong population Central African nation on the Gulf of Guinea, bordered by Nigeria, Chad, the Central African Republic, the Republic of Congo, Equatorial Guinea, and Gabon. The highest elevation in the country is Mount Cameroon (4,069 m), near the coast. The main rivers are the Benue, Nyong and Sanaga.

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expenditures of recipient countries (Mosley and Hudson, 2001, Gomanee et. al., 2003). One difficulty however, is to pinpoint the effects of aid from the impact of other government expenditures as aid supplements budget. Roberts (2003) finds that there is a general perception that aid has very modest impact on growth and poverty reduction as successive governments directed little resource towards the social sectors. Foreign aid can boost development and growth as long as it funds the expansion of crucial investments in sectors such as education, health or infrastructure. Paradoxically, even when aid funds expanded consumption such as wages/salaries for teachers and health workers, it can prove to foster economic progress. Additionally, Maipose (2004) argues that aid leads to increases in government investment rather than consumption.

In Cameroon, economic development has passed through three key stages phases. From independence in 1960 to 1985, the economy grew remarkably due to oil exploitation and a sustained agricultural production supported by strong world market prices. The government was able to fulfill its revenue needs while concurrently providing social services to the population, following sustainable and consolidated public finances. From 1986, much of the progress achieved in the previous two decades was undone due to decreasing export earnings that came as a result of a fall in oil and other export prices. Budget deficit increased regardless of many remedies to reduce public expenditures in view of increasing revenue and reducing budget deficits. To address these structural problems, the country signed up a stand-by agreement with the IMF in September 1988 and a structural adjustment loan in June 1989. The Structural adjustment program (SAP) was to address the country’s structural problems and external shocks. Amin (1998) found that the SAP did not noticeably improve the economy despite reductive measures in public expenditure, restructuring and privatization of some public assets and institutional reforms.

A look at Cameroon’s expenditures provides some interesting features:

1) From the sixties both expenditures increased, with the current expenditures reaching a peak of thirty-one percent of GDP in 1987 and investment expenditures reaching a peak of about nine percent in 1984.

2) Investment expenditures were much lower than current expenditures.
3) Investment expenditures were reduced to about two percent of GDP in 1987 and current expenditures were reduced later in the nineties. However, the government has been reluctant to restrain current expenditures and reform non-productive state assets, making the investment element of expenditures bear the burden of adjustment. This reflects a political position that tried to derail the adjustment process although it was easier to first cut the investment expenditure.

Cameroon’s experience has nothing to depart from that of other developing countries as they find it easier to reduce capital or investment spending than to reduce current spending. In practice, cutting investment expenditures is a ‘softer’ option compared to reducing current spending during periods of fiscal austerity. Nevertheless, expenditures and budgetary revenues experienced increasing trends as from the mid nineties with an improvement of the economic situation. Tabi et al. (2006) note that the decade from the mid eighties to the mid nineties has been characterized by deep social and economic crisis as opposed to the half decade from 1995 to 2001 considered as years of hope. The monetary adjustment through the CFA Franc of January 1994 coupled with other good economic policy choices managed to achieve some reversal of drift.

Official development assistance as defined by the Development Assistance Committee (DAC) of the OECD has been part of post-colonial Cameroon budget. On average, aid loans to Cameroon has been at a rate of five percent of GDP dropping to a low of 1.8 percent in 1987 and reaching a peak of eleven percent in 1994. Although the trend has been generally volatile, the share of aid to budget has steadily increased beyond 2001 in tandem with an overall aid increase (Maipose, 2004). Schuftan (1991) remarks that most foreign aid donors are apparently becoming legitimately devoted to the idea that development in poor countries should start from the rural spaces. Unfortunately, considerable amount of development funds invested in rural projects are channeled by donors through recipients’ local governments (generally defending local bourgeois interests) that are generally not as dedicated to the principle of rural development as donors’ investors. Additionally, recipients’ governments often make policy choices that – unwisely directly or indirectly – expropriating the surpluses generated by primary sectors particularly agriculture and investing them in the other
economic segments. As a result, poor people in the rural parts of the country bear the cost of overall national development. One can assume that a potential conflict between the peasantry and the state was avoided, prevented, or postponed in part through the above-mentioned “balancing” effect of foreign aid-rural discontent has been kept down. Schuftan (1991) goes on to contend that this state of affairs has specifically turned foreign aid earmarked for rural development into investment to cover gaps left by an internal system of disproportionate returns to production in agriculture thereby indirectly financing the development of the other economic sectors, even if this result is unintended. A poor quality of development is achieved known as maldevelopment without rectifying the basic exploitation process of peasants, which lies at the core of underdevelopment. Claudio Schuftan eloquently defends this hypothesis using data from a primarily agricultural exporting country namely, the United Republic of Cameroon. “Maldevelopment” refers to quality while underdevelopment is linked to quantity.

![Figure 13: ODA to Cameroon time series – Source: OECD, 2010](image)

In Figure 13 above, for the sake of illustration, considering that the difference between foreign aid disbursed in the sixties and after 2000, the amount of aid had
been divided by a factor of one hundred thousand to re-scale the graph, it portrays that aid is ever increasing in keeping up with the global aid disbursal trend.

According to the Cameroonian government, for two post-independence decades, Cameroon had enjoyed a somewhat moderate and steady economic growth, sustained by its export-oriented agricultural sector. However, one key concern has been Cameroon’s recurrent failure in infrastructure projects due to corruption and mismanagement (Ateba-Eyene, 2008). The government used oil money to create a national cash reserve to pay farmers, civil servants and finance major development projects; however, many initiatives failed due to appointment of unqualified managers heading them. From the mid-eighties to the late nineties, a major economic crisis came up as a result of poor international economic conditions, drought, falling petroleum prices, years of corruption, mismanagement, and least cronyism. Subsequently, Cameroon turned to foreign aid, cut government spending, and privatized industries. The World Bank classifies Cameroon as a lower-middle-income country. Cameroon has received since its unification in 1961 significant amounts of foreign aid, mostly from France and the European Economic Community. In Cameroon, aid flow has been highly volatile than the average for Sub-Saharan Africa (Kahn and Amia, 2004).

Mbaku (1993) notes that there has been somewhat significant economic growth since 1960 with an average annual growth gross domestic product of 5.1% until 1980, and slightly less at 2.3% between 1980 and 1990. He found that Cameroon is a good test case for measuring the effects of foreign aid on economic growth in developing countries. The relationship between foreign aid and economic growth was tested using a preliminary econometric model, based on the neoclassical production function. The said function used time-series data on Cameroon from 1971 to 1990. It was found that domestic resources have a stronger impact on economic growth than foreign resources. These findings however, ought to be taken with the consideration that the data suffer from some measurement problems typically, the time period is relatively short, and that estimated coefficients might suffer from specification and other problems. Cameroon’s Government had to design economic policy that facilitated redirection of domestic resources for the socio-economic development of the country. Cameroon case is a true confirmation of Dalgaard, Hansen and Tarp
(2004: 211) findings’ conclusion that

“Our results show that, in many countries, aid has had a significant positive impact on productivity. At the same time it should be recognized that aid is not a panacea for poverty reduction. Ultimately, aid in itself will not ensure convergence but it can stimulate the process. These conclusions are, we believe, commonly accepted among academics working on the topic”.

It epitomizes classical fungibility alongside endemic corruption. In 1999, Transparency International called Cameroon the most corrupt country in the world. Surveys are repeated every year, and since then Cameroon has moved in front of some 30 other countries, but still just a few tenths of a point from the bottom. It is endemically affected by both high levels corruption and petty bribery with the police being the most likely recipients of such bribes (Transparency International, 2009). Unfortunately – as Tim Hartman (2008) of the US Peace Corps Cameroon expressed in his personal capacity – “corruption has worked its way into the development and non-profit sector”. A great number of charitable organizations are not created to do good but rather to access some pots of fund. HIV/AIDS projects and groups particularly respond to this purpose. Foreign donors willing to give money are not interested in doing the legwork; unfortunately, not very much of this money gets to serve the intended purpose. Advice given to certain people looking for finance to support activities not clearly charitable is: “Start a Community Group.” It’s the way of life in Cameroon, a cycle and a Catch twenty-two. Although Cameroonian are conscious that their country can’t advance with this much corruption, yet everyone thinks they need to join in to get ahead. This status quo has seriously undermined public management generally and foreign aid management particularly. Moreover, the existence of a two-tier system of human resource management namely, local versus expatriate within the same context of making aid effective had done no less arm as it is viewed as a continuation of the colonial regime. As a good scholar of the World Bank, Cameroon has experience every single macroeconomic remedy3 for growth and poverty alleviation proposed or at times imposed by the Bretton Woods institutions or other International Financial Institutions. It has got the hallmarks stereotyped to African countries: poor resource management, lack of democracy, lack of social

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3 Some macro-economic remedies: SAPs, NEPAD, PRSPs, APRM
justice, high unemployment, rampant corruption, high raw material export level and high value-added goods import level – to name but a few.

4.2.3 – Cameroon Aid Management

Cameroon aid environment is dominated by structural adjustment or by the attainment of the completion point, and as a result, the harmonization process did not make any noteworthy progress until 2005. This process requires several stages ranging from the exchange of information to the integrated approach of government budget support, including devolving cooperation from one cooperation agency to another; every management level get involved. Auclair (2006) finds that the harmonization and simplification of procedures may, for instance, involve going from project-aid high transaction costs, to a sectoral or macroeconomic program-aid, which allows agreement on certain objectives, donors’ involvement and recipient’s government itself. Recipient’s management function has to be able to deal with both local and foreign leaderships. Due to management quality, most donors increasingly tend to shun from project aid approach by participating in Sector-Wide-Approach (SWAPs) programs through budgetary support, which have a reputation for effectiveness. These sectoral approaches make up an excellent way both to align the processes with those of recipient countries and to harmonize them among donors. In 2005, for instance, members of the Multi-Donor Committee (MDC) agreed on a common understanding of mechanisms for applying SWAPs.

Unfortunately, joint analytical support linked to the country’s priorities still remains at an embryonic stage; the recipient is still not in control of its destiny. The World Bank (2006) conducted a Public Expenditure Management and Financial Accountability Review; its results were shared with foreign partners and discussed with various recipients’ government. An important Paris Declaration aspect to mention is “management centered on performance”, which stipulates that it is necessary to manage the resources and to improve the decision-making process with a view to obtain good results (Paris High Level Forum, 2005). This is nothing new insofar as effective management is concerned. It also stipulates “Donors and recipient countries are accountable for the results obtained as regards development” (indicator 12); needless to reiterate that these “eureka” for the Paris Declaration are nothing new
or unique in management terms. As a matter of fact, external partners jointly drew up an inventory of the Paris Declaration indicators on Aid Effectiveness in Cameroon in 2005. As a result, the Cameroon government and its partner – the UNDP – jointly launched an independent evaluation of aid to examine the mechanisms of existing partnership, and to identify an action plan for enhancing the effectiveness of development in accordance with the Paris Declaration. The resulting report was finalized in July 2006, and presented to the government and its foreign partners. Cameroon agreed to jointly follow the recommendations that emerged from the discussions sponsored by ODI between its government, foreign partners, and the civil society (AFRODAD, 2006).

Recommendations to the government of Cameroon include:

- Create a unit to manage responsibilities aimed at encouraging the implementation of the Paris Principles, and for preparing aid policy and its implementation;
- Ensure the stability of officials participating in technical meetings between donors and the government, and representatives of their respective services, for reasons of effectiveness;
- Create a program for the formulation of aid policy; the potential coverage of such a policy is outlined in the report;
- Improve coordination with donors and between different ministries;
- Improve transparency and public finance management; this would motivate donors to grant more aid to the country;
- Integrate Medium-Term Expenditure Frameworks (MTEFs) in the budgetary cycle for the ministries that have not yet done so;
- Promote the SWAPs wherever possible, i.e., consultative approaches based on the PRSP and the support of sectoral plans;
- Pursue PRSP revision based in the participative process involving civil society and the private sector;
- Parliament as an institution should in future be further involved in the PRSP process, with a view to ensures that a greater consistency exists between the PRSP and the budget.
Recommendation to Cameroon’s donor partners include:

- Intensify efforts on the sectoral level to create the necessary conditions conducive to the development of swaps in the sector in which there are not as yet;
- Create an environment likely to attract budgetary support;
- Keep on developing arrangements for missions and joint evaluations;
- Orient aid toward the realization of the majority of Cameroon’s priorities;
- Develop arrangements for “a common fund” in project financing;
- Make sure that conditionalities are reasonable;
- Encourage mutual responsibility and ensure the predictability of aid in order to bring some projects and programs to completion;
- Develop a common position for the work that remains to be done in order to stimulate a greater donor alignment with national priorities;
- Donors should not be satisfied only with harmonizing their aid among themselves, and aligning it with the priorities of partner countries to make it more effective. It is also necessary for them to increase the amounts of aid grants appreciably. This increase should hover around the ceiling of 0.7% of their respective GDPs to which they committed themselves to achieve in 2002, or to put in place innovative financing mechanisms.

Moreover, in 2006, the World Bank developed a score map – a management tool – of Cameroon’s development effectiveness with a view to monitor the implementation of the country’s development effectiveness matched by the Paris Declaration. The World Bank uses this score map for a better interpretation of the objectives and commitments of the Paris Declaration in the projects and programs supported by the Bank, including those already implemented (World Bank, 2006).
4.3 – Tanzania Country Context

4.3.1 – Historical Context

The United Republic of Tanzania was formed in 1964 out of the union of the mainland territory of Tanganyika and the coastal archipelago of Zanzibar. Tanganyika was part of German East Africa from the 1880s to 1919, when, under the League of Nations, became a British mandate until independence in 1961. It also served as a military outpost during World War II, providing financial help, munitions, and soldiers. Zanzibar however was settled as a trading hub, subsequently controlled by the Portuguese, the Sultanate of Oman, and became a British protectorate towards the end of the nineteenth century (Hyden, 1980). It is worth mentioning that in 1990 a coalition of ethnic and cultural groups of Zanzibar demanded a referendum on independence on the basis for their unification with Tanganyika was no more valid –

“A dead ideology of socialism – that transformed Zanzibar from a bustling economic power to a poor, neglected appendage”. Unfortunately, their demands were neglected (Skinner, 2005: 19).

At independence, Tanzania was relatively socially homogeneous as compared to most other African countries. More that eighty percent of its population lived in the rural countryside areas. Rist (1997) notes that none of the 120 different ethnic groups dominated the others, and with Swahili as the dominant language of communication – a lingua franca – a common identity was possible to achieve. He notes also that President Julius Nyerere, a key player in Tanzania getting its independence, was widely respected leader by both Tanzanian and donors on the international scene. President Nyerere was respectfully referred to as Mwalimu – “the teacher” and his policies were greatly supported by the World Bank and its former leader, Robert McNamara. Original ideas for development were tried and/or tested in Tanzania for decades. Nyerere’s philosophy was a form of “willing austerity based upon discipline at work and equality of distribution” (Rist 1997:131) wherein the country ought not to

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4 Tanzania is in East Africa on the Indian Ocean. It is bordered by Uganda, Kenya, Burundi, Rwanda, D.R. Congo, Mozambique, Zambia, and Malawi. Tanzania contains three of Africa’s best-known lakes—Victoria in the north, Tanganyika in the west, and Nyasa in the south. Mount Kilimanjaro (5,895 m) in the north is the highest point on the continent. The island of Zanzibar is separated from the mainland by a 35-kilometer channel.
reach the stage of mass consumption in Rostow’s theory of the stages of economic growth, which was a dominant theory at the time. His philosophy pursued poverty alleviation by self-reliance and redistribution as an economic growth expression. In the Arusha declaration, Mwalimu Nyerere declared:

“… But it is obvious that in the past we have chosen the wrong weapons for our struggle, because we chose money as our weapon. We are trying to overcome our economic weakness by using the weapons of the economically strong – weapons which in fact we do not possess. It is therefore a complete illusion to think that money will solve the problems, for the simple reason that it is not available; it comes from taxes, and these cannot be increased...It is stupid to imagine that we shall rid ourselves of our poverty through foreign financial assistance rather than our own financial resources…”

(Arusha Declaration, 1967:2).

In the Arusha Declaration (1967:4) Julius Nyerere also stressed that

“Foreign aid is a danger to independence ... even if it were possible for us to get enough money for our needs from external resources, is this what we really want? Independence means self-reliance... there is no country in the world which is prepared to give us gifts and loans, or establish industries, to the extent that we would be able to achieve all our development targets…”

He realized that counting on foreign aid is a wrong choice for a country’s future.

4.3.2 – Tanzania Political Economy

Aid flow to Tanzania from various donors has been very generous in comparison to other African countries yet; in 1998 Tanzania was ranked as the third poorest country in the world (Human Development Report 1998). Tanzania’s very first development plan for the period 1960–65 was donor-funded at almost eighty percent, close to half of which came from the United Kingdom:

“A new form of domination through giving” (Rist 1997:126, 134).

A decade later, around 1977, Tanzania’s development budget was aid-funded to a tune of about sixty 60 percent. Rist notes that:

“It was the sympathy evoked by the Tanzanian experience which helped to
Two decades later, in the nineties, Tanzania was second only to Mozambique in its dependence on foreign assistance from OECD countries (EIU 1997). Nowadays, due to a generally decreasing aid/GDP ratio, poor recipients performance and donor fatigue, aid flow to Tanzania has drastically fallen. Paldam (1997) notes that Tanzania failed to reach its development objectives and as a result its population has the same living standards as in 1965. The question is really to know what went wrong in Tanzania. Perhaps it was due to aid large inflow or wrong strategies or even, bad implementation strategies. One sure thing is that governance had a great role to play in this foreign aid supported development failure. Another claim would be both donors and Tanzania failure to jointly coordinate aid plans/projects. In view of major contributory efforts in funds and expertise made by various donors, Tanzania development is one of the greatest aid fiascos in Africa. That is, of course, a counter-factual question: one is faced with a “chicken and egg problematic” in judging how Tanzania would have fared without aid. It might well be that Tanzania would have been even worse off (Rist, 1997).

In the eighties and nineties Tanzania was in some economic reform process (EIU 1997). That process was preceded by an economic decline in the late seventies and early eighties. Compared to the period 1970–76, when the annual growth rate was 5.1 percent, the growth rate dropped to 1.2 percent during 1980–85. By 1984 the inflation rate had reached 44 percent, additionally external and international deficits rose considerably (Bagachwa et al. 1997). Chege (1994:266) states that in Tanzania the development efforts have “Been paved with the best of intentions”.

Nevertheless, some positive steps for reform were taken in the eighties aiming at mobilizing domestic resources that resulted in the birth of the National Economic Survival Program (NESP). Concurrently, a Structural Adjustment Program (SAP) was adopted involving internal and external trade liberalization, budget and investment cuts and a limited degree of monetary devaluation (Chege 1994). Unfortunately, these tenuous efforts could not trigger any desired economic turnabout. Just slightly over a third of expected aid was disbursed by donors in support to the SAP, as they grew
skeptical of the Tanzania Government commitment willingness to addressing the real problems, and reduced their aid sharply in the early eighties. Bagachwa (1997) and Chege (1994) went on to conclude that the failure of NESP and SAP, further economic decline, growing disgruntlement among the populace, and pressure from the donors all led to Julius Nyerere’s resignation as President in 1985. Subsequently, Tanzania made concessions to market-driven solutions possible. In the mid eighties, Tanzania was forced by its supporting donors to join the IMF and the WB. In 1986, it entered an Economic Recovery Program (ERP) with its new Ali Hassan Mwinyi although there was no agreement to join a liberal, market-based economy. These first reforms helped as stated by Mans (1994:354)

“Jumpstart the stagnant economy, [and] the role of more reform-minded technocrats increased significantly by the late eighties”.

The World Bank (1998:6) defines aid as official development assistance (ODA) that refers to financial flows made of grants plus concessional loans wherein the grant component makes a quarter of the whole package. The argument has generally been of including other forms of financial flows but their share is so minimal that it seems unnecessary to consider. Chang et al. (1998) question traditionally used measures of aid such as ODA, which piece together grants and loans, and then present it as reflecting true aid flows. Chang et al. propose “Effective Development Assistance” (EDA) as a better measure of aid as its measures official aid as the sum of grants and the grant equivalents of official loans. In practice however, EDA for Tanzania has not been available, but the difference between ODA and EDA in general is much smaller for Africa than it is for Latin America and Asia: 10% less than ODA for Africa (Chang et al., 1998). Tanzania has had a fairly independent judiciary and a relatively good human rights record despite regular reports of police abuse of human rights, arbitrary arrests, prolonged detention and inefficiency of the judicial system caused by corrupt officials (US Department of State, 1996). In April 1990, as a response to various external pressures and general wind of change, the Presidential Commission encouraged multiparty political system. Unfortunately, no credible opposition to the Chama Cha Mapinduzi (CCM) party was established on Tanzania’s the mainland. B.U Mwansasu (1996:71) explains this as a result of long-lasting tradition of one-party dominance,

“Where the very notion of organized opposition was considered treacherous
Nonetheless, political reforms were effected, and the single-party age ended in June 1992 with the emergence of a multiplicity of opposition groups that brought no real threat to the CCM’s position, except on Zanzibar Island. Mwinyi’s Presidential term was regarded by most Tanzanian as weak and accused him of escalating corruption that resulted into political scandals. Nyerere condemned him for incompetence and saw the economic reform process under his rule as an “unplanned retreat from socialism”. Donors also condemned “irregular activities” by the Ministry of Finance (EIU 1997:7).

It is paramount to note that following the process of political liberalization; divisions have emerged as in many other African countries and the ties that hold the Tanzanian state together seem to have loosened up. As a result, Mwansasu (1996) finds that there has been increasing division between the mainland and the islands; between Muslims and Christians; between the indigenous groups and Asians; and between Zanzibaris of African and of Arab ancestry. Although the CCM transformed itself into a political mass party and embraced market-based economic reforms and a multiparty political system, its ethos expressed through its slogans of socialism and self-reliance from the Nyerere era seem to be alive and well, and large factions within the party appear unconvinced of the ‘blessings’ of liberalizing reforms. New political parties failed to form a united front capable of challenging the CCM hegemony as most were motivated by personal political ambitions or led by old-breed CCM politicians – or “yesterday people” as Mwansasu (1996:67) calls them.

The Zamzibaris political state of affairs has perhaps been the hottest political issue in recent years. The 1995 elections on Zanzibar were seriously criticized by International observers as well as aid donors for serious irregularities in the polling process, and questioned the re-election of the then CCM president on Zanzibar, Salmin Amour Juma (US Department of State 1996). Subsequently, Norway decided to withdraw support from new projects on Zanzibar until a solution was found to the political problem on the island. This has been a most peculiar case for the Union Government as much as for the donor community – which has applied a kind of partial conditionality towards the island while continuing a normal aid relationship
with the mainland. There has been a slight improvement since the 1995 elections following a tacit understanding between the donor community and the Tanzanian Government to renounce from pressurizing the Zanzibari government into compliance as this would lead widening of existing fissures between Zanzibar and the mainland or strengthening secessionist forces on Zanzibar and thereby putting in jeopardy the future of the Union. Finland however, was the only Nordic country that pursued a bilateral aid program with Zanzibar after the 1995 elections but decided in spring 1999 to withhold further aid to the island until the conflict between the CUF and the CCM was resolved. The Scandinavian admiration of Tanzania’s development philosophy – Ujamaa – is best known as “Tanzaphilia” and its reciprocal as “Nordiphilia” (Mushi, 1995:226). Norwegian development assistance to Tanzania started in 1962 between the independences of Tanganyika (1961) and Zanzibar (1964) but an elaborate country program was conceived only later. Norway was the first country to sign up a bilateral agreement – in 1966 – an economic support for a vaccination program in Mbulu, in the Arusha region immediately followed by a more extensive agreement in 1968 (Tanzania Country Study and Aid Review 1988:200). The first two decades after independence saw a drastic increase in total bilateral aid to Tanzania followed by a short decrease in the mid eighties until the volume started to rise again after an IMF agreement was entered in 1986. At its highest disbursal, Norway’s aid to Tanzania went just over 20 percent in 1990 (Tanzania Country Study and Aid Review 1988:201). But even though bilateral aid represents a large proportion of all aid to Tanzania, the World Bank and the IMF seem to have exercised much more influence. Tore Linné Eriksen wrote:

“Tanzania’s time as a popular cooperation country seems definitely to be gone. Instead, “aid fatigue” is discernible, and seems to be noticeable among politicians and the administrative leadership of the Ministry of Development Co-operation. Those who are first and foremost preoccupied with the “effectiveness” of aid do not have so many projects to refer to. For the private sector Tanzania is not very attractive, and the more radical part of public opinion is more concerned with southern Africa and Latin America. In sum, this has resulted in Tanzania having lost its special place in Norwegian development co-operation” (Eriksen 1987:132, author’s translation).

Although there is a clear mismatch between Norway and Tanzania so far as the
expected aid outcomes are concerned, Tanzania remains one of the biggest and most important recipients of Norwegian aid until the late nineties. However, Sweden has been the largest single bilateral donor to Tanzania until about 1994 when Japan took on this position. The scaling down of Swedish aid has been particularly remarkable, considering the fact that Swedish aid for more than 20 years has accounted for over half of total Nordic aid. In the late eighties, on average, Nordic countries were responsible for as much as 51 percent of total bilateral aid to Tanzania (Mans, 1994; Selbervik, 1997).

It is important to note that the key aim of the reform program was to devise a macro-economic framework that will permit an ongoing recovery in real income. Bagachwa et al. (1997) finds that the Tanzanian shilling was devaluated, monetary restraint applied, the foreign exchange allocation system was radically reformed and price control was introduced, parastatal reformed, financial sector reformed, agricultural marketing liberalized, and civil service reformed. Subsequently, an increase in foreign aid coupled with debt deferment due to concerns in the donor community. In summary, foreign aid history went in the following way for Tanzania:

- In 1986, the IMF gave a stand-by credit and the World Bank supported the ERP.
- In 1989–92, the Economic and Social Action Program (ESAP or ERP II) was adopted, in order to consolidate ERP and to seek to mitigate the negative social impact of the reforms. A three-year Rolling Plan and Forward Budget (RPFB) replaced ESAP in 1992. The RPFB was geared towards accelerating the pace of the reform course of action, but also to “realign the government with its basic role of maintaining law and order and providing social services”.
- In 1994 improved IMF support was put on hold, as the 1994–95 budget went off course and the scandal of ambiguous tax exemptions emerged late in 1994. An IMF Enhanced Structural Adjustment Facility (ESAF) credit that expired in June 1994 was only partly used and later withdrawn. A new ESAF credit was not granted until November 1996. Protesting against corruption in the form of tax exemptions on a scale with apparent macro-economic significance, many bilateral donors suspended some of their aid (Selbervik, 1999).
• In January 1996 the Tanzanian Government established a Shadow Program that ran in parallel to foreign aid donors’ reform program yet without the financial support of IMF. As the budget overran, the Bank of Tanzania’s control of monetary aggregates and inflation was frustrated, as a result, a cash-budget system was set up wherein money released depended on revenue collected in the previous financial period (Selbervik, 1997).

• In the 1997 civil servants numbers were reduced and public sector hiring frozen. These resolutions were very unpopular with the public, but due to the perennial balance of payments problem, there appeared few credible alternatives to the IMF-backed reforms. Although Tanzania still faces various problems, Mans (1994:355) states that the reform program has, nevertheless, dramatically turned the country’s economic performance (Mans, 1994).

• From 1997 the Tanzania Development Vision 2025 was adopted to replace the sidelined Arusha Declaration. This vision’s aims at (1), providing a high quality of life to Tanzanian. (2), Making Tanzania a peaceful, stable and united country. (3), Having an intact well-working good governance machinery. (4), Having a well educated and learning population. And (5), a competitive economy capable of producing sustainable growth and shared benefits (Tanzania Planning Commission, 1996).

The reform process has not made Tanzania less dependent on aid as initially planned but as found by many donors, it appears that Tanzania is more dependent on aid than ever before. This was one of the Government goals knowing that a number of donors had been decreasing their aid over the years. In the early nineties the share of aid in Tanzania’s GDP was nearly thirty percent. Although, the percentage seems to have dropped somewhat in the late nineties, it increased at least for to years pre-millennium (EIU 1997:28). Despite a US$1bn debt write off by the Paris Club in 1997, Tanzania’s debt is still very huge. The remainder was rescheduled for servicing over a 23-year period. In 1995, the external debt was equivalent to just over two hundred percent of its GNP and just under six hundred percent of its goods and services exports (EIU 1997:28). Unfortunately, the aid reform period did not take into consideration any development of economic and social infrastructure, as well as investment in human capital. Chege (1994: 273) states:

“This was followed by the adoption of the current economic recovery program
with its market-based production priorities, which have been achieved at the expense of increasing income inequalities and the virtual collapse of the government-provided social services – especially health and education – introduced in the 1960s”.

Furthermore, Darius Mans (1994:412) found that the reform process in Tanzania needed to focus on adjustment and not only on economic recovery – practically, adjustment meant significant structural changes, including in public institutions, such as the civil service and parastatals. He also found that the reform process should have focused more on social sectors:

“Tanzania’s experience shows the limits of macroeconomic policy reforms aimed at stabilization and price reforms if the necessary microeconomic foundations are not in place” (Mans 1994:413).

Since the late eighties, the overriding objectives of aid have been economic reconstruction, conserving a basic level of social services, and contributing to responsible management of resources (MFA 1994:20; Tanzania White Paper No. 8 1994–95:68–69). These objectives have a crosscutting theme of management on political, economical and social levels in view of addressing the perennial problem of poverty.

4.3.3 – Tanzania Aid Management

Tanzania’s economy shares numerous structural barriers to growth as other low-income countries. The 2007 report by the African Forum and Network on Debt and Development (Afrodad, 2007b) finds that governance is a major area of concern and that the dialogue on transparency and accountability has been dominated by concerns over corruption. To come to a true understanding, more resource, time and effort need to be poured into essentially improving governance, transparency and accountability. It is important to have no illusion to the fact that this is a serious challenge against the current power imbalance between donors and recipients. Surely, there is a need for a clear and common understanding of the terms ‘leadership’, ‘ownership’, ‘partnership’, ‘accountability’, and their practical implications onto foreign aid.
To address the concern on governance and its consequences, Tanzania designed – with the help of its development partners – a second poverty reduction strategy (PRS), the “MKUKUTA” – a Swahili acronym for the five-year National Strategy for Growth and Reduction of Poverty (NSGRP) implemented from July 2005. On the other hand, the “MKUZA” – Swahili for the Zanzibar Strategy for Growth and Reduction of Poverty (ZSGRP) was specifically designed for Zanzibar. Both the MKUKUTA and the MKUZA place emphasis on growth as a means of promoting poverty reduction, and on good governance and accountability. The MKUKUTA three pillars are: (1): growth and income poverty, (2): quality of life and social well being, and (3): governance and accountability. This poverty reduction strategy monitors and reports Government spending against MKUKUTA priorities in order to achieve higher quality spending, and improved linkages between MKUKUTA goals. Another aspect has been the establishment of an annual budget and medium-term expenditure framework in order to increase the poverty-reducing impact of public spending (IMF, 2007). These pillars and their practical implementation are in reality reducing the gap between donors and Tanzania in so far as disbursal versus absorption capacity, managerial capacity and managerial culture are concerned just to name but a few areas. In the area of trade and investment, the major obstacle to improved export performance is the ‘behind-the-border’ agenda (i.e. supply-side constraints). In actual fact, close to all aspects of the pro-poor growth agenda are identical to private investment and exports agenda promotion (World Bank, 2005). Unfortunately, supply-side limitations are generally the same as poverty-maintainers too: high transport costs, poor infrastructure, high taxes on agricultural exports (discouraging trade), inadequate human capacity and poor resource management. In 2006, an Anti-Corruption Strategy was launched known as, the National Anti-Corruption Strategy Plan (NACSP II) supported by the Anti-Corruption Act (Chene, 2007). Tanzanian households face a major barrier to escaping poverty – access to finance - as in SSA generally. Mohamed (2006) found that there is insufficient inflow of credit to the farming and fishing sub-sectors in Zanzibar. Kessy and Urio (2006) additionally found that the overall performance of Micro-Finance Institutions (MFIs) in Tanzania is quite poor, with few of them having clear objectives or a strong organizational structure. Just as in the rest of Sub-Saharan Africa, where MFIs work well they have had positive effects and have considerably changed poor
people lives by increasing their incomes, capital invested and therefore expansion of their businesses. Government formalization of informal sector and improvement of property laws allow the removal of obstacles to lending and accessing finance (IMF, 2007).

In Tanzania, bilateral negotiations had started as recently as 2008 with Canada under a Foreign Investment Promotion and Protection Agreement (FIPA) initiated by the Canadian International Development Agency (CIDA). Since the late 1960s, Canada has contributed over $1 billion to a broad range of initiatives in sectors such as education, transportation, agriculture, and health. Given Tanzania’s economic reforms and increasing openness to FDI (Foreign Direct Investment), significant investment opportunities for Canadian investors in a variety of sectors including mining, telecommunication and infrastructure among others are set to commence (CIDA, 2008). It is paramount to note that China is currently the biggest donor to Tanzania. In Cameroon as well, bilateral negotiations with the International Department of the Central Committee of the Communist Party of China (CPC) have made China the highest investor in Infrastructure Development and Public Works. An opportunity was taken to contrast Western and Chinese aid processes on the Sub-Saharan region (China MFA, 2007).

While China appears to be an alternative to OECD aid, the problems associated with foreign aid management will most likely be the same: recipients being the same and donors not learning from peers’ experience. Since donor-recipient relationships are generally rapport de forces, a power relation or a balance of power, it is most certain that one partner will be more equal than the other. A preliminary comparison of donors may look something as follows:
This comparison is worth noting as China’s relationship with various recipients may affect “western” donors relationship quality with recipients. Aid relationships are known to be very dynamic from donors and recipients perspectives (Fayissa and El-Kaissy, 1999). However, for the sake of focus on mismatches and study scope, attention will be given to recipients’ perspectives rather than donors this time around. Fundamentally, aid management appears to be a case of prioritizing strategically and objectively based on correctly assessed country’s needs. The methodology of this study will purposely shun away from donors in its effort to determine the extent to which mismatches between donors and recipients affect the effective management of aid.

Recently the IMF (2007) confirmed Tanzania’s status of a “good scholar” by identifying it as a good case for possible scaling up of donor assistance, arguing that the macroeconomic implications of such an increase in aid are manageable, arguing that the macroeconomic implications of such an increase in aid are manageable. However, two years earlier, a Diagnostic Trade Integration Study (World Bank, 2005) concluded that maintaining a competitive real exchange rate is capital to the development of Tanzania’s manufactured exports and it is necessary to ensure that additional aid flows do not undermine the real exchange rate. In scaling-up assistance, the IMF recommends that aid should be balanced between social sectors and

<table>
<thead>
<tr>
<th>Western powers</th>
<th>China</th>
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<tbody>
<tr>
<td>African poor: suspicion &amp; hostility with hard but disputed evidence. Aid flows/amounts are generally stated</td>
<td>African: becoming suspicious &amp; hostile without hard evidence. Aid flows/amount are generally state ‘secret’</td>
</tr>
<tr>
<td>Aid with conditionality</td>
<td>Aid without conditionality</td>
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<tr>
<td>Aid with “Policy program”</td>
<td>Aid without interference to local policy</td>
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<tr>
<td>Aid as socio-economic “salvation”</td>
<td>Aid as commercial &amp; technological “barter”</td>
</tr>
<tr>
<td>Debt &amp; dependency as aid result</td>
<td>No debt or dependency from aid</td>
</tr>
<tr>
<td>Considerable amount of aid absorbed by donors’ expenses</td>
<td>Considerable amount of aid absorbed by recipients’ needs</td>
</tr>
<tr>
<td>No transfer of “dirty industry”</td>
<td>Proven transfer of technology</td>
</tr>
<tr>
<td>Generally supportive of African governments e.g. Apartheid</td>
<td>Generally supportive of liberation / revolutionary movements e.g. ANC</td>
</tr>
<tr>
<td>Military presence, “war on terror”, export “democracy”</td>
<td>No military presence, no “war on terror”, no clearly stated military intention</td>
</tr>
<tr>
<td>“Washington consensus” promoting free markets and liberal politics as the way to stimulate growth and social justice in poor countries</td>
<td>“Beijing consensus” promoting authoritarian governments guiding economic policy to produce rapid growth with social stability</td>
</tr>
<tr>
<td>Political intention: At times clearly stated</td>
<td>Political intention: not mentioned, highly secretive</td>
</tr>
<tr>
<td>Ever increasing military budget &amp; expenditure with decreasing aid</td>
<td>Increasing military budget with increasing aid</td>
</tr>
<tr>
<td>History: Riches by lootings, pillages, wars, slavery, colonialism &amp; unfair international trade practices (market protectionism, trade barriers, etc.)</td>
<td>History: Lootings, pillages, wars for expansion &amp; prestige (Not in Africa), probably greatest beneficiary of globalization</td>
</tr>
<tr>
<td>Growing suspicion &amp; unease over China</td>
<td>Growing confidence &amp; ease over West</td>
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Table 14: Western versus China Foreign Aid – Designed by Author (2011)
infrastructure/productive sectors. The challenge however – an area of serious mismatch between donors’ aid disbursal and Tanzania’s absorption capacity – the Ministry of Finance and central bank of Tanzania ought to be able to coordinate their management efforts closely to deal with increased aid flows to ensure that fiscal and monetary policy work with, rather than against one another.

Tanzania is fortunate enough to have a good seaport, fresh water, abundant good land, and a diverse population and above all, relative peace largely a result of the nation-building project started by President Nyerere and continued by the CCM. Most conflicts in other places have arisen due to tribalism, regionalism, and religious differences such as in Zanzibar; have been addressed through education, the advancement of Swahili, and other positive central government policies. The challenge on the economic level remains in setting up achievable post-independence state-led development set of priorities and goals. Although recently, the Government has spurred growth in more conservative ways with more success, poverty remains at a high level, particularly in rural areas and amongst subsistence farmers. It is paramount to mention that tax revenue have largely risen following large-scale gold mining, which in the ‘hybrid-state’ context (with weak formal institutions and accountability) brings concerns about the possibility of ‘resource curse’ and corruption break out. Thus far Tanzania seems to have properly managed and avoided its excesses. On the other hand, clientelist politics dominates decision-making, and governance, though ‘political space’ for developmental policy making seems to periodically open up (Selbervik, 1999).

4.4 – Conclusion

These two similar yet countries different in many ways are good cases to examine mismatches between donors and recipients as they both benefit from a relatively greater degree of approval from donors. They do not apparently have difficult relationships with donors thereby would not likely portray mismatches on the surface: a deeper analysis would therefore be required. By and large, they have been “good scholars” of the World Bank (WB) and the International Monetary Fund (IMF) – to use the World Bank’s own words; they are also in good standing with their
former colonial powers and thereby, receive preferential treatment of some sort. They have equally recently signed up to more development assistance from China. They have different cultural and political constructs adding to the fact that Tanzania is predominantly Swahili speaking with English considered as the second language and formally had a socialist ideology and, Cameroon is equally bilingual (French and English) but predominantly francophone, capitalist ideology with a long-standing president; no real presidential elections in the last two decades have taken place. The individual complexity and uniqueness of each chosen case was intended to enrich the understanding of mismatches as key factors that directly affect aid effectiveness regardless of the case under investigation.

In Cameroon, the process of harmonization – which would allow both donors and recipients to be at par – made noticeable progress only after 2005 in a number of stages involving sharing of information, integrating government budget support and devolving cooperation from one cooperation agency to another; every management level got involved.

Both countries are faced with corruption although Cameroon more openly than Tanzania. In Cameroon, Tabi (2006) shows that government spending and tax revenue responded positively to aid flows by examining the extent of aid fungibility as a contributing factor to aid fatigue in donor nations as well as raising concerns over aid’s effectiveness. Management of foreign aid cannot be said to be adequate. Aid objectives are generally missed due to resources’ diversion.

Tanzania is more agricultural than Cameroon, yet more than three-quarters of both countries’ populations depend on the land, mostly in subsistence farming. Poverty is so much widespread that opportunities are scarce and countries’ vulnerability to shocks is extremely high. In the past decade, cities have grown extensively in both countries – in Cameroon relatively more than Tanzania – as people try to escape rural poverty, making them larger and poorer than before. Additionally, Cameroonian oil revenues – which could have been spent to improve livelihoods – have been squandered in influencing politics and policies, and incentivize politicians, much more than gold revenue does in Tanzania. Generally this is reflected in corruption indexes, which appears far worse in Cameroon at all levels of society than in Tanzania. Aid is fairly fungible in both countries yet there are numerous government
led as well as civil society led anti-corruption initiative. For this reason, Chang et al. (1998) find reason to question conventionally measures of aid such as ODA, and in response, propose “Effective Development Assistance” (EDA) as a better evaluation of aid as its measures official aid as the sum of grants and the grant equivalents of official loans. In practice, this manner of evaluating aid is better than the World Bank (1998:6) definition of aid as official development assistance (ODA) wherein; aid is the financial flows made of grants and concessional loans. The grant component however, constitutes only about 25% of the entire package. Although the argument has been of including other forms of financial inputs, aid workers and researchers have found their share to be so minimal that it seems pointless to consider.

A final fact to keep in mind is that while both countries are far from having accountable public services, Tanzania has had a fairly independent judiciary and a reasonably good human rights record notwithstanding habitual reports of police abuse of human rights, arbitrary arrests, lengthy detentions and inefficiency of the judicial system caused by corrupt officials (US Department of State, 1996).
Chapter 5 – Research Methodology

“If we knew what we were doing, it would not be research, would it?” – Albert Einstein (1879-1955)

5.0 – Introduction

The key research question in this study is “To what extent do mismatches between donors and recipients impact upon the effective management of aid in low income sub-Saharan African countries?” This research question was broken down into two key objectives namely to identify key tangible and intangible mismatches between donors and recipients of aid and, to critically evaluate donor-recipient relationships from a management perspective. To achieve these objectives, a number of inquiry lines will be pursued by exploring recipients’ perspectives on (1) aid processes, (2) aid institutions and (3), management of aid (e.g. Project planning, decision-processes, accounting structures, management learning, etc.). As a matter of fact, these three inquiry lines will adequately address the three levels of aid management identified in the literature review. Aid processes and institutions inquiries have the benefit of providing indicative information on the balance of power, the aid process ownership, the management culture, the management level and function. Management of aid inquiry however, will somewhat provide in-case confirmation of information collected on the two other lines of inquiry. The said inquiries will target key informants – interviewees – operating at various management levels working directly on aid and those working in positions that have influence on foreign aid management quality as a means of attaining aid effectiveness in recipient countries. To provide additional in-case verification, a number of donors’ agencies will be interviewed in both countries to comment on recipients’ answers.

This study therefore, adopts a qualitative paradigm as a mode of inquiry. This mode of inquiry is used in understanding and describing the world of human experience. Aid effectiveness studies are particularly linked to conditions that directly affect human experience. Maintenance of our humanity – from researcher and researched individual and or society – throughout the research process makes it
fundamentally impossible to escape the subjective experience, even for the most skilled of researchers (Myers, 2000).

5.1 – Research Philosophy

Looking at the research process ‘onion’, various approaches, strategies and data collection methods can be identified across the continuum of research philosophy. (Saunders et al., 2003)

<table>
<thead>
<tr>
<th>Research Philosophy</th>
<th>Realism</th>
<th>Interpretivism</th>
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<tbody>
<tr>
<td>Research Approach</td>
<td>Retroductive</td>
<td>Inductive</td>
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<td>Research Strategies</td>
<td>Grounded Theory</td>
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<td>Time Horizon</td>
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<tr>
<td>Data Collection Methods</td>
<td>Observation</td>
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Figure 14: Elements across the continuum identified in the Research Process ‘onion’ by Saunders et al. (2003)

Although choosing the research philosophy is dependent on the choice of strategic aims and hypotheses of the study, it would be misleading to prefer a single approach to the others. A combination of research approaches often gives better results, as it is often known. It can be illustrated by the following quote:

“Not only is it perfectly possible to combine approaches within the same piece of research, but…it is often advantageous to do so” (Saunders et al., 2003).

In this study however, the author argues that the matter under investigation is idiosyncratic to each recipient country and therefore, critical realism as a research philosophy, will not reduce complex phenomena and the social world to structured methodologies that will be intended to replicate, quantify and make law-like generalizations. Rich insights into this complex and unique world will be lost. Realism will allow access to the level of social constructivism understood as a means
of interpreting the socially constructed environment of SSA and to point to existing stimuli (foreign aid, policy, conditionality, management practice, real exchange rate and gross national income for instance) that generate a shared interpretation and thereby exert an influence on the way in which Africans socially construct their environment but interestingly also, how the African social construct affect the above stimuli when considered as an event or phenomena. Moreover, to shun away form the mostly factual analysis methods based on quantification, causality and generalization as clearly evidenced by the prolific foreign aid literature, a qualitative paradigm is hereby adopted to go to the unobservable: beyond the observable and their logical analysis that constitute the basis of quantification-based methods. Wildemuth (1993) defines the qualitative paradigm as an understanding of the social world from the respondents’ perspective, through detailed descriptions of their cognitive and symbolic actions, and through the wealth of meaning associated with observable behavior. The literature review and countries’ contexts explored earlier on, have pointed to a key aspect of development discourse that is, the question of aid management as a central theme that defines the success or failure of foreign aid from donors’ own constituencies but even more particularly from the recipients’ perspective (Stepanek, 1999). This paradigm discards both a cause-and-effect construct and generalized conclusions devoid of any socio-historical context and, the separation between researcher and respondent is drastically reduced (Munhall, 1989).

This study follows Kemmis (1980) assertions wherein the true value of non-experimental research resides not only in the connection the study has with the real world but also, in its aptitude to describe events in their social and historical contexts, and furthermore, its skilful aptitude to rationally critique these descriptions. It is paramount to note however that central to the qualitative paradigm is the belief that people give meaning to the objective world, that their valued experiences are situated within a historical and social context, and that there can be multiple realities (Benoliel, 1984). In this study, the standpoint is that realities cannot be studied independently from their contexts, and additionally, qualitative methodology is legitimate and valuable, possessing distinctive characteristics that make it appropriate for many types of investigations, including foreign aid effectiveness studies (Tesch, 1990).
Stake (1995) discusses ‘tacit’ knowledge demarcated and contrasted to propositional knowledge by Polyani (1958). The understanding of these two types of knowledge is important to the 'generalizability' of qualitative studies’ findings. In practice, propositional knowledge is made up of all interpersonal shared statements and differs from tacit knowledge which may also dwell on shared statements and events, but it is fundamentally the knowledge gained from experience with interactions as well as experience from propositions and ruminations about them. To expand on generalizability, the realists’ understanding of generality posits that,

“Scientific generalizations largely refer to the transfactual conditions, more or less or the preconditions for an object to be what it is” (Danermark et al., 2002:77).

In different words, it is leaving the empirical level into the actual to scrutinize how the constituent properties or transfactual conditions clarifies the particular occurrence of the phenomenon. These specific properties are conditions for a social phenomenon to be “what it is and not something completely different” (Danermark et al., 2002:78). Generalization therefore lies in the constituent properties being able to explain the particular occurrence of the phenomena as conceptualized by these research theoretical propositions. Bhaskar (1978:227) puts it this way:

“Scientifically significant reality does not lie on the face of the world, but in the hidden essence of things”.

It is paramount to be reminded that Critical realism is fundamentally a philosophical view of knowledge. It has two sides: on the one side it holds that it is possible to acquire knowledge about the external world as it really is, independently of the human mind or subjectivity. That is why it is called realism. On the other side it rejects the view of naïve realism that the external world is as it is perceived. Recognizing that perception is a function of, and thus essentially marked by, the human mind, it posits that knowledge of the external world can only be acquired by critical reflection on perception and its world. That is why it is called critical (Tezcan, 2006). However, generalization in Critical Realism is an attempt to reveal transfactual powers, and properties that scientific objects possess in virtue of their very nature. Lawson (1998:156) supports this point as follows:
‘The aim is not to cover a phenomenon under a generalization (this metal expands when heated because all metals do) but to identify a factor responsible for it, that helped produce, or at least facilitated, it. The goal is to posit a mechanism (typically at a different level to the phenomenon being explained) which, if existed and acted in the postulated manner, could account for the phenomenon singled out for explanation’.

Danermark et al. (2002: 96) achieve this aim by asserting that

‘Social reality consists of structures and internally related objects containing causally operating properties. Knowledge of this reality can only be attained if we go beyond what is empirically observable by asking questions about and developing concepts of the more fundamental, transfactual conditions for the events and phenomena under study’.

From the above, inductive logic does not seem to be a good choice. As Sayer (1992: 100) finds:

‘A generalization – for the empiricist – is an approximate quantitative measure of the numbers of objects belonging in the same class or a statement about certain common properties of objects. (…) Unlike the questions posed in the development of abstractions and the analysis of structures, these primarily seek out formal relations, and where they do hit upon substantial relations, they do not ask whether they are necessary or contingent’.

For this reason, the empiricist process of generalizing is therefore not effective since something more than experiencing and recording the experienced (i.e., induction) is needed in revealing the domain of real, emergent powers and properties of generative mechanisms (Danermark et al. 2002: 86-87). It goes without saying that this

‘Something more than inductive inference’ refers to ‘reasoning, creativity, the ability to abstract, and theoretical language in order to see meanings and structures in the seemingly unambiguous and flat empirical reality’ (Danermark et al. 2002: 113).

Yet, the “shortly, theoretical abstraction” should always be based on empirical data, otherwise, it could easily and dangerously become ‘contentless’ (Sayer 1992: 98-99).
As a remedy, Critical Realism suggests a non-empiricist but empirical scientific method. And this method is called retroduction or Retroductive Analysis.

5.2 – *Research Approach*

In retuctive analysis, social scientists build models of those underlying structure(s) through a dialectical mediation between empirical evidence and theoretical abstraction. Danermark *et al.* (2002: 109) assert, retroduction

‘Rests on the presumption that the fundamental structures of explanatory social science can be described as a movement from the concrete to the abstract and back to the concrete’.

In this, the anticipation is that the abstract answer about the concrete problem would be satisfactorily explanatory. Retroduction goes as follows:

(1) There is an empirical problem at hand wherein ‘it is important to remember that in each research process the concrete phenomena must be the starting point of the abstraction process’ (Danermark *et al.*, 2002:50).

(2) The proposition is that through abstraction, *a necessary relation* between deeper causal generative mechanisms and concrete phenomena is produced. It is paramount to note that abstraction usually comes as a fallible and revisable answer to a natural necessary question about how a given phenomenon is possible.

(3) The more empirical evidence is collected, the better it is for the social scientist as they *may revise or reaffirm* the theoretical abstraction so that the process of dialectical mediation between theory and practice continues until no further contradictory evidence is obtained and the alleged generative mechanisms are robust and powerful enough to explain concrete phenomena meaning, the point of ‘theoretical saturation’.
In practical research, this double movement – *concrete abstract, abstract concrete* – is often going on concurrently and it has no known end save when the researcher stops the analysis (Danermark *et al.*, 2002:51). Although they make up an object what it is, natural necessity relations are not the only ones the social scientist can come across in a research process. A retroductive analysis also highlights other kinds of relations beside inductive and deductive– i.e., incidental/contingent ones. Sayer (1992:108) these relations and their types says:

‘The relationship between objects and causal powers is necessary; the relationship between these and their conditions is contingent, some of these conditions may include objects which activate the mechanisms. For any particular set of conditions, the results occur necessarily in virtue of the nature of objects involved, but it is contingent with which conditions are actually present. Moreover it is contingent whether we know either necessity or contingency’.

A retroductive analysis must primarily focus on capturing necessary relations and equally, not forget to account for contingent relations for a particular phenomenon. Therefore, retroductive analysis becomes an amalgam of two parallel evaluations.

Three interrelated tools appear as essential in a retroductive analysis: (1), natural necessity inquiry (2), empirical data evaluation and (3), historical contextualization. The former two function respectively in the phases of theory-generation and theory-development. The latter one completes theoretical analysis by locating into a specific place and time the generative mechanism responsible for the phenomenon under study. Critical realism offers the following list of natural necessity questions:

‘What does the existence of this object – in this form – presuppose?’ ‘Can it exist on its own as such?’ ‘If not what else must be present?’ ‘What is it about the object that causes it to do such and such?’ ‘What cannot be removed without making the object cease to exist in its present form?’ – the list is not exhaustive (Danermark *et al.*, 2002:47; Sayer 1992:91)

Natural necessity inquiry is actually essential because it makes way to the emergence of a theoretical entity. Without a theoretical entity at hand, no further research is
viable because it determines the direction of the said research. It tells the social scientist what to look for. Gilbert and Troitzsch (2005:10) find that

‘Conventional statistical methods for analyzing social systems are almost all based on the assumption of a linear relationship between variables. That is, the effect on the dependent variable is proportional to a sum of a set of independent variables’.

Nevertheless, the social world is an open system, therefore made of non-linear relations. Therefore, computer simulations are more useful for empirical data evaluation because,

‘With complex models, especially if the specification is nonlinear, such analytical reasoning can be very difficult or impossible’ (ibid:10).

5.3 – Triangulation and Validation

Critical Realism and indeed how retroductive analysis is employed to analyze and triangulate in this research could be explained and schematized as follow:

- The empirical is what could be observed or experienced (for instance, observed in the field study);
- The Historic is what has been observed or experienced by various stakeholders (for instance, findings of development agencies, bilateral donors, recipients civil societies, etc.)
- The actual includes events as they occur or not (say, the findings of current/recent researches on aid management, donor-recipient relationships in SSA and gaps for future research);
- The real is made of the processes, structures, powers and causal mechanisms that generate events. This is the reality of the social phenomena that is to be unearthed in view of explaining what is observed (Mingers, 2004: 90).
The intransitive domain is made of real causes that trigger real events (in the actual): “the logic of inference is retroduction of the causes” (Downward and Mearman, 2007: 92). There are three main stages to apply retroduction as a research strategy (Sanghera, 2002; Danermark et al., 2002; Mingers, 2004).

Firstly, an examination of observed events is done in the intransitive domain and connections between social phenomena in the domain of the actual (includes events whether observed and not) are made. This has been done in the literature review chapters earlier on wherein relationships between donors and recipients was looked to in exploring the different theoretical and conceptual underpinnings which explain why such connections or relationships occur and determine the mismatches that affect foreign aid management.

Secondly, the ‘existence of real structures and mechanisms, and how they would explain relationships observed in the actual, if they existed’ was postulated (Sanghera, 2002). This entails developing models or generation of hypotheses based
on a theory in order to explain the observed regularity in the actual. Critical reality conceptualizes theory as

“A description of structures and mechanisms which causally generate the observable phenomena, a description which enables us to explain them” (Danermark et al., 2002:120).

In this research, this application of theory refers to the discussion in the ‘Literature Review and Country Context’ on how countries (donors and recipients) related to each other in fulfilling various foreign aid management functions. The theory is in this way captured in the conceptual framework of this research (Figure 10). The research propositions developed in the previous chapters are categorized as nature of parties, their relationships (input, process, output) and impact (aid management and aid effectiveness), to support the thorough examination of the conceptual framework.

The third step is to attempt to demonstrate the existence and operation of these structures and mechanisms (Sanghera, 2002). This demands the selection of an adequate data collection method to explore and unearth the complex underpinning mechanisms and or reality that determine interaction between donors and recipients, as the ensuing mismatches affect aid management and its effectiveness. Findings would be used to redefine the theoretical framework so that it may be more theoretically rounded and practically oriented. Hypotheses may be equally refined and data collection methods enhanced for future research (Carlsson, 2003:15).

Thus, “knowledge of social reality may be gained by going beyond what is empirically observable by asking questions about and developing concepts of the more fundamental, transfactual conditions for the events phenomena under study” (Danermark et al., 2002:96).

Sanghera (2002) finds that the central problem for critical realism is how to establish the plausibility of hypothesized structures and mechanisms given that they are not immediately available to experience. In other words, it means that, critical realism does not easily yield to phenomena experimentations that tend to replicate reality in view of gaining an understanding. In this study, an attempt to gain an understanding of the subject matter by experiment would prove at best artificial and at worst, senseless. On this basis, critical realists are very versed into methodological
pluralism, thus they are supportive of the use of both quantitative and qualitative data collection methods. They also emphasize the use of mixed-methods triangulation (Danermark et al., 2002; Downward and Mearman, 2007). The plurality in the form of enquiry and triangulation enable the researcher to probe different features of the phenomenon and consequently, reveal different features of the same-layered reality without being exhaustive (Downward and Mearman, 2007:92). The mixed-methods of triangulation as suggested are:

- **Data triangulation** - gathering data at different times and situations from different subjects. This form the key component of in-case triangulation;
- **Investigator triangulation** - using more than one field researcher to collect and analyze the data relevant to a specific research object. In this research, collaboration was achieved by way of accessing data from researchers/academics who have done previous similar research or were doing research such researches;
- **Theoretical triangulation** - means making specific references from different theoretical traditions [or disciplines] to analyze data. This was essayed through use of different management approached and strategy frameworks in discussing and analyzing findings;
- **Methodological triangulation** - involves the combination of different research methods that might be varieties of the same method or the use of different (quantitative and qualitative) methods. The use of multiple case studies, semi-structured interviews and documentary analysis are seen as part of this triangulation practice (Downward and Mearman, 2007). It is a multiple methods examination of the same dimension of a research problem. For instance, interviewing aid workers, observing aid behavior in response to specific inputs, and examining performance records may be used to study aid effectiveness. The central point remains aid effectiveness but the data collection mode varies. Multiple and independent measures provide a certain picture of aid effectiveness if they reach the same conclusions (Jick, 1979).

In summary, the mode of research in CR as proposed by Danermark et al. (2002) is an explanatory research model through which critical realist researchers can identify structures and mechanisms. The model comprises six stages. As alluded to earlier, it describes the research process as a way from the concrete (or empirical,
where the tangible is observed) (stage 1) to the abstract (separating or isolating essential aspects or components of a social phenomenon) (stages 2-5) and then back to the concrete (stage 6) (ibid; 109-110). In practice, stages 2 to 6 involve the researcher moving between different levels of abstraction. This research process was adopted as a thought process of this research in analyzing the data collected from the field.

These stages could be summarized as shown in the table below:

<table>
<thead>
<tr>
<th>Stage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Description of the social phenomenon under investigation</td>
</tr>
<tr>
<td>2.</td>
<td>Analytical division of the phenomenon into its components</td>
</tr>
<tr>
<td>3.</td>
<td>Abduction/theoretical re-description of components from theoretical propositions</td>
</tr>
<tr>
<td>4.</td>
<td>Retroduction – re-describing to find the operative mechanisms behind phenomenon</td>
</tr>
<tr>
<td>5.</td>
<td>Evaluation of explanatory power of these mechanisms as compared to other theories and previous research</td>
</tr>
<tr>
<td>6.</td>
<td>Concretization and contextualization to examine how the different structures and mechanisms manifest in concrete situations (in real world)</td>
</tr>
</tbody>
</table>

Data/Results presentation (will be discussed in the relevant chapter later)

Data on case studies structured by theoretical framework to identify mismatches (see countries’ contexts)

Identification and Analysis of mismatches with case studies (See Analysis chapter later)

Analysis of how mismatches affect/impact on aid management (mechanisms) (See Analysis chapter later)

Comparing postulations of other theories and previous research (See literature review) to findings from this study

Redefining theoretical propositions and outlining lessons to explain use of mismatches as means of evaluating aid effectiveness (See Analysis and Conclusion chapters)

**Figure 16:** Analysis process in this research - Adapted from Danermark et al. (2002:109-110)

Abstraction involves separating the necessary and constituent properties (transfactual conditions) in a social phenomenon from contingent ones in order to find what it is in the phenomenon that makes it what it is and not something else (Danermark et al., 2002:44). The researcher is therefore engaged in a continuous process of structuring, restructuring and adjusting of abstractions in order to eliminate or avoid irrelevant abstractions (occurrences) that ‘mar’ the explanatory value of knowledge obtained (ibid: 45). The objective is therefore to find the causal powers or liabilities in transfactual conditions of a social phenomenon (ibid: 54); thus what is in the nature (and relations) of these conditions that makes them construct or generate the social phenomenon and its related events (Sayer, 1992:104).
In this study’s data presentation, the themes of the research that guided the study provide the framework around which the case studies are reported (see figure 10). This enables the author/researcher to perform both examination of the themes of the research propositions in each case – as already started under the literature review (Chapters Two and Three) and an analytical cross-case complementation – to come under analysis and discussion sections. The objective is to keep the research design rationale clear and comprehensible (de Vaus, 2001:245).

To further ensure the accuracy and internal validity of case findings reported, seven primary strategies as discussed by Creswell (2003:196-197) are employed:

1. **Mixed-methods triangulation** of different sources of information to build a coherent justification as explained earlier.
2. **Member-checking** of final reports of donor-recipient mismatches done by some participants.
3. **Negative or discrepant information** is reported alongside literally replicated themes. This also includes verification of information through substantive follow-up interviews for each country case.
4. Using a **rich or thick description** to present findings (Patton, 2002).
5. Clarifying the **bias** of the researcher through the epistemological and ontological discussion. The prior expert knowledge of the researcher (postgraduate degree in management and business administration) is also brought into the research (Yin 1994:124).
6. **Peer debriefing** with research project supervisors to review and ask questions about qualitative study and drafts of case findings.
7. **External auditing** (investigator triangulation) through discussion with academics/lecturers in Yaoundé (Cameroon) and Dar Es salaam (Tanzania) universities to provide independent assessments of fieldwork and write-up of case studies.

In chapters on Analysis and Discussion, research propositions will be reviewed and revised in the light of case findings/results and the discussion of country contexts.
5.4 – Research Design

This study had adopted a case study strategy, as each country’s experience is different to the other although certain similarities may be drawn on one aspect or another. Moreover, case studies are generally the preferred strategy when “how” or “why” questions are being posed, the investigator has little control over events, and when the focus is on a contemporary phenomenon within some real-life context (Yin, 1984; Mwega, 2008). While this strategy was chosen because it is interested in the unearthing the underpinning issues of “why” donors and recipients relate to each other in the way they do and perhaps subsequently “why” is aid seemingly failing or ineffective despite the aid processing instruments utilization, a case study strategy will appropriately respond to a retroductive analysis required to satisfy critical realism. Case study also tends to be appropriate as it firstly, facilitates the study of aid effectiveness in its natural settings in order to inform the theoretical propositions of this study from practice, and secondly, contribute to knowledge in the area of underlying mechanisms that determine observable reality which is also characterized by constant changes in the nature and complexity of issues involved. Moreover, the planned investigation had retained the holistic and meaningful characteristics of real-life events (organizational and managerial processes and practices, donors-recipients’ relationships, policy relation to practice changes for instance) while endeavoring to achieve the explanation of the phenomenon under exploration. Case study’s intent is to seek elements that will permit a ‘business process review’ of the donor-recipient transaction’s effectiveness, otherwise referred to as the aid effectiveness. These elements are aid recipients’ and donors attitudes, behaviors, value systems, concerns, motivations, aspirations, culture and management practices as identify earlier on in the conceptual framework. They serve to ascertain how people understand their experiences. Case study strategy and certainly, qualitative research, would facilitate the exploration of the richness, depth, and complexity of the phenomena investigated. Qualitative research in this context had broadly adopted the definition of "any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification" (Strauss & Corbin, 1990:17).
Gersick (1989) is of the opinion that in this type of research, an early identification of the research question and possible constructs is helpful but only as a tentative process aiding the maintenance of a guiding focus to the said study. The danger of doing otherwise will be the collection of unlimited data and counting on serendipitous findings to build theory; finding themes and extracting meaning could become a daunting task.

5.5 – Sampling and Data Collection

In this research, as already alluded to in relation to countries’ contexts, cases were chosen by an non-probability sampling method in view of adequately representing Sub-Saharan African countries; at country level primarily and at interviewees’ level secondly. The nature and objectives of the current investigation – typical one of applied social research – rendered a probability sampling selection simply not feasible, practical or theoretically sound. In-case triangulation and validity were additional key drivers for choosing the cases (Saunders et al., 2003). For this triangulation reason, the two countries are not compared and contrasted but are rather complementing each other in view of permitting an extensive exploration of the investigated phenomenon. Using one case to complement another does enrich the non-experimental, real life phenomenon by providing in-depth detailed information on various aspects investigated (Jonsen and Jehn, 2009). The author argues that complementing will allow different transfactual conditions that define mismatches to be what they are in each country and thereby determine aid effectiveness in both cases. In determining each country’s preconditions of mismatches, different mechanisms will be equated as they yield to define the same phenomenon. In practice, the two sets of interviewees will provide in-case triangulation typically fitting Critical Realism philosophy. Sayer (2000:20) finds that in multiple systems and causes, there is also the “likelihood of diverse causes yielding the same effects as well the risk of misattributions of causality”.

Oftentimes because there are many things concurrently running or happening, the objects or social systems being studied are usually multi-dimensional and “always open and usually complex and messy” (Sayer, 2000:19). As a result, their components
cannot be isolated and examined under controlled conditions or environments – unlike natural sciences – putting a enormous weight on abstraction, or “the activity of identifying particular constituents and their effects“ (Sayer, 1992:3).

A probabilistic study will not achieve in-depth understanding of the relationship between donors and recipients. Furthermore, a quantification or computation of data will fail to understand meanings attributed and perceived from both side of the divide. Thereby, the current investigation would be deprived of its idiosyncratic approach that is: the investigation of aid effectiveness by identifying and evaluating the ponderance of mismatches between donors and recipients. A major strength of the qualitative approach is the depth to which explorations are conducted and descriptions are written, usually resulting in sufficient details for the reader to grasp the idiosyncrasies of the situation. Margaret Myers (2000) describes qualitative studies as tools used in understanding and describing the world of human experience wherein the investigator maintains their humanity throughout the research process. She finds that it is largely impossible to escape the subjective experience, even for the most seasoned of researchers. As the research process proceeds, our humanness informs us and often directs us through such subtleties as intuition or 'aha' moments. Speaking about the world of human experience requires an extensive commitment in terms of time and dedication to process; however, this world is often dismissed as 'subjective' and regarded with suspicion. Small qualitative studies are not generalizable in the traditional sense; yet have redeeming qualities that set them above that requirement such as in-depth analysis of a focused aspect of a specific contemporary phenomenon: mismatches between donors and recipients as a measure of foreign aid effectiveness. As such, retroduction will adequately serve this small qualitative study. It is only fair to conclude that the ultimate goal of qualitative research is to provide a perspective of a situation and produce a well-written research reports that exposes the researcher's ability to point up or explain the resultant phenomenon. One of the greatest strengths of the qualitative approach is therefore the wealth and extent of explorations and descriptions (Myers, 2000).

Hamel et al., (1993) find that a case study data collection ought to follow a defined protocol. This protocol contains more than the survey instrument, it should also contain procedures and general rules that should be followed in using the
instrument. It is to be created prior to the data collection phase. It is essential in a multiple-case study, and desirable in a single-case study. Yin (2009) presented the protocol as a major component in asserting the reliability of the case study research. A typical protocol should have the following sections:

- An overview of the case study project (objectives, issues, topics being investigated)
- Field procedures (credentials and access to sites, sources of information)
- Case study questions (specific questions that the investigator must keep in mind during data collection)
- A guide for case study report (outline, format for the narrative).

It is paramount to note that this protocol is very particular to a positivist philosophy intending to establish through inductive and/or deductive analysis causality while aiming to achieve generalizability. In this study however, although the merit of such a protocol will be exploited, various headings of the said protocol will be included without necessarily following religiously Hamel et al. (1993) structure.

The overview section intends to communicate to the reader the general topic of inquiry and the purpose of the case study. The field procedures mostly involve data collection issues must be properly designed and smartly exercised. The researcher does not control the data collection environment as in other research strategies; hence the procedures become all the more important. Specifically, an overview had been established earlier for the purpose of this current inquiry; having been incorporated in the various previous sections.

Stake (1995) believes that the subject’s schedule must dictate the interviews’ activities, which by nature are open-ended or semi-structured. Gaining access to the subject organization or context, having sufficient resources while in the field, clearly scheduling data collection activities, and providing for unanticipated events, must all be planned for? This study adopted open-ended questions within unstructured interviews to explore and attempt to explain the extent to which mismatches impact aid effectiveness. Interview questions and field diary would provide additional information as to unearth underlying reality beneath the apparent or the stated.
Carspecken (1996:41) identifies three preliminary steps along a good realist research. These steps are ‘preliminary’ in that they precede the retroductive analysis:

*Step 1*, Creation of broad, general, comprehensive and flexible research questions that are of interest to the researcher;

*Step 2*, Specification of items for study that need to satisfy researcher’s interests;

*Step 3*, Putting checks on biases. Biases addressing is a process that goes on throughout the whole research and somehow allows readers to understand values that dictate the analysis.

In this research, the interviews questions were birthed and framed to establish the management level of the interviewee, their employer, their role and link to aid management and/or process, their understanding and/or interpretation of contextual factors as dealt with earlier in the literature review. Questions were asked in no particular order save that a build up from the introduction of the subject was made from less important or general questions to important, sensitive and particular ones. This process is referred to literature as “funneling” (Smith, 1995). In such a funneling, interviews get more focused on unearthing underpinning mechanisms that would justify and/or explain donor-recipient’s mismatches. Cameroon’s questions were framed for most interviews in French; two interviews were conducted in English while most Tanzanian interviews were in English, one in French and two in Swahili. The use of the interviewee’s language was paramount to contextually comprehend answers without having to submit to unnecessary losses or additions that might affect meanings conveyed. Some of the questions were as follows:

- Could you please tell me about what you do in your role/job?
- Does your role/job have anything to do with foreign aid? Aid effectiveness?
- What is your department/company/organization relationship with aid donors?
- How do you define your department/company/organization relationship with aid?
- Does the nature of the relationship between donor and recipient affect aid effectiveness? How so? If not, what do you think does?
- How does culture/ethnicity/race/management style/management culture affect foreign aid effectiveness? If not, what do you think does?
- At your level, have the purpose of the various aid projects/programs been clearly defined? Are they properly monitored? If not why?
- How is foreign aid managed at your level? Do you as an individual or does your department/organization have the capacity to manage the said aid? If not, how is the problem mitigated?
- If there has been an aid program/project that derailed, what have been identified as reason(s) for such failure? What should have been done better?
- Is foreign aid effective? Please explain.
- How do you define development?
- What do you think is needed for Cameroon/Tanzania to develop?
- Is development possible without foreign aid? Please explain.

The above questions could be grouped in themes – below outlined in the following step – and were formulated so that they may address various aspects, identify themes or indicators of possible mismatches between donors and recipients. A list of information to satisfy Step 1 was drawn up from the following:

1. Bilateral aid agency; Engineering/consulting Firm; Government Department: background, objectives/mission (founding and current), management structure, staff structure (professional/skilled and unskilled), focus (national, regional and international), strategy (operational and corporate) – (founding and current), challenges and solutions, personnel development, financial history, achievements.
2. Interviewee: background, role and responsibility, corporate level (strategic, operational and executive), skilled/semi-skilled/unskilled, Personal achievements relative to role, personal benefits as an employee.
3. Type of aid provided/received/ managed, how it worked, worked with who, specific project aid, project aid structure/packaging, projects’ challenges and solutions, project competitors (China?), capacity building issues, institutional issues.
4. How is aid obtained? Who manages it on the recipient behalf? What government department/agency? What are the accountability mechanisms?
5. Any improvements/advices/comments they would have made/given should they have been in a decision-making position. Any present and future expectations on aid? On the specific project? How has the project affected their country, lives, businesses or communities? How they rate the aid, project, competition, government intervention, community participation, foreign and national firms involved in the project.

6. How do the donor-recipient relationships work? Does culture play a role? Does race or ethnicity play a role? What about management style or culture?

7. What motives can you identify or what reasons have been cited for a particular aid program or project? Who would benefit the most? Why do you think so? What proof/evidence/records do sustain your claim/version?

Part of the data collection Protocol could be summarized as follows in supplement of aspects covered earlier such as interview questions:

**Objectives:**

1. To identify key tangible and intangible mismatches around aid.
2. To critically evaluate donor-recipient relationship from a management perspective.

**Issues**

Issues constitute the way in which conceptual framework components are visibly expressed or observed. There are:

1. Huge amounts of aid received but no apparent growth.
2. Resource reallocation (fungibility).
3. Aid dependency.
4. Weak institutions, bad governance, weak and conflicting policies.

**Topics being investigated**

These topics are fundamentally conceptual framework components. Regardless of the way in which they evolve, they underlay donor-recipient relationships and they are thereby indicators for mismatches presence or lack thereof. There are for the sake of field study:
1. Expectations of aid from both side
2. Monitoring and evaluation mechanisms
3. Aid disbursal and local absorption capacity
4. Management approaches and cultures

Field procedures:
1. Introduction letters from university and from researcher
2. Conduct an on-field pilot in view of re-calibrating research tools
3. Suggest interview time, agree on time and place
4. Sources of information: request from interviewees any written reports or how to obtain supplementary information, Donors reports, Government gazettes, Department for [Infrastructure Development and] Public Works, Parliament libraries, Local newspapers, Engineering publications, Local councils reports, Project firm reports, campaign groups, archive service, etc.

The final Step, Step 3 of Carspecken, is the exploration of the researcher’s value orientations to put a check on biases. Although this research examines the phenomenon from a recipient’s perspective, participants from donors’ side were interviewed and exposed to recipients’ side participants’ answers or comments to get their reactions as a way of controlling biases. On recipient’s participants, a second interview had been given to key informants from both country cases as an additional means to peer-review, to provide balance, control and not least, to provide a fair degree of in-case triangulation. These discussions were factually intended to raise the author’s awareness of biases so that they could be checked while compiling field notes and reformulating research questions as interviews progress. Thereby, improving from one interview to the next. By so doing, the author developed a continual or cascading piloting as the research progresses. As Carspecken (1996:154) also recommends the compiling of a thick record of observations before and during interviews and group discussions commence, notes were also made after each of the initial interviews, recording and reflecting what had transpired during the encounters to guide following interviews conduct.
5.5.1 – Primary Data Collection

In case studies there are no “sample” and the investigator’s goal is to expand and generalize theories (analytical generalization, particularly in positivism) and not to enumerate frequencies [statistical generalization] (Glaser & Strauss, 1967). Qualitative data are exceptionally useful for understanding the dynamics underlying the mismatching relationship between donors and recipients, particularly in critical realism. It is important to discover the underlying reasons for why the mismatches exist (Eisenhardt, 1989).

This study’s primary data is constituted by semi-structured and unstructured interviews with open-ended questions and/or specific themes conducted in the SSA region specifically in Cameroon and Tanzania. These data will be analyzed and contrasted to data drawn from various studies reviewed earlier in the literature review chapter for triangulation purpose. Interviewees were with SSA policy-makers, aid workers, civil servants and academics – see description below – so that the study may cover primarily the meso and microeconomic levels and to a lesser extent the macroeconomic level. In practice these levels translate respectively as ministerial and bilateral donors’ in recipient countries, then departmental level for government and finally, local NGOs, various civil society organizations as well as significant individuals. This study focuses on Project Aid in the sector of Infrastructure Development and Public Works sector in both countries. Studies conducted in dynamic social situations require ‘creative interviewing’; the kind of interview that keep up with situational dynamism and flexibility rather than following a predefined structure (Douglas, 1985). In journalism for example, it is abundantly used as an investigative process wherein interviewer ought to think on their feet (Meltzer, 2002).

5.5.1.1 – Monological Data Collection

A monological data collection included notes of observations and interactions that happen on the research field (Carspecken, 1996). Carspecken (1996:45) urges the use of two separate sets of notes: one for “not so thick” records of events entered in
the form of a field journal made some time after the events have taken place. Recordings are made from memory and ought thereby to be done shortly after the observation has taken place and records impressions gathered during informal observation periods and conversations with key informants. The second set of notes comprises the “thick” record of the highly detailed accounts of activities including speech acts in verbatim form – if required by the chosen research approach – and observations of body movements and postures for selected times on the research field. Carspecken (1996:48) describes thick records as the “ideal case” for meeting validity requirements of objectivity. Carspecken (1996:47) outlines the following basic characteristics of thick description:

- Include context information: time of arrival, reasons for being there, comments made
- Note speech acts, body movements and body postures
- List low-inference vocabulary: “appears to be”, “seems”, “as if” to qualify normative and subjective inferences
- Record time: to retain a sense of the time period to prevent distortion
- Insert speculations about meaning of an interaction: use brackets and the “OC” for “observer comment” to separate comments from objective-referenced data
- Include verbatim speech in italics
- Draw a simple diagram: to describe site or movement of people
- Type record on word processor

In this study’s monological record, the author made use of detailed notes for key informants that included context information, low inference vocabulary, time record, verbatim quotations and personal impressions which were then typed up and saved for future reference.

5.5.1.2 – Dialogical Data Collection

Mason (2002:63) finds that qualitative interview tends to be seen as involving the “construction or reconstruction of knowledge more than the excavation of it”. Therefore, knowledge is constructed through dialogic interactions. In practice, during
interviews’ interactions meanings are created which effectively is a joint researcher-interviewees’ production. Carspecken (1996:42) posits that dialogical data collection in qualitative research allows the research process to be balanced – if need be – as it could possibly dispute monological data collected. It is in reality giving the respondents a say in the research process and an opportunity to challenge material produced by the researcher. Carspecken pursues that the researcher’s role remain one of a facilitator rather than a peer or colleague at this stage of the researcher process by constructing a safe environment so that the respondents would explore issues with their own vocabulary, their own metaphors and their own ideas. The researcher can exchange ideas, debates, explain the meaning of key vocabulary and social theories and actively help the respondents in various ways only after learning the participants side first. In this way, the process will be democratic and power relations are equalized.

5.5.2 – Secondary data

Secondary data in this study are essentially made of country specific current literature including researches relevant to the topic investigated; they are therefore mostly documentary data (journals, books, reports, IFIs records and newspaper articles) and survey-drawn data (available surveys’ statistics, GNI, trade figures and the like). These will support the provision of a triangulation together with grey literature (Appendix 1) adding a unique social insight thereby also providing stronger substantiation of constructs and hypotheses alongside continuous comparison of data (Eisenhardt, 1989; Downward and Mearman, 2007).

Some researches use only secondary instead of primary data. The choice between the two needs not be an either/or question. It has to be informed by the research question being studied and the resources available to the researcher. There are advantages and disadvantages of working with secondary as opposed to primary data. The first major advantage is financial: because someone else had already collected data, savings are made on this phase of research. Even if there is need to purchased this set of data, the cost is much lower because there are no salaries, transportation, and so forth that would be required to collect and process a similar
data set from scratch. There is also a great deal of time saved. Most of this data is generally catalogued and stored in electronic format; the researcher can spend much of their time doing analysis. The second advantage is the breadth of data available. No individual researchers would have the resources to collect development data in every country of Africa for instance, let alone repeat this data collection process every year, but the World Bank conducts numerous surveys on that scale (Bulmer et al., 2009). The third advantage is that oftentimes data collection processes are informed by expertise and professional backing that will not be readily available to doctoral researchers. For instance, many of the World Bank reports used in the literature review of this study have been collected by specialist in that task have many years of experience working on a particular research area.

Regarding disadvantages, one such in using secondary data is intrinsic in its very nature in that, due to the fact that the data were not collected to answer the research specific questions, particular information that would have been useful, might have not been collected. Or perhaps it might have been collected in a different geographic location, or a different time period or even on a different population group to that of interest. A common problem relate to the way in which variables are defined or categorized to what one would have hoped for such as donors could be categorized as OECD/Others. Also linked to the data’s nature is the lack of availability of certain data to secondary researcher: for instance, respondents’ personal details are unavailable for confidentiality reasons. A second disadvantage is the inability of the researcher to know how well data collection was done. Some sets of public data available for secondary analysis have collection procedures and other technical information available on their websites or in published reports. It becomes therefore paramount to read between the lines for data without such background information to make a guess of data collection procedures and encountered problems. Also to answer the question to know if the interviewee clearly understands questions posed? (De Vaus, 2002; Bulmer et al., 2009). In this study, consideration had been given to the secondary data in view of triangulating results obtained from analysis as will be seen under the analysis chapter. To that end three questions were addresses: (1), to what purpose were the data originally collected for? (2), what sort of data is it, and when and how were they collected? And (3), were the data cleaned and/or recoded, if so, how? (De Vaus, 2002).
5.5.3 – Pilot Study

Research method’s choice influences the use to which pilot studies have in qualitative research. In some cases, the express choice of pilots served the purpose of refining, developing research instruments (Gillham, 2000) and, assessing extents of observer bias (Hammersley, 1993; King, 1993) in the conduct of a pilot. In other cases, the use of pilots has served in framing questions (Ball, 1993), collecting background data and adjusting the research approach (Fuller, 1993; Hammersley, 1993).

In this study, as already alluded to under Carspecken’s step 3 earlier above, the pilot intends to provide a continual refining and focusing of research questions as well as determining to some extent the author’s own value-orientations by discovering biases. Its findings also are part of primary data collection. The pilot was made of two initial interviews for the Cameroon case and one interview for Tanzania. Pilot participants’ assistance would be required at the end of all interviews as a means to provide internal validity according to Creswell (2003:196-197) seven primary strategies. The pilot finally helps with reconstructing some of the participants’ responses within the analytical context chosen by the current study.

5.5.4 – Interviewees’ profile

Interviewees’ profile could be outlined as follows:

<table>
<thead>
<tr>
<th>Cameroon</th>
<th>Tanzania</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civil servants, Local Government and Council workers</td>
<td>Civil servants, Local Government and Council workers</td>
</tr>
<tr>
<td>Foreign Direct Investors (FDI), Bilateral &amp; multilateral agency workers</td>
<td>Foreign Direct Investors (FDI), Bilateral &amp; multilateral agency workers</td>
</tr>
<tr>
<td>Foreign mission representatives &amp; Diplomats</td>
<td>Foreign mission representatives &amp; Diplomats</td>
</tr>
<tr>
<td>Academics</td>
<td>Academics</td>
</tr>
<tr>
<td>Campaign group members &amp; Local journalists</td>
<td>Campaign group members &amp; Local journalists</td>
</tr>
<tr>
<td>Project workers, NGO workers &amp; Consultants</td>
<td>Project workers, NGO workers &amp; Consultants</td>
</tr>
</tbody>
</table>

Table 15: Case studies’ Interviewees’ profiles
The Cameroon case was made of twenty-eight (28) respondents/interviewees grouped according to their management level’s involvement as summarized in Table 16 below; twenty-one (21) interviews where digitally recorded and the remaining seven (7) were handwritten as interviewees did not feel comfortable to be recorded. Six (6) interviewees were civil servants; two of them were politicians: a city mayor and a government minister. Two (2) were foreign diplomats. Four (4) were local NGOs workers, three (3) of them being social justice campaigners. Three (3) were foreign aid agencies’ workers. Four (4) were academics. Three (3) were private sector workers: civil engineers involved in roads’ infrastructure development. Two (2) were economic and public affairs journalists. Management level at which each participant operates and/or they influence is italicized for ease of identification.

<table>
<thead>
<tr>
<th>Interviewee’s name code, Date, Time, Recorded or Handwritten, Language, Place (city or town)</th>
<th>Interviewee’s level of management and/or connection to foreign aid</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FBB</strong>, 14/08/2008, 10H00, Digitally recorded, French, Yaoundé</td>
<td>Deputy Program Director, Cameroon Radio &amp; Television Agency Strategic</td>
</tr>
<tr>
<td><strong>CAL</strong>, 20/08/2008, 17H30, Recorded, French, Yaoundé</td>
<td>Development Economist: Member of the Cameroonian Civil Society delegation to the ‘Accra Agenda for Action 2008’ Strategic</td>
</tr>
<tr>
<td><strong>SBK</strong>, 26/08/2008, 16H15, Partly-recorded, French, Yaoundé</td>
<td>Economic Advisors’ Office: Ministry of Economy, Planning and Spatial Planning Strategic</td>
</tr>
<tr>
<td><strong>MTZ</strong>, 14/08/2008, 14H00, French, Handwritten, Yaoundé</td>
<td>Journalist &amp; Celebrity, Magic FM Radio Tactical</td>
</tr>
<tr>
<td><strong>ABD</strong>, 14/08/2008, 20H40, Recorded, French &amp; English, And 21/08/2008, 10H00, Recorded, French, Yaoundé</td>
<td>Academic, Social Development department: Development Geography, University of Yaoundé Tactical</td>
</tr>
<tr>
<td><strong>JPA</strong>, 18/08/2008, 12H30, Recorded, French, Yaoundé</td>
<td>National Police Services, Police Commissioner Office Tactical</td>
</tr>
<tr>
<td><strong>JMB</strong>, 19/08/2008, 11H30, Recorded, French, Yaoundé</td>
<td>Agro-economist, Development Activist, Local Association and civil society leadership member Tactical</td>
</tr>
<tr>
<td><strong>JCB</strong>, 19/08/2008, 15H30,</td>
<td>Director, Engineer, Tender winner on multiple</td>
</tr>
<tr>
<td>Recorded, French, Yaoundé</td>
<td>roads planning, part-sponsored by French Development Agency (AFD)</td>
</tr>
<tr>
<td>-------------------------</td>
<td>------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>CTY</strong>, 19/08/2008, 20H00, Recorded, French, Yaoundé</td>
<td>Technical Director, Local engineering firm, Roads construction tender winner, City of Yaoundé</td>
</tr>
<tr>
<td><strong>MBG</strong>, 20/08/2008, 09H45, Recorded, French, Yaoundé</td>
<td>Academic (Public Works School), Engineer Government Consultant: Roads Construction</td>
</tr>
<tr>
<td><strong>PHN</strong>, 03/09/2008, 11H00, French, Handwritten, Yaoundé</td>
<td>Support Office of the Canadian Cooperation</td>
</tr>
<tr>
<td><strong>MTK</strong>, 20/08/2008, 15H30, French, Handwritten, Yaoundé</td>
<td>Director at ADIN: [Development NGO (Africa Development Interchange Network - Douala)]</td>
</tr>
<tr>
<td><strong>JDN</strong>, 21/08/2008, 08H50, Recorded, French, Yaoundé</td>
<td>Manager: ASSOAL (Housing &amp; Health Campaign group) Foreign Aid sponsored e.g. CORDAID (Dutch NGO)</td>
</tr>
<tr>
<td><strong>DXG</strong>, 21/08/2008, 15H45, French, Handwritten, Yaoundé</td>
<td>Development Consultant: Research Institution, part of French Embassy</td>
</tr>
<tr>
<td><strong>DPH</strong>, 22/08/2008, 09H00, Recorded, English, Yaoundé</td>
<td>Director: Community Development Organization</td>
</tr>
<tr>
<td><strong>TAM</strong>, 22/08/2008, 16H00, Recorded, French, Yaoundé</td>
<td>Mayor’s office: City Resource Management – Yaoundé IV</td>
</tr>
<tr>
<td><strong>GMG</strong>, 27/08/2008, 14H00, English, Handwritten, Yaoundé</td>
<td>Development (Technical &amp; Political) Advisor: British High Commission – Yaoundé</td>
</tr>
<tr>
<td><strong>JCS</strong>, 29/08/2008, 10H00, French, Handwritten, Yaoundé</td>
<td>Support Office of the Canadian Cooperation</td>
</tr>
<tr>
<td><strong>JMM</strong>, 30/08/2008, 11H00, Recorded, French, Yaoundé</td>
<td>Directorate for Roads Investments and Maintenance: Office for Rural Roads</td>
</tr>
<tr>
<td><strong>CAE</strong>, 01/09/2008, 10H00, French, Handwritten, Yaoundé</td>
<td>Activist, Author: Culture and Development</td>
</tr>
<tr>
<td><strong>LME</strong>, 01/09/2008, 12H30, English, Handwritten, Yaoundé</td>
<td>General Secretary: local women development NGO</td>
</tr>
</tbody>
</table>
The Tanzania case on the other hand was made of sixteen (17) respondents/interviewees as summarized in Table 17 below; Five (5) interviews where digitally recorded while the remaining eleven (11) were handwritten. Five (5) interviewees were civil servants. Two (2) were foreign diplomats. Two (2) were business captains. Two (2) were foreign aid agencies’ workers. Four (4) were academics. And Two (2) were local NGOs workers one (1) of them was an entrepreneur and a financial supporter of social equality campaigners. Once more these are presented according to their management levels as indicated in italics.

<table>
<thead>
<tr>
<th>Interviewee’s name code, Date, Time, Recorded or Handwritten, Language, Place (city or town)</th>
<th>Interviewee’s level of management and/or connection to foreign aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>JRY, 29/09/2008, 10H30, Digitally Recorded, English, Dar Es Salaam</td>
<td>Directorate for Trunk Roads: Ministry for Infrastructure Development</td>
</tr>
<tr>
<td>ETG, 30/09/2008, 11H00, Recorded, English, Dar Es Salaam</td>
<td>Economist: Department of Policy and Planning: Ministry of Infrastructure Development</td>
</tr>
<tr>
<td>MMJ, 04/10/2008, 16H00, English, Handwritten, Dar Es Salaam</td>
<td>Norwegian diplomat. Have worked in the past for USAID, SIDA and NORAD.</td>
</tr>
<tr>
<td>DKS, 25/09/2008, 10H00, English, Handwritten, Dar Es Salaam</td>
<td>Academic, Economics, lecturer: Faculty of Art and Social Sciences, University of Dar Es Salaam</td>
</tr>
</tbody>
</table>

Table 16: Cameroon Interviewees’ management level/connection and key issues
### Table 17: Tanzania Interviewees’ management level/connection and key issues

1. Civil servants, Local Government and Council workers: these are senior workers from government department for infrastructure development and public works. They could be either in engineering, planning, procurement, communication or finance. In this group, there are also other government departments’ workers involved directly in foreign aid management. Some of the Local government workers are elected;

2. Foreign Direct Investors (FDI), Bilateral & multilateral agency workers: these are individuals whose presence in recipient countries might be linked to either aid project/program or as expert consultants for a bilateral or multilateral

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Date/Time</th>
<th>Language</th>
<th>Location</th>
<th>Role/Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>UVL</td>
<td>05/10/2008, 9H30</td>
<td>English</td>
<td>Dar Es Salaam</td>
<td>Former diplomat, currently, Government Finance and Budget Advisor</td>
</tr>
<tr>
<td>PMW</td>
<td>29/09/2008, 19H25</td>
<td>Swahili</td>
<td>Dar Es Salaam</td>
<td>Director: Arusha Community Development NGO</td>
</tr>
<tr>
<td>AST</td>
<td>30/09/2008, 14H00</td>
<td>English</td>
<td>Dar Es Salaam</td>
<td>Finance and Investment: DFID</td>
</tr>
<tr>
<td>CAI</td>
<td>30/09/2008, 17H30</td>
<td>Swahili &amp; English</td>
<td>Dar Es Salaam</td>
<td>Entrepreneur, Director</td>
</tr>
<tr>
<td>JTC</td>
<td>01/10/2008, 09H00</td>
<td>Recorded, French</td>
<td>Dar Es Salaam</td>
<td>Development Secretary: (CIDA) Canadian High Commission</td>
</tr>
<tr>
<td>PMB</td>
<td>01/10/2008, 16H00</td>
<td>English</td>
<td>Dar Es Salaam</td>
<td>Academic: Research Dean for a Faculty, University of Dar Es Salaam</td>
</tr>
<tr>
<td>AJM</td>
<td>29/09/2008, 16H00</td>
<td>Handwritten, Swahili &amp; English</td>
<td>Dar Es Salaam</td>
<td>Monitoring &amp; Auditing: Commission for Human rights and Good Governance</td>
</tr>
<tr>
<td>ABM</td>
<td>30/09/2008, 11H50</td>
<td>English</td>
<td>Dar Es Salaam</td>
<td>Transport Economist: Ministry of Infrastructure Development</td>
</tr>
<tr>
<td>FSR</td>
<td>04/10/2008, 13H15</td>
<td>English</td>
<td>Dar Es Salaam</td>
<td>A Lawyer for a major international NGO</td>
</tr>
<tr>
<td>CHY</td>
<td>04/10/2008, 18H30</td>
<td>English &amp; Swahili</td>
<td>Dar Es Salaam</td>
<td>Dublin-born Tanzanian social justice and development activist and, freelance journalist</td>
</tr>
<tr>
<td>AXS</td>
<td>03/10/2008, 09H00</td>
<td>Recorded, English</td>
<td>Dar Es Salaam</td>
<td>Transport Infrastructure Funding &amp; Monitoring: World Bank – Dar Es Salaam</td>
</tr>
<tr>
<td>JKW</td>
<td>04/10/2008, 10H00</td>
<td>English</td>
<td>Dar Es Salaam</td>
<td>Researcher: Open University – Dar Es Salaam</td>
</tr>
</tbody>
</table>
aid/development agency. They might be representing foreign interests and/or investments;

3. Foreign mission representatives & diplomats: these are important stakeholders in that they are very much involved in numerous negotiations on behalf of their representative governments and at times, their home country’s multinational firms. They are also involved in helping bilateral and/or multilateral agencies to share information or work together on certain development projects;

4. Academics: local universities personnel who lecture or do research in matters relating directly to foreign aid management (politics, economics, social science, etc.) Some might be involved with various government departments as advisors;

5. Campaign group members & Local journalists: regardless of their backgrounds, campaigner in this context are people interested in public management in general and foreign aid in particular. Local journalists are made of economic journalists and celebrity journalists involved in development TV or radio programs;

6. Project workers, NGO workers & Consultants: these are aid workers whether on a project or program within a recipient country.

The above profile is intended to achieve access to a broad range of views from people either directly involved or acquainted with aid management and thereby, be able to provide data to facilitate understanding of mismatches between donors and recipients. The categories of people above are intended to cover both participants that will be the source of official or generally available information and grassroots’ perspective on aid effectiveness. The profile is focused on social and/or organizational standing of interviewee. Interviewee’s standing is a great indicator for management level the participant is. Participants’ choice was arranged through contacts made at pilot interviews’ respondents in that they provided comments on questions’ improvement and contacts as much as possible. These were chosen in such a way that key government departments’ servants, academics, civil society organizations and aid workers could be interviewed on recipients side as this study is looked at more from a recipient’s perspective. Donors’ key respondents were also interviewed so that Carspecken (1996) view of dialogical data – above outlined – explaining the fact that
these various categories would corroborate or otherwise contradict each others thereby potentially providing a great degree of triangulation could be satisfied – as will be discussed later in the data analysis section. Moreover, the donor-recipient relationship impacts on firms, projects and local communities had served to identify and understand mismatches further in gauging the extent to which they affect the effectiveness of aid on projects (Downward and Mearman, 2007).

5.6 – Conclusion

This Research Paradigm could be tabulated as below:

<table>
<thead>
<tr>
<th>Level of Decision</th>
<th>Choice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Epistemological and Ontological Assumptions</td>
<td>Critical realism</td>
</tr>
<tr>
<td></td>
<td>Supported by a retroductive research strategy to guide the identification of mismatches and unearthing of the process of how donor-recipient mismatches affect foreign aid effectiveness from a management standpoint.</td>
</tr>
<tr>
<td>Research Methods</td>
<td>1) Two descriptive case studies on donor-recipient relationship within the management of foreign aid to achieve effectiveness. Bilateral projects aid in roads infrastructure development was used to focus the study.</td>
</tr>
<tr>
<td></td>
<td>2) Descriptive case analysis from previous studies used as secondary data to provide triangulation</td>
</tr>
<tr>
<td>Data Collection Methods</td>
<td>(a) Monological collection: field observations and interactions.</td>
</tr>
<tr>
<td></td>
<td>(b) Documentary materials (scholarly and grey literature) on donor-recipient relationship as well as foreign aid management.</td>
</tr>
<tr>
<td></td>
<td>(c) Dialogical collection: semi-structured interviews of key personnel involved in the foreign aid matters, key individuals organizations and non-aid workers having direct interest in foreign aid management for results.</td>
</tr>
<tr>
<td>Mode of Analysis</td>
<td>1) Critical realism explanatory research (Danermark et al., 2002)</td>
</tr>
<tr>
<td></td>
<td>Supported by:</td>
</tr>
<tr>
<td></td>
<td>(a) Literature review</td>
</tr>
<tr>
<td></td>
<td>(b) Retractive analysis and exposition of findings to review research propositions and/or meet research objectives.</td>
</tr>
<tr>
<td></td>
<td>(c) Strategies to ensure accuracy and internal validity of case findings (Creswell, 2003).</td>
</tr>
</tbody>
</table>

Table 18: Current Research Paradigm key-points

Without pre-empting results and discussion in this study, it is fair to point back to table 16 above which summarizes the research paradigm and approach used for this research, thereby setting the stage for the analytical presentation of research findings. It is important to keep in mind the fact that in a realist paradigm, the world is viewed
as made of three distinct layers; (1), the real domain where mechanisms, structures, and powers reside (2), the actual domain where events and states of affairs occur and (3), the empirical domain where impressions and perceptions are experienced. Additionally, unlike the popular positivistic research paradigm, it accommodates a range of empirical research methods that depend on the nature of inquiry undertaken.

In line with Mason (2002) suggestion to achieving a coherent research approach, research questions determine the direction and choice made throughout the research. Such questions ought to be therefore wide enough to cover broader issues of the research like socio-political discourse. In other words, to get a better insight of the phenomena investigated, it is fundamental to relate accordingly, macro, meso and micro issues. Aid management world as it were, is just such a good area to identify multiple layers.

In closing, taking a careful view of this methodology chapter shows that Carspecken (1996) approach to critical qualitative research as the overarching approach within which Critical Realism approach is applied and embraced in this study. Carspecken (2005) reminds researchers that the method is a guide only and that researchers should “work to articulate their own intuitions” (Carspecken, personal communication, July 20, 2005). In his book “Critical Ethnography in Educational Research” (1996), Hardcastle, Usher, and Holmes (2006) found that “he prefers the term critical qualitative research (CQR) over critical ethnography” (p. 151). Smyth and Holmes (2005) proposed that this method could be the basis for any social research and therefore could be universally beneficial. It is paramount to mention that although the five stages of the process are not necessarily adhered to in their progressive order, they have been used as a means to facilitating a retroductive analysis. Another important feature of Carspecken’s approach that ought not to be neglected is the fact that this process is not only limited to collection but does engage in profound analysis of structures and relationships within data collected.

Carspecken (1996:41-42) stages could be summarized as follow:

Stage 1: Compiling primary record through monological data collection: this stage encompasses notes building from observations of interactions happening on the social site. Additionally, a non-essential record or journal of in-situ observations and
conversations could be made to enrich the primary record.

Stage 2: Preliminary reconstructive analysis: an analyses of the primary record to determine interaction patterns, their possible meanings, power relationships, roles, interactive sequences, evidence of embodied meaning and inter-subjective structures. Carspecken (1996) finds that reconstructive analysis serves to articulate unspoken and unobservable cultural themes and system factors.

Stage 3: Dialogical data generation: generated by participants through traditional methods of questionnaires, interviews and discussion groups.

Stage 4: Discovering system relations: at this stage, Carspecken intends to determine whether relationships exist between interest themes and other specific social sites or themes having some association to it.

Stage 5: Using systems relations to explain meanings: Carspecken (1996:40) suggests that part of the five-stage process can be used separately and because there is no real research design for critical realism (Kowalczyk et al, 2000:64), the study’s data collection incorporated Carspecken’s (1996:41) stage 1 primary data and stage 3 dialogical data collection methods.

These five stages above outlined, are paramount in satisfying a thorough analysis of data – including the use of retroductive methods – as well as meeting triangulation and validity requirement as referred to. To ease language complications, interviews were conducted in the respondents’ first language, or at least, in the language the interviewee was the most comfortable to discuss. This deliberate choice would limit or control any possible loss of meaning that a respondent’s account might incur for lack of precise or accurate wordings – considering that the respondent might not adequately be conversant in any other language. To illustrate this choice, let’s assume the interviewee account is ground zero. Responding in a less habitual language will be similar to adding more earth above ground zero. This would make the process of unearthing the truth that was initially below ground zero more laborious than it would have been should there not have been additional language difficulties.
Chapter 6 – Research Findings

“To write it, it took three months; to conceive it, three minutes; to collect the data in it, all my life” – Unknown Author

6.0 – Introduction

In today's development aid management environment, the volume of data available for sound decision-making has increased dramatically. Yet too often data is not fully controlled as a business asset due to a lack of smart information processes by analytical staffs and therefore leading to poorly informed choices.

As earlier discussed, this study has adopted a retroductive analysis of the two case studies. This chapter presents case descriptions of the interviewees in Cameroon and Tanzania. Interviewees’ profiling has been laid in the preceding chapter. However, for the sake of completeness, interviewees profiling will be applied to help indicate their level of contribution to aid management. Additionally, results are presented separately but will be consolidated in the discussion to explore relevant issues inclusively to understand the phenomenon under investigation. Without generalizing or extrapolating results, the two case studies would epitomize most donor-recipient mismatches. A handful selection of interviews’ transcripts is appended for the sake of indication (Appendix 2).

In line with the realist paradigm alluded to earlier wherein the world is viewed as made of three distinct layers: the real domain where mechanisms, structures, and powers reside, the actual domain where events and states of affairs occur and the empirical domain where impressions and perceptions are experienced, the following tabulated results portray a summary of interviewees’ management level and importantly, key issues about aid and/or management as experienced by participants. It is paramount to mention that names and specific roles of participants are not provided as part of an undertaking to protect their identity and respect their confidentiality. In case countries research that has been conducted, precise role of the interviewee (employment/organization) are fairly easy to trace back because of the manner in which society is constructed and thereby, compromising confidentiality. A
6.1 – Cameroon Summary Results

The following table summarizes interviewees’ impressions and key issues obtained as part of the dialogical process. These key issues are significant in that they serve as waypoints to determine explanatory mechanisms underpinning the quality of aid management and thereby the mismatches between donors and recipients. Participants are presented according to their management level they influence and/or operate on. In addition to the following summary, the author’s perception of each interviewee is available in Appendix 3.

Cameroon dialogical data Summary:

<table>
<thead>
<tr>
<th>Interviewee’s name code, Date, Time, Recorded or Handwritten, Language, Place (city or town)</th>
<th>Issues identified</th>
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</thead>
<tbody>
<tr>
<td><strong>FBB,</strong> 14/08/2008, 10H00, Digitally recorded, French, Yaoundé <strong>Strategic</strong></td>
<td>(1) Peoples’ different Aspirations, (2) Aid motivation, (3) Aid imposed, (4) No consultations in recipient country (5) No transparent auditing (6) Inappropriate Aid (7) Unequal relationship (8) Unrealistic Expectations (9) Opposed Perceptions</td>
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<tr>
<td><strong>CAL,</strong> 20/08/2008, 17H30, Recorded, French, Yaoundé <strong>Strategic</strong></td>
<td>(1) Participative politics is the only way forward for Africa (2) The Paris Declaration is both workable and appropriate for Sub-Saharan Africa economic and social progress (3) Africa is an experiment for Western development theories (4) Africa can make the best out of aid and not always be a loser (5) Donor-recipient relationships are unequal and characterized by undeclared objectives or hidden agendas (6) Some donors’ activities could not be done should their western constituencies learn about them (7) The concept of public good in Cameroon is crooked;</td>
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| Yaoundé   | 19/08/2008, 15H30 | Recorded, French, Yaoundé | Tactical | (1) Aid has help improve local engineering firms’ work quality  
(2) Aid success is dependent upon good management practices  
(3) Resources are abundant in Africa but waste is equally huge  
(4) Aid tender processes are very corrupt: the same companies are the winners  
(5) Government-donors dialogue is very difficult due to conflict of interests  
(6) HR capacity need to be built enormously  
(7) A culture of accountability and transparency ought to be established  
(8) Clear rewards/retributions must be established |
| JCB       | 19/08/2008, 20H00 | Recorded, French, Yaoundé  | Tactical | (1) Aid has philanthropic aspects: social responsibility  
(2) Aid does not work because belief systems are different  
(3) Either Aid ought to consider African culture or African have to change their mentality (governance, cultural, educational and judiciary) |
| CTY       | 20/08/2008, 09H45 | Recorded, French, Yaoundé  | Tactical | (1) Infrastructures and Public works sector is not properly regulated  
(2) People voices and needs are heard  
(3) In aid, quantity had been the focus rather than quality  
(4) Donors and recipients expectations are very different  
(5) Aid is not effective: both donors and recipients are not satisfied  
(6) Aid is not needed in Cameroon  
(7) Social inequalities produced by SAP application are a potential source of conflicts |
| MBG       | 20/08/2008, 11H35 | Recorded, French, Yaoundé  | Tactical | (1) Donors are unable to unilaterally dictate on aid  
(2) Recipients are dependent as drug addicts on donors to disbursed more and more aid  
(3) Donor-recipient relationships have always been a “rapport des forces” matter  
(4) There are many problems with aid; good management is lacking and both donors and recipients are to blame  
(5) No matter how much aid is received, Cameroon seems to lack the will to develop or progress  
(6) Populations’ quality of life has not improved although mineral/natural resources are exploited  
(7) The agricultural sector has died, there are no more export but |
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<th>Name</th>
<th>Date/Time</th>
<th>Language</th>
<th>Location</th>
<th>Notes</th>
<th>Tactical</th>
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</table>
| MTK,  | 20/08/2008, | French,    | Yaoundé  | Handwritten | (1) Aid taxonomy is negative, aid is not aid, it is a business; so it is better to talk about ‘cooperation for development’  
(2) Unlike recipients, donors know what they want: national interests expressed through markets control, which is a part of neo-colonialism.  
(3) Aid conditionalities make aid effective in view of serving donors interests.  
(4) Aid will stop one day so it is paramount to make the best of it by making a profit out of it.  
(5) All management problems are important from planning, budgeting, monitoring and evaluation.  
(6) Aid is not effective because targets are continuously missed  
(7) Nepotism is a snare to progress; right people are not at the right place as a result, management suffers  
(8) IFIs impose privatization; Government can manage well  
(9) Aid is an unequal trade donors and recipients do not recognize each others interests: figures are clear, recipients have not benefited from aid, Africa is heavily indebted  
(10) Recipients need to learn how to play the “aid game”, thinking strategically  
(11) There are alternatives to aid; Aid is not a better way for Africa |
| JDN,  | 21/08/2008, | French,    | Yaoundé  | Recorded | (1) Multilaterals are better than Bilaterals  
(2) Lack of true and frank dialogue between donors and recipients  
(3) Aid management mechanism are opaque: lack transparency  
(4) There is a battle of wills between donors and recipients rather than cooperation: victory/success depends on quality of rapport |
| DXG,  | 21/08/2008, | French,    | Yaoundé  | Handwritten | (1) Recipients ought to promote their interests the same way donors do.  
(2) Unscrupulous practices are done with aid by donors and recipients alike  
(3) Aid in SSA is built on the backdrop of lies and deception, slavery and inhuman exploitation and, colonization.  
(4) Continual exploitation and manipulation of the Françafrique does not set up a good precedent for trustful future donor-recipient relationships.  
(5) Aid will never be affective for recipients because it is donors’ rights to recipients’ estates.  
(6) Lack of democracy and public accountability profit only to donors’ interests. |
| DPH,  | 22/08/2008, | English,    | Yaoundé  | Recorded | (1) Development is a business  
(2) Aid has no value, as it is ‘free’ money.  
(3) Aid is globally very ineffective  
(4) Aid ought to be project specific and be at individual level in view of bringing organic growth.  
(5) Current aid is a band-aid rather than a seed or an investment.  
(6) Aid is lucrative and provides an international hierarchy of power and influence. |

now everything is imported mostly from 1st world countries
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<th>JGB, 22/08/2008, 11H15, Recorded, French, Yaoundé</th>
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<tr>
<td>(7) Aid relationships are interests driven and motives are not stated clearly</td>
<td>(1) Aid processes not transparent</td>
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<td>(2) In-country processes quality is questionable</td>
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<td>(3) Aid managers are not carrying for populations’ wellbeing</td>
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<td>(4) Tenders: fictitious markets, Prevaricators cartel that awards contracts to themselves</td>
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<td>(5) Aid management processes are donor-imposed and not embraced</td>
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<td>(6) Aid is differently defined by donors and donors</td>
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<td>(7) Aid utilization: permissive or coercive</td>
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<td>(8) Public &amp; Private good concepts are confused in recipient countries by both donors and recipients</td>
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<td>(9) Donors act without care of administrated populations</td>
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<td>(10) Good practices not duplicated but new ones are constantly introduced: Laboratory Approach</td>
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<td>(11) Learner ready to learn for change but is the teacher / educator ready too?</td>
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<td>(12) Development ought to be defined within the Cameroonian cultural context.</td>
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<th>FXT, 22/08/2008, 14H30, French, Handwritten, Yaoundé</th>
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<tr>
<td>(1) All aid processes ought to be transparent</td>
<td>(1) Decentralization is the way forward in Cameroonian</td>
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<td>(2) Aid processes quality has improved in the last decade.</td>
<td>(2) Aid processes have brought along a real political will</td>
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<td>(3) Civil society organizations involvement in day-to-day politics has help achieve further quality improvements.</td>
<td>(3) Human resource and management capacity ought to be increased</td>
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<tr>
<td>(4) Foreign aid provides political leverage for donors to carry on controlling recipients beyond colonialism through international trade control, tariff manipulations, elections rigging and many more things.</td>
<td>(4) Projects success depends on local communities ownership</td>
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<td>(5) Cameroon could have been like the Asian tigers; the problem resides at public resources management level</td>
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<td>(6) China is surpassing the US because of learning from theirs and others’ mistakes</td>
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<td>(7) Embezzlement and corrupt practices are still common</td>
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<th>TAM, 22/08/2008, 16H00, Recorded, French, Yaoundé</th>
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<tr>
<td>(1) Decentralization is the way forward in Cameroon</td>
<td>(1) There is confusion in so far as participative management or governance is concerned</td>
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<td>(2) Aid processes have brought along a real political will</td>
<td>(2) Donors and recipients are defending their own interests.</td>
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<td>(3) Human resource and management capacity ought to be increased</td>
<td>(3) Aid to civil society organization has help build their capacities to participate in governance</td>
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<td>(4) Projects success depends on local communities ownership</td>
<td>(4) The cultural context of Cameroon management is unique: corruption seats in the back of no lack of accountability; there are no public good interests</td>
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<td>(5) Cameroon could have been like the Asian tigers; the problem resides at public resources management level</td>
<td>(5) It is the fault of Cameroon if donors profiteered from resources.</td>
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<td>(6) China is surpassing the US because of learning from theirs and others’ mistakes</td>
<td>(6) Corruption is a result of social disparities, absence of equality and undue exercise of power.</td>
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<td>(7) Embezzlement and corrupt practices are still common</td>
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<td><strong>GMG, 27/08/2008, 14H00, English, Handwritten, Yaoundé</strong></td>
<td>(7) Since recipients aren’t doing the right thing so far as management is concerned, it is hard to claim that donors are responsible of their misery.</td>
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</tbody>
</table>
| **JCS, 29/08/2008, 10H00, French, Handwritten, Yaoundé** | (1) Aid orientation is questionable: recipient priorities versus donor choice  
(2) Donor institutions require and/or advice recipients to plan for 5 years at a time: inconsistent with advice to western countries  
(3) Aid to combat corruption and support good governance and public resource management  
(4) Some donors have no economic or strategic interests in Cameroon  
(5) Aid as a means to debt cancellation is counter-productive: donors would not do that themselves.  
(6) Paris Declaration’s move from Project to Program aid: capacity-building. Program approach: Harmonization, Alignment and Appropriation  
(7) Government aid appointed managers: high turnover, Not competence-based & No capacity for organic growth due to government neglect  
(8) Aid absorption very low: fictitious budget  
(9) Aid absorption is privileged rather than effective  
(10) Aid parallel management: Cameroon government & donors; makes way for corruption: Aid is taken hostage by public servants because they have no notion of development  
(11) Donors lobbying to keep Aid flowing: to maintain & create new jobs for foreign firms, to access resources and to geo-strategically positioned themselves.  
(12) Cameroon aid-supported sectors such as budget, infrastructures and forestry have no national orientation or objective.  
(13) Beneficiaries don’t understand the rational of program aid. Under project aid there was pressure and budgetary support  
(14) The state is an obstacle to development: culture? Lack of national will? Mentality? Accusing foreign powers is just an excuse: nothing prevent Cameroon from refusing aid and choosing its own path: “A nation’s development depends on its elites” |
<p>| <strong>JMM, 30/08/2008, 11H00,</strong> | (1) Aid is effective if developments politics are defined, recipients are associated to donors decision and cultural &amp; socio-anthropological changes are effected accordingly |</p>
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<td>CAE, 01/09/2008, 10H00, French, Handwritten, Yaoundé</td>
<td>01/09/2008</td>
<td>French</td>
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<td>(1) “Organizing countries” (donors) live from created paradoxes</td>
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<td>LME, 01/09/2008, 12H30, English, Handwritten, Yaoundé</td>
<td>01/09/2008</td>
<td>English</td>
<td>Yaoundé</td>
<td>(1) Recipients ought to align to donors’ objectives and priorities in view of achieving aid access</td>
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<td>NAP, 01/09/2008, 15H00, Handwritten, French, Yaoundé</td>
<td>01/09/2008</td>
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<td>Yaoundé</td>
<td>(1) Cameroon does not have to follow the euro-centric development model or societal organization</td>
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<td>PHN, 03/09/2008, 11H00, French, Handwritten, Yaoundé</td>
<td>03/09/2008</td>
<td>French</td>
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<td>(1) Donors-Recipients dialogues ought to get frank, transparent and on equal terms.</td>
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<td>(1) There is no transparency in tender processes</td>
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<td>(3) It is up to recipients to accept or reject their proposals</td>
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<td>(4) Donors agencies work for the interests of their home countries</td>
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<td>(5) Donor-recipient exchanges or discussions aren’t balanced as recipients are poor and powerless and can’t express their priorities</td>
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<td>(6) China has failed to apply the “Loa Tzu” principle: donors have no interests in teaching recipients how to progress</td>
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<td>(7) Corruption can only fragilize recipient societies</td>
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<td>(1) “Organizing countries” (donors) live from created paradoxes</td>
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<td>(2) Society is a whole yet part of it is a development laboratory</td>
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<td>(3) Favorite theme is “political communications”</td>
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<td>(4) Development is not equitable</td>
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<td>(5) Quinquennial development plans ought to be re-thought</td>
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<td>(6) Development might work differently in non-democratic societies: in democracy, there are civil societies, private sectors, trade unions, etc who work as development actors.</td>
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<td>(7) Might development work better in centralized or liberalized socio-economic conditions</td>
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<td>(8) Development would not work alongside nepotism, lack of patriotism and public interest</td>
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<td>(9) Development is people first and means or resources second: this isn’t the case in Cameroon.</td>
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<td>(1) Recipients ought to align to donors’ objectives and priorities in view of achieving aid access</td>
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<td>(2) Recipients are unable to pick or choose aid that fits their vision and growth</td>
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<td>(3) Aid does more harm than good; it is an instrument of dominion and it cannot be dissociated from racial implications built on a past of slavery and colonialism.</td>
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<td>(4) Donor-recipient equality will be evident when donors will respect recipients patrimony and stop looting resources</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>(5) Corruption is part of Africa’s colonial patrimony</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>(1) Cameroon does not have to follow the euro-centric development model or societal organization</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>(2) Cameroon does not need aid; it creates crowding in of important resources that could be employed profitably elsewhere</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Donor-recipient relationships are problematic because one culture suppresses another.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Donors-Recipients dialogues ought to get frank, transparent and on equal terms.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Lack of systems (Procedures and Processes)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Aid in Cameroon ought to move away from the French way of thinking: no results or responsibilities rather only advantages</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4) Bilateral aid is not about public good but about diplomatic politics</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5) Multilaterals: recent development evolution and great debates</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(6) Recipients ought to propose development project/program</td>
<td></td>
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</tr>
<tr>
<td>(1) Aid is our ticket to reach the western world standards</td>
<td></td>
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<td></td>
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</tr>
</tbody>
</table>
Table 19: Cameroon dialogical data summary

6.2 – Tanzania Summary Results

The following table, as with Cameroon’s case, serves to highlight key issues identified by participants as fundamental in uncovering explanatory mechanisms underpinning aid management performance and donor-recipient mismatches. Results are tabled as above in accordance with management levels at which participants operate on and/or which level they influence.

Tanzania dialogical data summary:

<table>
<thead>
<tr>
<th>Interviewee's name code, Date, Time, Recorded or Handwritten, Language, Place (city or town)</th>
<th>Mismatch identified Key donor-recipient relationship’s issues</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>JRY,</strong> 29/09/2008, 10H30, Digitally Recorded, English, Dar Es Salaam</td>
<td>(1) Major bilaterals are: Norway, Sweden, Denmark, Finland and Japan. Very religious on Aid evaluation, improvement, employment and capacity-building. (2) “Policy problem” is pandemic to Tanzania. In practice employment doesn’t increase with more aid and more infrastructure needs. (3) Aid is mismanaged due to lack of leadership.</td>
</tr>
<tr>
<td><strong>FTM,</strong> 29/09/2008, 13H40, Recorded, English, Dar Es Salaam</td>
<td>(1) Donors and recipients ought to agree on benchmarks and performance indicators that determine effectiveness. (2) Projects’ tender process and procurements are perceived as fair and corruption free. (3) The Government generally believes that they are getting a fair deal so far as aid is concerned. (4) There is no cause for concern on either side of Tanzania – donors’ negotiation table.</td>
</tr>
<tr>
<td>ETG, 30/09/2008, 11H00, Recorded, English, DAR</td>
<td>Strategic</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td><strong>1)</strong> Tanzania sets up its priorities and influences conditionalities’ design and not donors</td>
<td></td>
</tr>
<tr>
<td><strong>2)</strong> China has provided an alternative to traditional donors</td>
<td></td>
</tr>
<tr>
<td><strong>3)</strong> Scandinavian donors and Japan mostly support Tanzania infrastructures’ development.</td>
<td></td>
</tr>
<tr>
<td><strong>4)</strong> Donors can’t be held responsible for Africa’s status quo</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MMJ, 04/10/2008, 16H00, English, Handwritten, Dar Es salaam</th>
<th>Strategic</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1)</strong> Scandinavian aid models are not subjected to mismatches as much as other OECD countries; it is aid for the sake of true development</td>
<td></td>
</tr>
<tr>
<td><strong>2)</strong> Management is the key area of focus for making aid more effective.</td>
<td></td>
</tr>
<tr>
<td><strong>3)</strong> Donors’ strategic and profiteering interests will achieve less development, much resentment and more conflicts. (4) Some donors’ activities have been associated or at the origin of undemocratic behavior</td>
<td></td>
</tr>
<tr>
<td><strong>5)</strong> Recipients have to promotes their interests as much as donors</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DKS, 25/09/2008, 10H00, English, Handwritten, Dar Es Salaam</th>
<th>Tactical</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1)</strong> More than 40% of budget comes from Aid</td>
<td></td>
</tr>
<tr>
<td><strong>2)</strong> Move from socialism to capitalism has increased corruption and personal interest, marginalization of general public, rise of tribalism and objectives reversal.</td>
<td></td>
</tr>
<tr>
<td><strong>3)</strong> Institutionalized corruption is fueled by aid through tender: “get rich quick” schemes</td>
<td></td>
</tr>
<tr>
<td><strong>4)</strong> Public/national interest is collapsing as more and more aid is disbursed</td>
<td></td>
</tr>
<tr>
<td><strong>5)</strong> Corruption is a major variable for both donors and recipients</td>
<td></td>
</tr>
<tr>
<td><strong>6)</strong> Impunity, extensive tax holidays to private investors &amp; enterprises and lack of accountability</td>
<td></td>
</tr>
<tr>
<td><strong>7)</strong> Money dispersed –V- time –V- outcomes: post-benefits analysis is lacking in terms of policies and objectives of Aid</td>
<td></td>
</tr>
<tr>
<td><strong>8)</strong> Lack of democracy does not provide proper aid accountability mechanisms: no strong opposition, NGO &amp; civil society organizations due to physical threats to life</td>
<td></td>
</tr>
<tr>
<td><strong>9)</strong> Political parties have moved from instrument for policy-making to instrument for power monopolization by marginalizing commoners.</td>
<td></td>
</tr>
<tr>
<td><strong>10)</strong> Growth of underground resistance: there is a great possibility that “it might explode like in Kenya”; how and when is still anybody’s guess</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>AJM, 29/09/2008, 16H00, Handwritten, Swahili &amp; English, Dar Es Salaam</th>
<th>Strategic</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1)</strong> Tanzania governance indicators measure well and satisfactorily against government designed benchmarks</td>
<td></td>
</tr>
<tr>
<td><strong>2)</strong> There is fear of saying or providing any adverse reports</td>
<td></td>
</tr>
<tr>
<td><strong>3)</strong> There is a false sense of progress</td>
<td></td>
</tr>
<tr>
<td><strong>4)</strong> Corruption proofs can be made to disappear fairly easily: capitalist ideologies have brought in or perhaps magnified social inequalities.</td>
<td></td>
</tr>
<tr>
<td><strong>5)</strong> Aid has not provided needed noticeable social growth.</td>
<td></td>
</tr>
<tr>
<td><strong>6)</strong> Human rights’ respect have greatly improved</td>
<td></td>
</tr>
<tr>
<td><strong>7)</strong> Civil society organizations and local NGOs participation have increased due to aid</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PMW,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1)</strong> New roads are built but no real maintenance of old ones.</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td>Time</td>
</tr>
<tr>
<td>------------</td>
<td>--------</td>
</tr>
<tr>
<td>29/09/2008</td>
<td>19H25</td>
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<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>ABM</td>
<td>30/09/2008</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>AST</td>
<td>30/09/2008</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>CAI</td>
<td>30/09/2008</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>JTC</td>
<td>01/10/2008</td>
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<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>PMB</td>
<td></td>
</tr>
</tbody>
</table>

175
<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Source</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/10/2008</td>
<td>16H00</td>
<td>Handwritten, Dar Es Salaam</td>
<td>Tactical&lt;br&gt;(2) Donors are required to be transparent in their home countries but not in recipients&lt;br&gt;(3) In mineral-poor countries, donors are interested in huge farmland investment that at times lead to eviction of smallholders out of their lands&lt;br&gt;(4) Aid negotiations are more of a beggar’s supplications&lt;br&gt;(5) Recipients need to take responsibility and say ‘no’ to aid&lt;br&gt;(6) Donors will never respect recipients cultural values&lt;br&gt;(7) It is hard but not impossible for recipients to win in a World Order made by donors&lt;br&gt;(8) We are an experiment for donors</td>
</tr>
<tr>
<td>04/10/2008</td>
<td>13H15</td>
<td>Handwritten, Dar Es Salaam</td>
<td>Tactical&lt;br&gt;(1) Factually, US foreign aid in many African countries, serves the purpose of fueling conflicts&lt;br&gt;(2) Most aid secretly promotes donors’ corporate interests to the detriment of democracy and countries’ independence, sovereignty, social justice and political freedoms.&lt;br&gt;(3) Aid is a leveraging tool for maintaining the world power balance.&lt;br&gt;(4) Corruption and traffic of influence accompanying aid transactions is unprecedented and unique.&lt;br&gt;(5) No OECD nation would allow any other nation to exploit or profiteer its resources as they do in aid recipient nations&lt;br&gt;(6) Aid is a crafty way of continuing colonialism&lt;br&gt;(7) Donor-recipient relationships will be mismatching for a long time as it is a rapport des forces</td>
</tr>
<tr>
<td>04/10/2008</td>
<td>18H30</td>
<td>Handwritten, Dar Es Salaam</td>
<td>Tactical&lt;br&gt;(1) Aid has been useful in many ways particularly in sectors such as education, infrastructure, health and human rights&lt;br&gt;(2) In governance however, aid is mostly associated with donors’ multinational interests.&lt;br&gt;(3) Aid is strategic and many times it eventually turns out to be an instrument of manipulation and neo-colonialism.&lt;br&gt;(4) Aid will not benefit recipients as much as it does to donors.&lt;br&gt;(5) It is unfair however to lay the full blame onto donors, recipients manage aid for themselves</td>
</tr>
<tr>
<td>05/10/2008</td>
<td>09H30</td>
<td>Handwritten, Dar Es Salaam</td>
<td>Tactical&lt;br&gt;(1) Aid is the latest version of the scramble for Africa that seeks to loot Africa’s resources&lt;br&gt;(2) Aid gives donors rights to loot Africa and is proof of neo-colonialism and neo-imperialism.&lt;br&gt;(3) US military aid is intended to create more armed conflicts.&lt;br&gt;(4) Aid is about real estate control as evidenced by China mass purchase of millions of hectares of land in developing country.&lt;br&gt;(5) Most ex-colonial powers are reluctant to relinquish control of their ex-colonies and moreover, would like to keep them poor for strategic reasons.&lt;br&gt;(6) Aid provided to northern countries is packaged differently to aid for Africa: it is also about race and ethnic groups.</td>
</tr>
<tr>
<td>03/10/2008</td>
<td>09H00</td>
<td>Recorded,</td>
<td>Tactical&lt;br&gt;(1) Aid processes are short-circuited by recipients low management capacity&lt;br&gt;(2) Public good, part of “ubuntu” has been lost in modernism and is not anymore well understood.</td>
</tr>
</tbody>
</table>
(3) Patriotism is an inexistent concept
(4) Lack of strategic leadership makes aid to be nothing more but a debt enticement exercise
(5) Aid-resulting debt is too much a price to pay for human rights, good governance and basic infrastructures
(6) Recipient governments are equally at fault as much as donors for Africa’s misery

JKW, 04/10/2008, 10H00, English, Handwritten, Dar Es Salaam

<table>
<thead>
<tr>
<th>Functional</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Quality of life has not noticeably improved with participative politics</td>
</tr>
<tr>
<td>(2) Program aid has given more control to recipients</td>
</tr>
<tr>
<td>(3) Aid provides an opportunity for recipient’s economy to be privatized without full support of the populaces.</td>
</tr>
<tr>
<td>(4) Poor management and corruption are part of a post-colonial cultural legacy of readily available funds to mono-party government that protects foreign interests more than local</td>
</tr>
<tr>
<td>(5) Aid Re-colonizes Africa</td>
</tr>
<tr>
<td>(6) Aid ought to be re-defined, current appellation is a mere misrepresentation of the reality</td>
</tr>
</tbody>
</table>

Table 20: Tanzania dialogical data summary

To add some perspective to the above issues drawn from each interviewee’s account as starting elements of the retroductive analysis, it is fundamental to stress how the pilot interviews enriched the rest of the interviewees.

6.3 – Pilot Study

This study pilot’s approach as already mentioned under paragraph 5.5, adopts Carspecken’s step 3 wherein the intent is to provide a continual refining and focusing of research questions as well as determining to some extent the author’s own value-orientations by discovering biases. No need to recount that data collected in pilot interviews form part of primary data. Practically, participants were asked for ideas, feedbacks and comments on interviews after discussing with them the study’s objectives and the methodological choices made. It is important to mention that feedbacks received in Cameroon so far as approach to ways of interviewing were put across to the Tanzania pilot participant for appraisal in relation to his environment. Pilot Interviews were also intended to confirm that:

- Interviewers are comfortable with “how” questions are posed: these questions contribute to explanatory understanding;
• The interviewee understands the questions clearly: questions are not ambiguous or double meaning;
• Answers provide as much information as required: questions to be more open-ended rather than restrictive;
• The interview does take about 90 minutes: this was as a guideline, most interviews took around this time;
• Interviewers successfully adhere to the established protocol: while the interviewee’s answers help determine the next question, the researcher made sure that all areas of inquiry are adequately covered collectively and/or singularly.

In Cameroon, two participants were involved in this developmental process. One participant is an academic and government consultant on economic development matters. The second is an economic journalist and a celebrity whose notoriety evolved from his directness and toughness in his televised interviews with key politicians. In Tanzania, where the sample was relatively smaller, the pilot participant was a senior lecturer and occasional advisor to various government ministries on economic matters. These pilot interviewees were also asked about how to reach and/or secure intended participants, how best to frame the question without hurting local culture and sensibilities and also, the best way to expose the research objectives. The advice or recommendation was to make the interviewee aware of comments made by other participants on any area or question whereon they had seemed to be too far from other’s statements. This will allow the participant to recount their statement, justify their position and thereby, providing a considerable degree of internal validation. A found advantage of this technique is that in so doing, the participant is providing valuable information in the explanatory understanding of aid management. An additional benefit of this approach is that for a sensitive matter such as management in a highly politicized environment – that is foreign aid’s, the participant will feel safe in that they are not somewhat alone what they believe in or they are saying.

Interestingly, one of the pilot interviews’ participants believed that insightful information would be obtained from people at low-level management rather than senior managers. The belief is that they have got little or nothing to lose. Nonetheless,
even participant at high level management could express any point of view without fear of jeopardizing their work positions by managing ‘how’ over ‘what’ they say. It is important to mention that all three pilot participants – two in Cameroon and one in Tanzania – in terms of stakeholders’ analysis as will be later detailed, were very knowledgeable of foreign aid management. They interest level in aid management was very high although they do not have much power insofar as commanding resources to achieve or affect some form of change on foreign aid; and such, they are stakeholders referred to as ‘defenders’. Defenders are arguably the best group of people to talk to as will be discussed in the following chapter. Promoters on the other hand – high Interest and high Influence stakeholders – are generally susceptible to either abusing their power or work for their own interests as they can summon resources for particular tasks. This is particularly peculiar to the SSA setting where resources are fungible and efforts are not concerted for the greater good (Van de Sijpe, 2010).

6.4 - Conclusion

Summarized results in tables 19 and 20 above are based on dialogical data. It is paramount to remain focused on the fact that the participants’ views – whether right or wrong – are considered so that the phenomenon under investigation – mismatches between donors and recipients – may be understood from their perspective. Of course, the study’s objectives and its key question are the overarching guiding beacons. Additional to the recipients’ respondents, it is paramount to stress once more that a small number of interviewees are neither Cameroonian nor Tanzanian. This is done in view of achieving triangulation and internal validity. These two important research attributes have been so enriched in considering that foreign actors supported most if not all of the statements and/or issues identified by local actors interviewed. A stakeholders’ analysis that follows in the Analysis Chapter will clarify the extent to which all these interviewees adequately represent recipients or donors for that matter. Such a stakeholders’ analysis would somehow legitimize the participants’ adequacy to address the concern of the current investigation rather than adding any significant contribution to the retroductive analysis central to this study’s philosophy. It should not be forgotten that the pilot interviews have significantly improved question
formulation as well as understanding socio-political sentivities that need to be taken to account in the conduct of the actual interviews.

It can be noticed that three quarters of interviewees are people at a tactical level of management. One fifth are at a functional level and this group as well as the tactical one has relatively less to lose in contrast to interviewees operating at a strategic level of foreign aid management. Nonetheless, strategic level interviewees’ contribution is significant in that donor-recipient aid negotiations are within their remit although, their relative “more to lose” position in comparison to other levels’ interviewees did not prevent them from provide useful information. Needless to say that data collection process was improved through a pilot exercise wherefrom additional on-going improvement in the form of external auditing was performed the same participants as per ‘5.3 – Triangulation and Validation’ in chapter 5 on ‘Research Methodology’. At the center of the said research is the realist paradigm alluded to earlier which sees the world in three distinct dimensions: a dimension known as ‘the real domain’ where mechanisms, structures, and powers reside, a second dimension known as ‘the actual domain’ where events and states of affairs occur and of course the obvious dimension referred to as ‘the empirical domain’ where impressions and perceptions are experienced.

Finally, for the sake of analysis, it is important to remember that in addition to dialogical data summarized in this chapter, monological data have been summarized earlier on as to provide ample detailed information on interviewees. These are found in tables 16 and 17 under ‘5.5.4 – Interviewees’ Profile’ in chapter 5 earlier and, are made of both how interviewees describe themselves and how they are seen by the researcher.
Chapter 7 – Analysis of Findings

Two things will stop you dead in your tracks: a) overanalyzing to the point that you're paralyzed and afraid to act b) under analyzing and moving ahead before you have sufficient knowledge and the wisdom to implement it – Bob Gass (ca 1940 – date)

7.0 - Introduction

The previous chapter presented a summary of data collated during the author’s field trips in Cameroon and Tanzania. Some randomly chosen interviews are appended to this thesis for the sake of completeness. Field notes from observations (monological data), interviewees and interaction with various interviewees (dialogical data) are included as the analysis goes on. The starting point for this analysis is to note a simple words’ frequency in view of establishing interviews’ convergence or divergence of themes that would determine or at least lead on possible explanatory mechanism(s). Such words frequency queries were achieved with the help of the Nvivo 9 software. The author finds that convergence or divergence of interviews is paramount in establishing underlying mechanisms that explain mismatches. It does not bear any statistical importance as explanations are sought rather than replication. Coefficients such as Jaccard’s, Pearson’s correlation and Sørensen's have been used as explained later in view of achieving this goal. However, a stakeholders’ analysis preceded steps mentioned above in view of identifying which stakeholder has an interest in aid management, which of them supports or opposes changes and not least, which one’s position has the greatest impact on the process or the issue. It is noteworthy to be aware of the fact that stakeholders and their positions may change over the course of time and perhaps during the analyses, their analysis therefore remain an ongoing process allowing for policy design to adjust practices as more is known about the mismatches being researched (World Bank, 2002a).

To pursue the analysis, a step previously discussed under “Retroductive Analysis and Triangulation” which consist of building models of those underlying structure(s) through a dialectical mediation between empirical evidence and
theoretical abstraction was undertaken. Danermark et al. (2002:109) assert, retroduction

‘Rests on the presumption that the fundamental structures of explanatory social science can be described as a movement from the concrete to the abstract and back to the concrete’.

In retroductive analysis as mentioned earlier on under “5.2 – Research Approach”, the objective is to arrive to possible models that explain underlying structure(s) through a dialectical mediation between empirical evidence and theoretical abstraction. These structures are presumably satisfactory explanations to concrete social problems (Danermark et al., 2002). Carpesken (1996) system relations established thus far in the points above and referred to earlier, constitute the founding blocks for explanatory mechanisms. It is important to observe that retroduction had started from the determination of key issues per interviewee tabulated in tables 19 & 20 under paragraphs 6.1 and 6.2 respectively according to Carspecken step 2’s direction. The researcher is therefore engaged in a continuous process of structuring, restructuring and adjusting of abstractions in order to eliminate or avoid irrelevant abstractions (occurrences) that ‘mar’ the explanatory value of knowledge obtained (ibid: 45). The objective is therefore to find the causal powers or liabilities in transfactual conditions of a social phenomenon (ibid: 54); thus what is in the nature (and relations) of these conditions that makes them construct or generate the social phenomenon and its related events (Sayer, 1992: 104).

To complete the analysis, a business appraisal was conducted with the assumptions that (1), donors and recipients are involved in pure business transactions within the aid setting. (2), Foreign aid is an investment opportunity for donors and (3), recipients borrow money as business capital and/or bridging funds.

7.1 – Stakeholders Analysis

Stakeholders within the remit of this study were limited to the interviewees as classified under the six groups in the profile presented earlier under the Research Methodology Chapter of this study. However, for the sake of clarity, the stakeholder
analysis may refer to an organization or type thereof represented by a particular stakeholder. As a reminder, the six groups identified were:

1. Civil servants, Local Government and Council workers
2. Foreign Direct Investors (FDI), Bilateral & multilateral agency workers
3. Foreign mission representatives & Diplomats
4. Academics
5. Campaign group members & Local journalists
6. Project workers, NGO workers & Consultants

Stakeholders have been drawn generally from the following sectors: national politics (legislators, governors), international/donors, public (ministry of public works & infrastructure development, ministry of planning, finance and economy, ministry of information and ministry of transport), labor (unions, civil society organizations), commercial/private construction and quantity survey firms, and non-profit (foundations and nongovernmental organizations [NGOs]). It is paramount to note that a stakeholder might be an individual, an organization or an unorganized group of people. Stakeholders could be internal or external to the organization that is promoting or implementing a particular policy; in this study it is in relation to being within the recipient government that is seeking to promote or implement good aid management practice as a way to achieving foreign aid effectiveness; all other stakeholders are external. These are key characteristics or attributes identified by the World Bank (2002a) that permit to understand them:

Their Position: whether the stakeholder supports, opposes, or is neutral about aid management, which is key to establishing whether or not he or she will block the process implementation. The position is generally informed by their Knowledge of aid management in this case; the level of accurate knowledge and how each stakeholder defines the aid management is important in identifying stakeholders who oppose due to misunderstandings or lack of information (Schmeer, 2000).

Their level of Interest: this is also referred to as ‘salience’ and it depends on the advantages and disadvantages that implementation of good aid
management practice brings to the stakeholder. Determining the stakeholder’s vested interests helps policymakers and managers better understand their position and address their concerns (Schmeer, 2000).

Their level of influence: also referred to as ‘power’, this depends on resources at their disposal that they could marshal to promote their position on a particular issue. Resources here are seen in quantity, quality and types such as human, financial, technological, political, and other that is available to the stakeholder and his or her ability to mobilize them. In stakeholders’ focused researches, a power index is computed for each of them. Power index is defined by resources available for mobilization by a stakeholder and thereby determining the level of force with which they might support or oppose the particular issue (World Bank, 2002a).

Their Alliances: this is the stakeholder’s ability to initiate, convoke, build support of other stakeholders or even lead actions for or against a particular practice, legislation or policy. It is also a gauge of the stakeholder’s leadership quality. Alliances can make a weak stakeholder stronger, or provide a way to influence several stakeholders by dealing with one key stakeholder. In practice, identifying leading stakeholders helps policymakers and managers target them in view of either convincing them or having their support (Schmeer, 2000).

It is only fair to understand that various stakeholders operate at different aid management levels and will obviously exert different degree of influence based on their political, financial or even social power. The social capital of civil society organizations and unions ought not to be undermined, as these are the supposed invigilators or controllers of how country resources are managed for the greater good of all. Perhaps, a country-based analysis could testify to various stakeholders’ influence on aid management in considering their perceived position by recipients. To carry out this analysis, dialogical data collected for each country are very useful. This set of data contain information collected from local experts in the field who are knowledgeable about foreign aid management and the important groups and individuals involved in the area. Some of the interviewees hold extensive local
knowledge and did provide a critical first hand understanding of which stakeholders are relevant to the concern area. In this study, interviews were broad all-inclusive so that they may uncover as much as possible hidden facets of aid management in view of understanding donor-recipient mismatches. Needless to say that this is very handy in assessing stakeholders as well as in understanding a little more on the country’s political economy. Monological data, on the other hand, are very important in that they provide the researcher’s reading of the environment wherein the phenomenon under investigation is studied (Schmeer, 2000).

7.2.1- Cameroon Stakeholders’ Analysis

Cameroon’s interviewees were mapped up in relation to stakeholders’ main attributes from high, moderate and low levels. In so doing, the explanatory mechanisms were able to derived from the Retroductive Analysis as shown later on were enriched with an additional set of information that pinpointed forces behind one or more aspects of the mechanisms in so much as to know that a causal agent sits where in terms of stakeholders’ mapping. The mapping provided a fair assessment of stakeholders insofar as donor-recipient aid management mismatches are concerned. In so doing, two main categories of stakeholders got established: advocates/supporters and blockers/critics of good aid management. These two groups were identified from a salience/power matrix. Leadership is important for stakeholders as it provides them with supporters for their chosen direction. Position on the other hand provided the stakeholders with the confidence to participate or otherwise shun from the phenomenon.

<table>
<thead>
<tr>
<th>POSITION</th>
<th>INTEREST (Saliences)</th>
<th>INFLUENCE (Power)</th>
<th>ALLIANCE (Leadership)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>FBB MTZ ABD JPA JMB, JCB, LAN MTK CAL DXG DPH JGB SMG SBK GMG JCS CAE NAP PHN</td>
<td>FBB MTZ ABD ATY JPA JMB JCB CTY PEG MBG LAN MTK CAL JDN JMM</td>
<td>SBK GMG PHN JCS CAL SMG</td>
</tr>
<tr>
<td>Medium</td>
<td>ATY CTY PEG MBG JDN FXT TAM JMM</td>
<td>GMG LME SMG SBK PHN DPH JGB FXT</td>
<td>FBB MTZ JPA JMB JCB LAN MTK JDN DXG</td>
</tr>
</tbody>
</table>
From *table 21* above, an important measure used in business strategy called “effective power” (degree of power the stakeholder holds over other groups in relation to an issue) was determined by weighting a combination of a stakeholder’s salience and influence. A matrix was used to organize stakeholders’ data accordingly. In so doing, it became possible to identify which stakeholders would profit or not from a proposed change and whether they could significantly impact the process (Thiry, 2004a). It is paramount to mention that while a particular stakeholder might for instance be at a tactical management level, they might have greater power to influence or instigate change either by virtue of their alliance to say a union or, by virtue of their position. The matrix below (*figure 17*) highlights “effective power” of stakeholders. A medium level was added on both dimensions – Power and Salience – to accommodate stakeholders that would be somewhat average or would not be low or high in the categorization:

![Figure 17: Cameroon's Stakeholders Power-Salience Matrix- Designed by Author (2011)](image)

(1) High Power – High Salience: PROMOTERS Key Stakeholders Actively involve in all phases or convince if negative Key players Need strong buy-in:
these are stakeholders who attach a high priority to aid management and whose actions can have an impact on its implementation.

(2) Low Power – High Salience: DEFENDERS **Affected** Identify concerns and keep informed **Keep informed** Maintain interest: these are stakeholders who attach a high priority to good aid management but whose actions cannot have an impact on its implementation.

(3) High Power – Low Salience: LATENTS **Potentially Influential** Understand and satisfy needs **Keep satisfied** Active consultation: these are stakeholders whose actions can affect the implementation of good aid management but who attach a low priority to it.

(4) Low Power – Low Salience: APATHETICS **Marginal** Monitor regularly for changes **Minimal effort** Keep informed: these are stakeholders whose actions cannot affect the implementation of good aid management practice and who attach a low priority to it.

The above description is a combination of materials from the World Bank (2002) in capital letters, Thiry (2004b) in bold letters followed by a short description, Winch (2004) in italics, and from the OGC (2007) underlines. These descriptors are based on a four-group matrix. However, for the sake of avoiding generalization and achieving completeness, the author added medium levels that in practice characterize stakeholders that have a fair degree of influence and/or interest but could not strictly put in a lower or higher group. Such stakeholders would be strengthened or otherwise weakened by their alliances and knowledge or lack thereof. Additionally, as distinguished by Cleland and Ireland (2002:176-8), being primary (or internal) and secondary (or external) stakeholders could move them into one direction or the other bearing in mind that stakeholders do change their grouping within a policy dynamic environment like the one aid management operates in. For the sake of categorization, Cleland and Ireland (2002:176-8) observe that primary stakeholders are “those persons or groups on the project team who have a contractual or legal obligation to the project team and have the responsibility and authority to manage and commit resources according to schedule, cost and technical performance objectives” while secondary stakeholders are “those who have no formal contractual relationship to the project but can have a strong interest in what is going on regarding the project.” It is therefore clear to realize that some stakeholders are proponent (or “beneficiary”) and
others are opponents (or “adversarial”) even though both are interested parties. It is important to mention that Drucker (1981) classifies ‘stakeholders’ as having a positive and direct stake in the business and its prosperity, as opposed to ‘constituencies’, which are groups accepted as entitled to a say, or at least a veto, even though they may have little or no say in the institution’s primary mission and purpose.

A beneficiary perception assumes and hopes that any foreign aid management stakeholder is somehow a beneficiary and as such, has a such has a positive interest in the program outcomes, and in general will be readily accessible, and amenable to discussion and negotiation. This is very vital to successful beneficiary stakeholder management, as many stakeholders tend to have conflicting needs, interests and expectations, and these ought to be met and ‘satisficed’ (a term originally coined by Simon in 1962 combining satisfy and suffice) – that is, the compromise to which enough of the constituencies [and stakeholders] can acquiesce. In practice, a solution that will not create opposition is sought, rather than one that will generate support (Drucker 1981, Thiry 2004a & b). An adversarial perception assumes that most stakeholders are potentially or actually opposed to the program, and may not be prepared to discuss and negotiate issues (Cleland & Ireland 2002, Englund 2006, and Tuman 2006). The challenge with these stakeholders is to convert them to beneficiary stakeholders by either offering appropriate changes to the project mission, or, preventing some proponents defecting to the opponent side by offering to integrate more explicitly their proposed problem solutions (Winch, 2004). In short, the ‘medium’ ground stakeholders need to be management in an appropriate fashion so that they may support policy and/or propositions made in view of attaining good practice in aid management.

7.2.2- Tanzania Stakeholders’ Analysis

The following table 22 is a mapping of Tanzania’s stakeholders. None was of low Position and Interest. This is good in that their knowledge of aid management and their interest in good management conduct is adequate to provision of informed opinions to this study. The following table below would provide a fair note to the fact that one of the main goals of Stakeholder Analysis is to establish power relations, and
therefore potentially assist in reducing the imbalances among weaker groups that is often revealed during important reform processes for instance.

<table>
<thead>
<tr>
<th>POSITION</th>
<th>INTEREST (Salience)</th>
<th>INFLUENCE (Power)</th>
<th>ALLIANCE (Leadership)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>DKS JRY FTM ETG ABM PMB AST JTC AXS JKW FSR MMJ UVL</td>
<td>JRY FTM AJM PMW ETG ABM CAI FSR CHY UVL</td>
<td>PMW ETG ABM AST JTC MMJ</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>JRY FTM PMW ETG AST JTC MMJ CHY</td>
</tr>
<tr>
<td>Medium</td>
<td>AJM PMW CAI CHY</td>
<td>DKS AST JTC PMB AXS JKW MMJ</td>
<td>JRY FTM AJM CAI FSR CHY UVL AXS</td>
</tr>
<tr>
<td>Low</td>
<td></td>
<td></td>
<td>DKS PMB JKW</td>
</tr>
</tbody>
</table>

**Table 22:** Tanzania’s Stakeholders Mapping

Depending on the attributes of the stakeholder, strategies to achieve change or implementation of agreed mechanisms might be tailored to address such concerns (Tuman, 2006).

![Figure 18: Tanzania’s Stakeholders Power-Salience Matrix – Designed by Author (2011)](image)

It is interesting to observe that in both Cameroon and Tanzania samples, none of the stakeholders was found to be of low Salience and low Position. This is significant in that, regardless of the level of management stakeholders operate on, they have a degree of interest or Salience that would lead to believe that they are
beneficiaries. Additionally, their Position, which as a matter of fact is their knowledge, suggests that at least from a human resource management perspective, they are well equipped to fulfill managerial functions – albeit at differing levels – yet the question remains to ascertain that such performance could translate into good management practice whether by choice or competence. Now, assuming that medium and low levels of Influence and Interest are collapsed together so that only the four classes of stakeholders as described by authors cited herein above remain. No greater changes can be observed from a power level perspective except the actual change of interest. Interest is paramount because it indicates motivation for change or in this case, the desire to see an effective aid management properly established. People with a high level of ‘Interest’ are found to be very good interlocutors particularly if they have a high level of ‘Position’. These people have no fear of losing anything save their reputation in most cases. They are journalists, academics, activists and the like.

In practice, Stakeholder Analysis turns out to be a critically handy tool in clarifying the micro political economy of an area such as management of foreign aid and can in reality, help identify interested parties that should be incorporated in the decision-making process, in addition to understanding the basis for their inclusion (Stretton, 2010).

7.3 – Cameroon Data Analysis

Having established the level of each participant engagement by way of a stakeholders’ analysis following the identification of key issues, a “words’ frequency” of the twenty-eight (28) interviews conducted in Cameroon was performed. A ‘words cloud’ resulting from the said words’ frequency (Appendix 4) gives a visual wherein the bigger the size of the word, the higher its use has been. A note of caution is that some words could simply be articles, verbs, conjunctions or connectors and therefore they are of no conceptual significance. For example: about, aren’t, being, before, rather, etc. It is paramount to mention that the researcher judgment is always needed to determine what results are needed to progress the analysis. Any statistical method or operation used are merely here to support rather than direct the actual analysis.
From the ‘words cloud’, it is noticeable what words or concepts are of a possible significance for Cameroon interviewees. To further understand or find out significance of these words, a ‘tree-map’ – Appendix 4 – was generated in view of shedding a little more light on linkages between the high frequency words and consequently on resulting codes and nodes. Trying random combinations could be revealing significance-wise and possibly explanation-wise too. For the sake of illustration, below are just a handful of combinations drawn from the tree-map. In reality, thousands of combinations could be formed although not all will make any sense whatsoever:

(1) Donors people could recipients projects which budgets firms donors without government interests needs  
(2) Government about civil money support capacity resource through priority infrastructure evaluation always effective  
(3) Development think public management process corruption quality Chinese progress financial monitoring provision various recipients  
(4) Don’t think society should tender local roads through examination without foreign being times right  
(5) Donors Cameroon other recipients can’t corruption still French national ministry foreign things sectors effect  
(6) Donors about public money projects capacity budgets between priority foreign being Yaoundé work  
(7) Development because society ought tender those resource funding effect does objectives politics always needs  
(8) Government people could management support years corruption effective financial ministry before political sector understand  
(9) Don’t because countries ought tender where quality governance ministry effective institution sectors and needs.

These random combinations would only make sense within the monological and dialogical data context convergence [or divergence] on the field and throughout the interviews. There are a number of assertions, declarations and concepts that various interviewees’ understanding and/or interpretation converged on; they have constituted the basis for explanatory relationships on how and to what extent
mismatches affect aid effectiveness. To establish such explanatory relationships, traditionally, every single interview ought to be manually scanned for various words frequencies, words associations as well as a computation by using specific mathematical formulas to determine similarities and their directions. A text processing software was used in support of these delicate operations. Importantly, the software helped draw relationships from all interviews – by countries and for each country of course – by statistically referencing themes that point towards possible mismatches between donors and recipients. A similarity parameter was activated within the said software to converge any word associations that will at 95% or above mean mismatches. For the sake of completeness, an extract of the said mismatches referencing can be found in Appendix 4. As a result of the referencing step, a number of converging relationships as seen by interviewees and clustered by Nvivo based on their statistical weighting and their relative coding similarity, the following twenty-three (23) assertions were found to constitute the key association components of explanatory mechanisms: (1), Aid Unwanted; (2), Aid as a Moral Debt or Dual Mandate Duty; (3), Donor-Recipient: Principal-Agent Relationship; (4), Recipient’s Exclusion; (5), Donor-Recipient Conflicting Policies; (6), Aid Absorption –V-Disbursal; (7), Aid as Illusion, Profiteering Artifice; (8), Donor-Recipient Aid Shared Objectives; (9), Aid Re-definition; (10), Aid and Public Management; (11), Donor-Recipient Conflicting Interests; (12), Aid, Corruption and Injustice; (13), Aid Utility or Utilization; (14), Aid Fungibility; (15), Donor-Recipient Dialogue Quality; (16), Donor-Recipient Equality of Status; (17), Recipient Impunity and Development; (18), Inter and Intra Donors’ Conflicting Interests; (19), Local-Civil Society Participation; (20), Recipient’s Vision, planning and Objectives; (21), Recipient’s Internal Conflicting Interests; (22), Aid Dependency and (23), Aid Technology Transfer and Capacity Building.

A schematization of these association components is found in Appendix 4 and is referred to by the software as ‘nodes’; they have been clustered by coding and word similarity. These relationships are what Carspecken (1996:40) designated as “system relations”. They are intended to determine existing relationships between interest themes as mentioned earlier. System relations were determined by their ponderal significance. Which in turn, was determined by matching number of coding references and items coded found in the interviews and field notes. A table in Appendix 5 portrays system relations for both Cameroon and Tanzania. In other
words, mismatches’ system relations were arrived at by searching field data for any reference to ‘mismatches’ and then, cross-referencing them for their degree of similarity as stated earlier.

7.4 – *Tanzania Data Analysis*

The same data processing steps taken for Cameroon were also conducted for Tanzania. Mutatis mutandis, the ‘words cloud’ and the ‘tree-map’ are in Appendix 4. A handful of random combination to provide an idea of themes that could result from key high frequency words is as follow:

1. Donors development people Dar Es Salaam budget because vision think without culture other problem recipient sectors social issue
2. Donors infrastructure project don’t Africa governance policy through corruption construction interests making tender dialogue funding evaluation
3. Government support people capacity budget department vision growth local finance leadership management cultural effectiveness might benefit negotiation
4. Government money about recipients roads public terms between china mission budgetary problem service process education rights nothing
5. Government infrastructure about recipients roads country sector growth corruption donor loans concern tender employment before foreign issue

These five manual randomly made combinations show the process that the software does automatically in a more elaborate, time-sensible and pattern-matching manner. Additionally, sources and nodes clustered by word similarity and in turn nodes clustered by coding similarity to be the link of the two previous clusters – see appendix 4 – have informed the formation of system relations by computing nodes importance by the number of coded text references and codes items in specific nodes. The rationale behind this process is purely retroductive and it is paramount to be reminded once more that in qualitative research, monological and dialogical data collections or any data collection processes for that matter are part of the analysis process (Boyatzis, 1998).
An addition to the above steps, Nvivo query to determine interviews’ word-based similarity was run to validate system relations across the whole study - meaning, using both Cameroon and Tanzania individually and collectively. By approaching words and nodes from this perspective, an in-study validation is performed. The words’ similarity cluster was produced for audio-recorded interviews between Cameroon and Tanzania to achieve validity as the analysis progresses – See Appendix 4 for details. Interviewees names were coded as ‘Cam’ or ‘Tanz”, respectively for Cameroon and Tanzania followed by a three-letter code representing the interviewee. The code was completed by ‘Interview’ or ‘FullTranscript01’, respectively telling whether it was an interview or the entire Country’s data in terms of interviews and field notes; these full transcripts were used so that Nvivo may identify the interview that would share the most common themes with the entire country set of data. In other words, such an interview would somewhat be the archetype of the set. In this study, CamJDNIInterview for Cameroon and TanzJRYinterview are the epitomes. Additionally, “CamTabResults” and “TanzTabResults” were treated under various similarity coefficients as explained in detail in Appendix 5. These data sets were used to provide basic analytical attributes such as country and interviewees’ profiles.

7.5 – Business Appraisal of Foreign Aid

A Business Appraisal is an investigation process generally carried out by accountants in view of providing a market value of the a business. This process looks at past, current and possible future activities of buyers and sellers in the marketplace into an estimate of price-value. In a similar manner, foreign aid could be evaluated in terms of activities between donors and recipients within the international aid environment as a set of business transactions (Tayles et al., 2002). It is paramount to mention that such valuation does take into consideration ‘unique propositions’ or in other words, the individuality and uniqueness of each Business. Additionally, a Business Appraisal cannot be guaranteed with mathematical precision, nor can it be proven although, value opinions be substantiated bearing in mind that these are results
meticulous professional analysis of a large amount of data (Meinhart and Zanni, 2011).

There are a number of appraisal approaches – which are interrelated – all involving gathering and analyzing specific data relating to the company or business entity being analyzed. Additionally, a number of consideration are made in arriving to final value of the business:

(1) What will a reasonable buyer be prepared to pay a reasonable seller? Reasonable is understood in the economic sense wherein a buyer and a seller are each supposedly comparing potential alternative investments to negotiate a balance between the economic incentive to purchase and the economic incentive to sell. In terms of aid however, the incentives are not economic only but are also cultural, geo-strategic and political.

(2) A Business is defined as an organized method of producing revenues routinely over a period of time. To achieve that there are two main components: one being the asset value made of the value of machinery, equipment, buildings and land, usable stock and other legal rights. Also known as fixed or tangible assets. The other component being the intangible assets made of the premium value a buyer will pay a seller for organization and historically recorded cash flows. It is also made of items such as customer lists, contracts, non-competitive covenants and goodwill and any other item documented by seller or buyer Cost Per Action (CPA).

(3) The appraisal report is only as good as the data it is based on considering that accounting or financial data is generally taken at face value.

(4) Any estimated figure in a valuation report is limited by time and adjustments ought to be made as changes occur over time due to changing market and/or economic conditions.

It is paramount to stress the fact that in market economics, the single most important factor that impacts the value of a business entity is the supply and demand of an equally desirable substitute that is available in the marketplace. Accordingly,
Atkins (2008) observes that three key approaches are utilized in determining the value of a business entity:

1. The *cost approach*, which considers the cost of purchasing or producing the business.

2. The *income approach*, which is a financial analysis consisting of capitalizing an income stream based on the cost of money and a risk rate that reflects current market conditions.

3. The *market data approach*, which values the business based on current sales in the marketplace for the same or similar businesses. This approach is very common and typically useful when analyzing data drawn from the market pertaining to the type of Return on Investment (ROI) ratios are customary, or data based on Price-to-Earning (P/E) ratios that buyers are willing to pay in order to purchase a certain type of Business.

Most Business Appraisal report will include the following headings or chapters: (1), History and Nature of the Business (2), Economic Outlook (3), Book Value (4), Earning Capacity of the Enterprise (5), Dividend Paying Capacity of the Enterprise (6), Goodwill and Intangible Assets (7), Recent Sales of Stocks and (8), Market Value of Comparable Companies. Although these headings have not been religiously adhered to, it is fair to observe that the foreign aid opponent-proponent debate does to a large extent operate on similar principles. Since this study is conducted from a recipient’s perspective, this is the manner in which the headings could concisely be read through the words of this study’s respondents:

(1) *History and Nature of the Business*: Except emergency, disaster and humanitarian aid which are generally charitable, no other form of aid could be said to be philanthropic. It is mostly Financial Services provision (finance-providing business) and provision of technical, military and policy consultancy. There has in recent years been a much greater dimension of a lobbying aspect for Human Rights and Civil Liberties, which for some respondents are perceived to be largely informed by Euro-centric values. The
history of the business as it were had been discussed earlier on in the literature review in reference to dual mandate, slavery and colonialism (Howard, 1984).

(2) Economic Outlook: to provide this outlook, variables such as expenditures, foreign trade, output, labour markets, interest rates and exchange rates, the balance of payments, consumer price index and government debt are methodically computed in such a way that various scenarios could be read through them. Regardless of the methodology employed, African economic outlook is seen to be uncertain and bleak – in comparison to other economic regions’ outlook that is (Ateba-Eyene, 2008).

(3) Book Value, Goodwill and Intangible assets: There are numerous valuation methods when it comes to businesses such as Book Value, Adjusted Book Value, Income Capitalization, Discounted Earnings, Discounted Cashflow, Price Earnings Multiple, and Dividend Capitalization. All these valuation methods would show that there is value for investors as well as equity for owners regardless of current liabilities (Matschke, 2010). In simplistic terms, if this were not the case, donors would not continue to disburse more aid. It is a viable business for donors however, recipients need to strategize and draw profits out of it; it could be made a win-win transaction. Potential are enormous for recipients in terms of real estate, tourism, manufacturing relocation possibilities, mining, forestry, human resource, etc.

(4) Earning and Dividend Paying Capacity: this could be understood as the net average earnings at a given moment in time: past, current or future. From a recipient’s perspective, the earning and dividend paying capacity in Africa is huge. Other than the perennial problem of skilled people leaving for western countries, revenue streams as already alluded to, are simply unlimited (Horner and Slesnick, 1999). Recipients could put them to good use should their national priorities be adhered to seriously.

(5) Recent sales of Stocks: A number of lucrative stocks investment opportunities have been set up in many countries that relate to FDI and multinational corporations operations in Africa such as General Electric, Total, Mobil,
DeBeers Corporation, American Mining Fields, Tenke, First Quantum, etc. The stocks’ investment does not yield anything to African governments only to certain individuals both in Africa and abroad (Africa Confidential, 2010).

(6) Comparative Market Value: African foreign aid is comparatively a better value for donors. The return on investment so far as donors is concerned is high as it provides cheap access to raw material (Adam et al., 2004). Paradoxically, the return is low for donors and recipients alike if aid is taken strictly form a perspective of poverty reduction and well as economic growth in Africa (Huff et al., 2000; Stiglitz and Charlton, 2005).

The viability of the “aid business” as it were, is seriously undermined by the nature and quality of the donor-recipient relationship. Moreover, the conflicting interests between both sides as well as among same side stakeholders add in a complication factor that makes uncertain the future success of aid in Sub-Saharan Africa. Finally, the security situation and the socio-political instability in Africa undermine the success of aid for the benefit of recipient countries.

7.6 - Conclusion

To provide a comprehensive investigation, three analyses were conducted: a Stakeholders’ Analysis, a Retroductive Analysis and a Business Appraisal.

The stakeholders’ analyses conducted earlier determined interviewees’ levels of engagement as well as establish whose opinion matters most so far as aid management is concerned. Tables 21 and 22 have provided a profiling of interviewee in high, medium and low levels of “position”, “salience”, “power” and “Leadership”. Emerging categories have been the work of numerous authors and researchers such as mainly the World Bank (2002), Thiry (2004b), Winch (2004) and the OGC (2007). Cleland and Ireland (2002:176-8) however, have pointed at a general grouping of internal and external stakeholders in observing that primary stakeholders are “those persons or groups on the project team who have a contractual or legal obligation to
the project team and have the responsibility and authority to manage and commit resources according to schedule, cost and technical performance objectives” while secondary stakeholders are “those who have no formal contractual relationship to the project but can have a strong interest in what is going on regarding the project.” To reiterate the points made earlier, clearly some stakeholders are proponent (or “beneficiary”) and others are opponents (or “adversarial”) even though both are interested parties. It is important to be reminded of Drucker (1981) classification which defines ‘stakeholders’ as those having a positive and direct stake in the business and its prosperity, as opposed to ‘constituencies’, which are groups accepted as entitled to a say, or at least a veto, even though they may have little or no say in the institution’s primary mission and purpose. Needless to mention once more that this research interviewees do cover adequately both categories and therefore, provides a balanced or satisfactory spread that permitted to gather data without a bias toward one group or the other.

From Cleland and Ireland (2002), stakeholders classified from the one hand as beneficiaries are perceive as having a positive interest in the aid program or project outcomes, and in general will be readily accessible, and amenable to discussion and negotiation. This will prove to be very fundamental to successful stakeholder management, as many stakeholders tend to have conflicting needs, interests and expectations, and these ought to be met and ‘satisficed” (a term originally coined by Simon in 1962 combining satisfy and suffice) – that is, the compromise to which enough of the constituencies [and stakeholders] can acquiesce. Drucker (1981) and Thiry (2004a & b) find that in practice, a solution that will not create opposition is sought, rather than one that will generate support. On the other hand, those perceived as adversarial are potentially or actually opposed to the program, and may not be prepared to discuss and negotiate issues (Cleland & Ireland 2002, Englund 2006, and Tuman 2006). The challenge with these stakeholders – as could be imagine – is that to convert them to beneficiary stakeholders by either garranteeing that appropriate changes will be affected to the program/project mission, or, preventing some proponents defecting to the opponent side by offering to integrate more unequivocally their proposal of solutions to the issues addressed by the said program/project (Winch, 2004). In short, the ‘medium’ ground stakeholders ought to be appropriately managed
so that they may support policy and/or propositions made in view of attaining good practice in aid management.

Properly speaking, Retroductive Analysis started with an identification of key issues raised by each interviewee; nonetheless, data collection in qualitative study is already part of the analysis (Carspecken, 1996). Alongside key issues, a words’ frequency and tree-map randomization helped established combinations that serve to build system relations, the building blocks of explanatory mechanisms. A number of coefficients have been computed to establish how system relations relate to each other in terms of similarity and proximity. From hereon, explanatory mechanisms can be drawn in support of a discussion and results interpretation. Carspecken (1996:40) refers to the schematization of these explanatory mechanisms’ association components as “system relations”. These system relations were determined by their ponderal significance. Which in turn, was determined by matching number of coding references and items coded found in the interviews and field notes. In other words, mismatches’ system relations were arrived at by searching field data for any reference to ‘mismatches’ and then, cross-referencing them for their degree of similarity within the whole country sample and also their similarity across both countries.

Finally, the Business Appraisal of the foreign aid in Cameroon and Tanzania as an analysis tool does provide a validation to respondents’ statements about aid being seen as an artifice for profiteering, needing re-definition and at bottom line, being unwanted. It is an uncomplimentary statement and indeed a terrible judgment of the entire aid regime considering that as a business aid provides a “doorway” for donors’ geopolitical as well as resources’ needs.
Chapter 8 – Discussion of Findings

Scientific research consists in seeing what everyone else has seen, but thinking what no one else has thought – Albert Szent-Gyorgyi (1893-1986).

8.0 - Introduction

In this chapter, an interpretation of findings derived from monological and dialogical data gathered as well as those derived from various analytical steps taken is carried out within a critical research contextual understanding. Elements or components resulting for such an interpretation are part of the final conceptual framework; needless to mention nonetheless that in critical realism research, data can be continually analyse until the researcher stop doing so. Accordingly, the conceptual framework could be further developed as analysis pursues its course.

Explanatory mechanisms as previously discussed under “Research Approach” section, are models of those underlying structure(s) through a dialectical mediation between empirical evidence and theoretical abstraction based on Danermark et al. (2002:109) assertion that retroduction

‘Rests on the presumption that the fundamental structures of explanatory social science can be described as a movement from the concrete to the abstract and back to the concrete’.

The researcher is therefore engaged in a continuous process of structuring, restructuring and adjusting of abstractions in order to eliminate or avoid irrelevant abstractions (occurrences) that ‘mar’ the explanatory value of knowledge obtained (ibid: 45). The objective is therefore to find the causal powers or liabilities in transfactual conditions of a social phenomenon (ibid: 54); thus what is in the nature (and relations) of these conditions that makes them construct or generate the social phenomenon and its related events (Sayer, 1992:104).
As already alluded to, retroductive analysis must primarily focus on capturing necessary relations and equally not forget to account for contingent relations for a particular phenomenon. It thereby becomes an amalgam of two parallel evaluations. The diagrams hereinafter portrayed are a non-exhaustive representation of possible explanatory mechanisms underpinning donor-recipient relations’ mismatches. These diagrams conception derive form Jaccard’s, Sørensen’s and Pearson’s correlation coefficients’ readings computed as a result of Nvivo data processing. Nonetheless, the author judgment as to additional linkages with grey literature and field notes although part of the computation have been considered for internal triangulation. In practice, Pearson’s correlation readings helped determine which node correlate to the other and similarity coefficients helped determine the direction of the relationship. The initial relationships of various nodes had been taken into consideration so far as all twenty-three nodes could be loosely grouped under four or five major groups: Conflict of Interests, Relationships Quality, Aid Motivation, Aid Utility & Utilization and Aid effectiveness. These groups affect all three levels of traditional management function as discussed hereinafter. It is therefore paramount to confirm that regardless of the level of management, good management practice, planning, strategy, vision, delegation and so forth are required for any project or program to successfully be attained.

8.1 – Cameroon Case

Wildemuth (1993) referred to earlier in “Research Approach” defines the qualitative paradigm as an understanding of the social world from the respondents’ perspective, through detailed descriptions of their cognitive and symbolic actions, and through the wealth of meaning associated with observable behavior. The Cameroon case is the larger of the two case studies, size-wise; although qualitative research does not require big samples as it is concerned with depth rather than breadth, it is good practice to have them in view of providing much needed internal validation where generalizability is not sought over sheer richness of the case study approach.

A number of issues were identified and constituted the starting point of the retroductive analysis process. These issues have revealed the manner in which
respondents judge foreign aid effectiveness but more particularly, how they viewed the entire management of aid in their country. Issues were pertaining to (1), the nature of donor-recipient relationship (2), aid management quality (3), stakeholders’ conflicts of interests and (4), Aid impacts or the expected outcomes of aid.

The nature of the relationship between a given donor and a given recipient is dependent of numerous factors. First of all, the Stakeholders’ Analysis conducted earlier has provided imported indicators that would help a careful observer to forecast the quality of results or outcomes expected of the process of managing foreign aid. If and when a latent stakeholder – an influential [powerful] stakeholder that has little or no interest [salience] in seeing good management practice established or who has conflicting interests to those of a recipient – disburses aid, it is highly likely that the said aid will not achieved most of the expected outcomes. Stretton (2010) finds that a stakeholders’ analysis is an important tool in understanding the micro political economy surrounding any group of interacting stakeholders. In this case, there is no exception as to how various stakeholders’ rapports do contribute to the understanding of aid management.

Respondents representing or working for aid giving organizations and those from foreign firms have interestingly fallen within the “Latents” stakeholders’ group. While they seem to advocate for better management, the reality is that most of them will by and large be unemployed should aid be well managed. The rationale behind foreign aid is that it is provided to help poor countries achieve economic growth. Unfortunately, as already discussed earlier in Chapter 2, Erixon (2001) and Easterly (2005) eloquently demonstrated that this rationale is untenable and the economics behind it are flawed. As an illustration, here is a statement from SMG:

“…Motivations for bilateral are interests. Chinese or French will come to Cameroon because there are raw materials. The US is not in Iraq for democracy: economic interests always seem to dominate the relationships or Russia in Georgia, etc. Governance is also a systemic issue. If our negotiators aren’t qualified or good enough, the others will take advantage. It is like the story of measuring with a rope and measuring with a sling. Countries ought to integrate all they are learning from donors – If we applied 50% of what the IMF or the WB prescribed, we would have been far away. I’m not saying that
because the bank employs me; I used to be an adversary of the Bank but now I understand – we are wounded and would see only the negative – we see only the dictate. It’s a national pride issue as well…”

Such is the essence of most statements made by latent stakeholders. Aid had been found to be successful in making it easier for developed countries to have cheap access to poor countries’ resources (Stiglitz, 2002). Therefore, as a return on investment (ROI), it has achieved in a sense an objective for donors – whether stated or hidden – although it has not achieved poverty reduction or fostered economic growth as initially expected. The issue at stake, and rightly identified by most interviewees, is the persisting conflict of interests between donors and recipients. This is an important factor that affects the entire aid management quality.

Underlying explanatory mechanisms attempts are schematized as findings are interpreted. Arrows between nodes or system relations show the most statistically senseful direction. However, considering that the reading ranges for all three coefficients (Jaccard’s, Sørensen’s and Pearson’s) used are too narrow, it will be prudent to consider two-way causation when values are closed. For the sake of approximation, a fifteen percent arbitrary range has been used in determining direction. Broken arrows have been used where the approximation had been rounded down to 15% while continued arrows are for value within the range. It is paramount to mention that statistically, numerous explanatory mechanisms scenarios could be drawn although; they all would not provide plausible explanations. Once more, there is a need for the researcher to make judgments calls that reflect in-field reality.
In this diagram above (figure 19), six system relations have a direct effect on the quality of recipient’s management of aid and public resources. Half of them are based on conflicting interests or policies. These conflicts are driven by the opportunity created by the availability of foreign aid as testified by the last mismatch mechanism scenario. The system relation represented by Donor-recipient conflicting interests is once more linked to either recipient management of aid or to aid effectiveness directly. This particular system relation is on the one hand determined by the way in which one side perceives the other but equally by the way in which donors or recipients perceive themselves. Perception of superiority for instance that referred to in the conceptual framework later (figure 11, conceptual framework with contextual factors influencing management levels), is herein confirmed and does constitute a major donor-recipient relationship quality determinant. FBB, an interviewee in Cameroon stated:
“...Recipients’ perspectives are generally disregarded or considered unintelligent or poorly thought-through. This is a social attitude that results from the eventful racial past and unfortunately still evident through certain western countries foreign and international policies... Religion was used as a tool to preach peace and humanity while Europeans where perpetrating their military and expansionist ambitions... African traditional artifacts where claimed to be objects of idolatry, cannibalism and Satanism at times; while a very small amount of them where burnt, the greatest part are still filling European museums and art galleries... It has generally been about shroud business practices based on deceit and double standards...”

Another system relation name “Aid: Illusion & Profiteering Artifice” as expressed by ADB in relation to donors:

“...You don’t help someone against their needs, against their expectations, again their aspirations. If that is aid then it’s a toxic aid wrapped in a cosmetic speech but that extremely painful... As a University professor, I have participated to high-level meetings regarding foreign aid both in an advisory and negotiator’s capacity. It’s the greatest masquerade where hypocrisy is the respected code. But, the truth is that those converging interests are still competing.

From the above selected responses’ extracts, there is a fundamental problem of perceptions. These perceptions as alluded to in “Chapter 2” are results of the history of slavery and colonialism. There is a form of ‘establish’ order wherein recipients seem to have a victim’s mentality, the donors seem to have a good Samaritan’s mentality and yet, each other’s intentions or motivations are not trusted to be pure or genuine. While this is not new, what noteworthy is that these attitudes vis-à-vis one another are key relationship’s quality determinant and indicator. Any good action by the donor is seen as a subterfuge to achieve some hidden motives. Accordingly, even when objectives of a project/program are agreed upon, a tacit conflict of interests still exists that is generally fuelled by the vicious circle of negative attitudes. In practice however, recipients’ constant internal conflicting interests equally provide a profiteering opportunity for recipients’ in situ various stakeholders as well. As a result, aid becomes an illusion for both donors and recipients alike. This is fertile
terrain for all sorts of corrupt practices and resulting negative social outcomes. **DXG**, a French aid worker in Cameroon Claimed:

“In fairness to both donors and recipients, it is virtually impossible to prevent aid money being diverted either to marginal projects or into peoples’ pockets... donors will close their eyes to recipients actions as they force recipients to favor donors’ multinationals in tenders...”

**SMG**, an IFI worker in Cameroon earlier mentioned reasons,

“...Knowing what we do with financial resources, which are collected. Do we improve lives of Cameroonians? In health, education, transport, etc. All these as a result of resources gathered? These are questions to be answered. If we say that France, US, etc are profiteers, can we be making a mistake? The debate will be wrong not because I’m employed by DFID in the WB – I’m speaking freely here. As a Cameroonian, personally I think that we have to assume our responsibilities; we sell our own resources – Do the revenue benefits our people? We need to resolve our governance issues – working for the greater good of all. No public/common interest. French, Brits, US work for their respective countries interests, but Cameroonians are not working for their country’s interests. They work for personal interests. Nobody will ever work for Cameroon’s interests. It’s a major issue...”

SMG’s comments are a good example of the challenge faced by aid proponent to convince ‘apathetic’ stakeholders but also to enlist support from ‘defender’ stakeholders. This challenge alongside the negative perceptions is understood by respondents as a need to redefine foreign aid.
In the above mechanism, ‘aid re-definition’ system relation is at the core of the mismatch. It makes sense that aid effectiveness is jeopardized because aid is not understood or defined in the same way by both parties.

FBB counted the ‘bilaba’ anecdote to define aid:

“...I would like to start from the “helap” meaning mockery or putting others down, it was derision. The anecdote of the economic-drama of the Beti people’s chief... called “bilaba” dance that other chiefs will come to the aid of another chief is in difficulty. This was an inter-clans manifestation of alliances. It was multi-spatial as it did involve other chiefs’ form other places. Chiefs will bring gifts (cattle, sheep, plantain, etc) dancing and singing songs of mockery and derision to the one in difficulty for lacking the ability to plan and make provision for his clan... Of course, the fellow will respond by saying that your stuffs are of poor quality anywhere... If one of the chiefs that helped him is in trouble, the same bilaba dance goes on again... This was a proof of alliance between clans or tribes but this aid was not done with conditionalities. In the African mind conditionality is a key element of modernism; it is not perceived as a positive approach to wanting to help... We
are dissatisfied by the process of foreign aid for it is done in terms of power: “we give you aid for you can’t do anything without us”. It is therefore in terms of hegemony. I fear that this is nothing more than a demonstration of hegemony. It has never always been verified that the West asks what kind of aid we need. What do we want to receive as aid? We’ve got at times the impression that they give us their excess, but worst of all they are conditioned and conditional. “Because we’ve helped you, do this or that, do not forget that we have public works, roads’ construction, forest exploitation enterprises in your country. So we [Africans] are not consulted and we are imposed upon the so-called aid without being told that this aid will be repaid in a manner or another over and above the demand for us to be generous to foreign multinational in tender processes, mineral resources…”

Another interviewee in Cameroon, DPH on aid, stated the following

“...Call it as you wish, aid to non-European countries is a tool of dominion and continual enslavement... If there was philanthropy, why not use the Marshall Plan model to African aid? ...We do not have parliamentary groups or commissions that specialize or that focus on other countries matters; they have got such groups or commissions for instance for the ‘Great Lakes’ of Africa, for ‘Southern Africa’, for the ‘Middle East’ and more similar... It is a repeat of history or rather somewhat a continuation of the slavery regime...”

PEG in Cameroon observes,

“...We are taking in debt for our children. Aid is a form of domination; it’s not given for nothing – it’s not philanthropy – by so doing, it’s not neutral, it’s a form of colonization countries are subjected to. It is one efficient ways of subjugating other countries and people to serve donors’ interests. Aid is effective in that it’s achieving its objective of making recipients dependent and subservient to donors. On the other hand, it’s not effective in that recipients growth and poverty alleviation are still debatable. If you consider growth and poverty alleviation in Europe for example, it’s not a subject of doubt whether aid is effective or not...”
It would not be surprising if management functions were fulfilled with a negligent attitude, considering that, donors and recipients are emitting and different wavelengths (AFRODAD, 2007a). The very understanding of aid is called into question – a re-definition is required.

It is important to mention that various explanatory mechanisms as schematized could be used for either case because statements made by respondent had a lot in common. The analysis of data using Nvivo allowed a word similarity as already alluded to. The similarity was run at 95% notwithstanding the use of similarity coefficients so that only the closest possible issues pertaining to mismatches could be related for the sake of rigor and validation.

8.2 – Tanzania Case

Mutatis mutandis, in Tanzania issues were grouped as in Cameroon: (1), the nature of donor-recipient relationship (2), aid management quality (3), stakeholders’ conflicts of interests and (4), Aid impacts or the expected outcomes of aid. These four loose groups affect the management of aid at all levels. Moreover, just as with Cameroon’s stakeholders’ Analysis, the apathetic stakeholders seemed to be the ones that provided more information. Perhaps, they had nothing to lose and would therefore spoke freely compared to those who might have an obvious conflict of interests or who might betray their allegiance. For instance, a respondent ETG, mapped up as a ‘promoter’, will be wary of betraying her employer if she would speak freely. A senior manager at a strategic level, she would be careful or delicate in her statements lest they be used to discredit her department. To highlight system relations that constitute Tanzania’s case, some statements are hereby recorded.

AJM, a Governance advisor in Tanzania claims,

“...I believe that you are familiar with the British Dual Mandate in West Africa. Well, this is a clear example of how donors operate. On the one hand, they are serving their own resource-seeking and geo-strategic goals and on the other hand, they are continuing on their mission of ‘civilizing their savages’ through helping them achieve western-like development... Therefore,
there is no real moral debt or heart feelings from donors and multinationals – Is that philanthropy? However this is not necessarily true of most NGOs…”

It is obvious that various conflicting interests are at the heart of the definition given to aid. These are not only good indicators of the trust level between the two camps but also key in revealing the very quality of the donor-recipient relationship. There is a fundamental disagreement about motives, objectives and expectations. It is a fertile terrain for aid failure. Corruption will freely thrive, aid will be diverted to other needs whether legitimate or not, however, not agreed on by donors and recipients. AXS in Tanzania pointed to another interesting fact echoed at various degrees by other interviewee. This has to do with patriotism and/or the concept of public good effect on aid management.

“In Tanzania, if I have tons of weapons, I could easily enlist support of people to attempt a coup; it is impossible to do the same in Europe. There is surely a different understanding of the nation and the concept of public good between Africa and Europe. It all comes down to a culture of development. It’s lack of vision and leadership as well. No strategic leadership exists – it is more of a stroll than a true journey to a destination. Aid will also be effective if recipients have clear objectives, vision and mission. Otherwise, it’s a national debt enticement exercise.

In the same spirit, another statement by the same AXS went on like this

“…You can’t sign a contract with someone who’s mentally unstable? Otherwise, it’s manipulation to defraud them of their estate. That contract is void; No court of law would uphold your rights. You can’t marry a person who’s not in their full use of mental capacity – you would be blamed – Equally, at a certain extent, donors would bear the responsibility of getting in bed with a low mental capacity partner…”

In other words, the debt accumulated by recipients is a subject that requires attention; most recipients are not democratic states and do not represent interests of their populaces yet, the burden of debt is shared by the entire nation – including the unrepresented people. This will only add onto the way in which donors are perceived
to profiteer and be catalyst of certain acts of social injustices or imbalances in recipient countries.

The mechanism below (figure 21) shows the equal level of perception, judgment or label given to profiteering and neo-colonialism, which have a direct impact on donor-recipient equality of status (Moncrieffe & Eyben, 2007). Additionally, they both have an indirect fuelling up effect on donor-recipient conflicting interests as well as quality of dialogue. The resulting mismatches provide a favorable environment within the recipient for aid and public mismanagement and which in turn can only yield an ineffective foreign aid. It appears that there is a fundamental issue of identity resulting from status and/or social perceptions of donors by recipients and vice versa. Whether these perceptions are true or false, is a different matter dealt with to some extent in chapters 2 and 3, almost all interviewees however, have repeatedly mentioned their existence and impact. It will be therefore unwise to ignore them in foreign aid policy formulation. As a matter of fact, the Paris Declaration earlier mentioned in the literature review, addresses this matter – although, not intentionally – through ‘ownership’ wherein aid recipients design their own national development strategies with their parliaments and electorates. The ownership process would to some degree make recipients feel acknowledged, valued and respected as equal interlocutors.
Ownership is intended to deal with the problem of recipient’s exclusion in the design of aid project/program. If recipients are part of or heading the design process, it becomes easy for them to fully engage their managers in a way that suite the country’s resources, management culture and indeed national needs. JTC, a foreign aid worker and diplomat in Dar es Salaam claimed:

“...It is Euro-centric and a little short-sighted to believe that Europeans are better managers of aid than Africans, we all learn the same things in colleges... Europeans don’t have a better understanding of recipients’ problems... The problem of Africa in my view, is one of political will and perhaps marginally, one of lack of a development culture... We are to blame in part for the state of Africa; development will be achieved only when African will fully own their political destinies...”
JRY of the road directorate said:

“…It’s not a cultural problem; it’s a leadership problem. When you talk about culture it’s a set of law – unwritten – that support a certain economic progress. In Africa, we had for long good working culture, that why we managed to chasse out people with weapons – for example, the Zulus versus the British. The problem is one of leadership. Most independence in Africa was achieved as a result of our fathers putting aside their differences to kick out colonialists. How can we now claim that our old people have no culture? Ask Odinga or Kibaki what’s their vision; I don’t think they will be able to tell. If you find a country with a vision and a mission, you won’t find a difference in people; they have got something pulling then together, a mission. You can’t create policies without a mission… In the US for instance, democrats and republicans work together for a mission to achieve their vision. They can separate when they complete particular missions. South Africa had a vision under apartheid, now what is their vision? Mbeki fighting Zuma – something is wrong…”

It seems like good management practice per se is not lacking. What’s lacking is common vision, a lack of leadership to infuse direction and clear objectives, in the absence of which, only conflicting interests and corruption will take over. In fact, good management practice is discouraged by the said conflicting interests which lead some stakeholders to put their personal interests ahead of national or public interests. The greater good of all is undermined by selfish and shortsighted kleptocratic visions of some leaders and/or stakeholders. Lack of vision, mission and objectives although at stakeholders’ level from a political and nationalist – generically speaking – is still bad management practice, and this unfortunately, happens at a strategic level of management and filters down to lower levels. AFRODAD (2007b) reports that the Mkukuta framework has helped Tanzania realistically and assertively set national objectives and priorities – in this study’s words, at a strategic level of aid management. The trouble however, is to express these priorities in terms of sector level strategic planning that is consistent with the national development framework: this is to say that at a tactical level and even lower, at functional level of management, there are still implementation delays or failures.
8.3 – Cameroon-Tanzania Key Findings

It is paramount to mention that in the case of Tanzania, similarities have been highly striking with Cameroon. Other than being different nations with very different backgrounds, the major difference so far as aid management is concerned is the fact that Tanzania has the Mkukuta Framework for effective management of aid while Cameroon uses only the Paris Declaration as the management framework. As such, Tanzania seems to be more serious about aid management. Nonetheless, they both face similar challenges. Individual respondents were different, contextual factors – dealt with in Chapter 3 – as well as issues raised were identical. Common key findings have evolved from the said common/similar key issues. These as already demonstrated, are the basis for the process of retroduction analysis. Accordingly, some explanatory mechanisms are shared between both countries respondents’ comments being considered to shed some light in understanding issues that affect the management of foreign aid. In addition, recipients’ quality of decision and process expressed through ‘vision, planning and objectives’ is an important determinant of aid management quality. If the strategic level of management fails to plan adequately, regardless of how good the tactical and functional levels remain disciplined insofar as management practice is concerned, objectives are likely to be missed, as they will be trading blind. The burden to perform correctly becomes ideological and at best, academic. Internal conflicts of interests make it almost impossible for recipients to make quality decision and chose socially sound policies. AXS continues,

“...It all comes down to a culture of development. It’s lack of vision and leadership as well. No strategic leadership exists – it is more of a stroll than a true journey to a destination. Aid will also be effective if recipients have clear objectives, vision and mission...”

ETG, an economist and civil servant in Tanzania states,

“We have got strategy preparation, then implementation, then we evaluate annually and after 5 years we report to close it down... When there is a new need or critical issue, we send it back the government for approval again... No we don’t have. Maybe in Africa things are changing a lot. We had a policy in
2003 but now in 2008 we are changing. Maybe easy in developed countries not here – not yet”

This mechanism (figure 22) central flow axis has system relations that relate to issues of perception and motives towards utility and utilization of aid moving onto recipient’s internal conflicting interests through practical managerial aspects of aid to reach aid & public management and finally, reaches aid effectiveness. Having touched on some of the system relations earlier on, it is paramount to stress how ‘Aid Utility & Utilization’ influence is central to aid effectiveness and perhaps on of the key system relations so far as donor-recipient mismatches are concerned.

Figure 22: Mismatches Explanatory Mechanism Schema IV

AXS in Tanzania pointed to another interesting fact echoed at various degrees by other interviewee. This has to do with patriotism and/or the concept of public good effect on aid management.

“In Tanzania, if I have tons of weapons, I could easily enlist support of people to attempt a coup; it is impossible to do the same in Europe. There is surely a different understanding of the nation and the concept of public good between
Africa and Europe. It all comes down to a culture of development. It’s lack of vision and leadership as well. No strategic leadership exists – it is more of a stroll than a true journey to a destination. Aid will also be effective if recipients have clear objectives, vision and mission. Otherwise, it’s a national debt enticement exercise. The gap between rich and poor keeps on increasing on a daily basis. The system is unsustainable for both recipients and donors. In the West or in donors’ constituencies, they have to answer to where the money goes? In other words, you can’t sign a contract with someone who’s mentally unstable? Otherwise, it’s manipulation to defraud them of their estate. That contract is void; No court of law would uphold your rights. You can’t marry a person who’s not in their full use of mental capacity – you would be blamed – Equally, at a certain extent, donors would bear the responsibility of getting in bed with a low mental capacity partner. On the other hand, donors are bringing in good governance, human rights and participative politics to bring recipients to the same understanding level. But, until the recipient get to that level of prioritizing, getting vision, ownership of both aid and its outcomes rest with the donor. One needs to bridge the ownership gap and conditionality on good governance and accountability. The project aid approach had been predominant but also through budget support...

JRY earlier mentioned, echoed the same concept in the following manner:

“…It’s not a cultural problem; it’s a leadership problem. When you talk about culture it’s a set of law – unwritten – that support a certain economic progress. In Africa, we had for long good working culture, that why we managed to chasse out people with weapons – for example, the Zulus versus the British. The problem is one of leadership. Most independence in Africa was achieved as a result of our fathers putting aside their differences to kick out colonialists. How can we now claim that our old people have no culture? Ask Odinga or Kibaki what’s their vision; I don’t think they will be able to tell. If you find a country with a vision and a mission, you won’t find a difference in people; they have got something pulling then together, a mission. You can’t create policies without a mission… In the US for instance, democrats and republicans work together for a mission to achieve their vision. They can
separate when they complete particular missions. South Africa had a vision under apartheid, now what is their vision? Mbeki fighting Zuma – something is wrong...”

JGB in Cameroon states,

“...The number of prevaricators is so huge. It was found that a number of credits were not spent because decision-makers didn’t find their share [to put in their pockets]. Decision-makers sit not only on files but on entire project “No interest-No action” = “Total Immobilism”. At times, while studies are still carried out and tenders designed, decision-makers have started spending money on themselves. Various management philosophies are at work. Those of the “wait and see”, those of “let do it”, those of “no interest-no action”, etc.
are battling to control the processes... Donors come with a posology; recipients’ governments have theirs, only target populations find themselves at the receiving end of the spectrum. Terminology and operations modes are still coercive rather than permissive. The posology might not be the right one because most public politics are assumed rather than researched. Donors ought to be experts up-stream while local/public powers in recipient countries ought to be transparent down-stream... the concept of “general interest” or “public interest” and the concept of “public service” to name only these two were missing. The government role is to serve; that’s their duty. I emphasize the word “duty”. This government doesn’t know its duty and there is a confusion of roles; many in government see activities of public service as personal services. In public services, there aren’t bosses but line manager or supervisor. There are no salary issues but rather obligation of results (results’ oriented)...”
In the above mechanism (figure 23), the quality and nature of the donor-recipient relationship is fundamentally based on the donor’s vision of their role and identity. This relationship quality affects the quality of ‘shared aid objectives’ and the nature of aid whether is it aid or profiteering. These factors determine donors’ relationships with one another as well as recipients’ vision, planning and objectives, which in turn impact directly onto aid effectiveness. It is therefore clear that aid effectiveness is a function of the quality and nature of the donor-recipient relationship. To clarify the point or at least provide an insight into some of the primary data content before analysis, an interviewee in Cameroon, FBB stated,

“It is paradoxical that we could talk about aid effectiveness. How can we make aid effective save but discussing or negotiating as equal? … Not when it is imposed! Discussions ought to be open, frank exchange and keeping in mind that we have also a great deal of expertise in a number of fields... Donors are not our sociologists, they are not our ideologists, they do not masters the real problems here therefore, are not the right people to determine the kind of aid or in what way it ought to be done.”
An academic in Cameroon, ADB observes,

“...My position is that aid is always effective; it has never been ineffective. My postulate is that it is effective either by its nature or by its utilization whether the Chinese built a stadium or not for example – aid is always effective. Efficacy is the principle of effectuation without orientation. Efficacy is not oriented. Orientation of aid ought to be determined for effectiveness to be judge... Calling it aid is not senseful – Effectiveness will be related to its finality. If it’s effective, the questions are in what and for whom, there is a double entry matrix – there is a foreign attractor otherwise we wouldn’t see anything. Chaos is not absence of order; it has an order that escapes our understanding. Aid is always effective in that it’s simply creating a social relationship. There is a new social identity that is created – whether you like it or not, the giver will be known as the donor and you will be known as the recipient. All identity dimensions are a premise for a great commercial transaction. Not proposing aid is equally contributing than providing it. The fact that you are not given something doesn’t mean that you do not need to possess it. There are 2 worlds, 2 universes that co-exist at times in parallel, at times crossing each other. A world of situations and facts, a world of intentions and representations, which is not less important...”

Furthermore, the rise of new donors in general and China in particular, have led a number of interviewees to believe that there is less consensus between donors so far as uniformalizing their conditionalities is concerned while pursuing their country’s chosen bilateral objectives. FSR, an interviewee in Tanzania puts it this way:

“...If you would forget all I have said, please remember that China is not different to western donor countries: their method might be different yet their message is the same...”

GMG, a diplomat in Cameroon went on to add that

“...We can’t talk Donor-Recipient without thinking ‘Whites and Blacks’...Mindsets, racial prejudices are part of the package of aid although admission is virtually impossible... The basis for most aid disbursals is skewed and crooked... the relationships and outcomes are likely to be falsified...”
Moreover, China seems to be constantly absent from most multi-lateral forums as confirmed by JTC in Tanzania. It had been simply complicated and difficult to secure a single interview with a Chinese aid worker or diplomat; it seems like, they prefer to operate in secretive mode. On their foreign aid approach, UVL, an interviewee in Tanzania stated,

“To believe that China is only bartering is a serious misjudgment; China has always been a great supporter of repressive regimes such as their own and unsurprisingly, western countries too. This vulture-like or predator-like behavior is characteristic of former colonialists and has now filtrated in most aid donors as they are out there for their own geopolitical positioning…”

Geopolitical motives are probably the strongest motivation behind foreign aid. This is generally said in the case of most G8 countries but reality is, it looks to be certainly so for China as well.

![Diagram](attachment:Figure%2024.png)

**Figure 24:** *Mismatches Explanatory Mechanism Schema III*
The equality of status between donors and recipients is directly tributary of neo-colonialism as well as the perceptions by both sides of aid transactions. Whether aid is seen as “aid” or “profiteering” does affect both sides interests in tipping them respectively towards aligning or conflicting interests. In the diagram above, conflicting donor-recipient interests, by virtue of their dialogue quality as well as the exclusion of the recipient from aid design processes or packaging has a destructive effect onto the rest of system relations that directly affect aid management and subsequently, aid effectiveness. In Cameroon, LAN, a television development program journalist stated:

“...The trouble with academics and researchers such as yourself is that for you everything is about experiments; you do not live in the real world – Nothing wrong about that so long as you know how to understand the real world – African policies have been influenced since before colonization... Aid is a policy tool as much as it is anything else...”

As stated in relation to ‘mechanism one’, the quality of the donor-recipient relationship is a key factor that affects the quality of foreign aid processes. Moreover, donors do not generally benefit from a good report so far as recipients are concerned. SBK, a government advisor in Cameroon observes,

“European culture is the only one that destroyed any other without any desire of learning from them... Native American, Aborigines, Africans, Incas, Mayas, Bushmen, etc. were all hunted at certain times in certain places almost to extinction...No matter how much they have got, they would want to exhaust other people resource in view of subjugating them in the future if they can’t do it now...Foreign aid is the most civilized way of enslaving...What would prevent them to claim our lands against our national debt?”

This point was somewhat justified by GMG, a foreign diplomat in Cameroon,

“...Please trust me, I am not saying it to please you. It is not about being on the left or on the right, being Marxist or capitalist or anything else. History bears witness, nine out of ten donors are doing it with the purpose of colonizing if I can use such an extreme language...we are not out here to make friends... Chinese are equally out here to make profits and secure future markets for their exports...”
MMJ, another diplomat, this time in Tanzania brought in an interesting insight in referring to,

“...The controversial African Growth And Economic Opportunity Act (AGOA) sign into law by President George W. Bush... would promote exploitation of Africa's resources by foreign companies using the powers and influence of the U.S. Government to the extent that African governments that will not support multinationals’ objectives shall be subject to various punitive measures...”

It is paramount to note from the diagram also that ‘aid & public management’ is a direct function of the level of ‘shared aid objectives between donors and recipients’ but also, of ‘recipient internal conflicting interests’. These three system relations have equally a direct effect on foreign aid effectiveness. To stress the three system relations, JTC, a foreign aid worker and diplomat claim could be repeated once more:

“...It is Euro-centric and a little short-sighted to believe that Europeans are better managers of aid than Africans, we all learn the same things in colleges... Europeans don’t have a better understanding of recipients’ problems... The problem of Africa in my view, is one of political will and perhaps marginally, one of lack of a development culture... We are to blame in part for the state of Africa; development will be achieved only when African will fully own their political destinies...”
The above mechanism focuses on two interrelated system relations that determine aid effectiveness. The first one is ‘Aid & Public Management’ which is affected here by the identity of aid as well as its desirability. The second is ‘Recipient Planning, Vision & Objectives’ which on its side is directly function of aid fungibility and the recipient ability to reward behaviors that affect development. Technology transfer as well as donor-recipient conflicting interests have been found to be at equal footing with these influential system relations. ‘Technology transfer’ could be affect aid management in many ways. On way being that recipients might not feel comfortable to manage a particular kind of aid, the opposite is equally valid. However, technology comes at high cost: recipient’s resources. ADB, in Cameroon comments, “

...Chinese for instance have a saying, the “Lao Tzu” proverb: “give me a fish and I will be hungry tomorrow, teach me to fish and I will not hunger again”. Now the Chinese doesn’t teach you to fish or give you a fish but he is coming to fish in your pond. All those works accomplished by Chinese, will have to be

Figure 25: Mismatches Explanatory Mechanism Schema VI
maintained by local labor. If you have learnt how to fish, the performance indicator will be the learner’s capacity to fish. Let them show us where they have learnt to fish – They should not tell us that Chinese taught; the teacher’s performance is linked to the learners. Show me how many or which Cameroonian firms are doing what the Chinese are doing because they have been shown. I don’t think there’s any in Cameroon or Africa in general...”

Another Cameroon interviewee, JMM confirms that
“...Donors have no interest in teaching us, so we ought to initiate this aspect in the process, we don’t need to take the roads or building only, and we could take knowledge and working experience. So I don’t condemn any donor in that aspect. Our negotiators need to know what the bargain for. It’s difficult to do concretely because when you are poor, you’re week as well...”

AXS in Tanzania claims,
“...On the other hand, donors are bringing in good governance, human rights and participative politics to bring recipients to the same understanding level. But, until the recipient get to that level of prioritizing, getting vision, ownership of both aid and its outcomes rest with the donor. One needs to bridge the ownership gap and conditionality on good governance and accountability...”

The following diagram, perhaps one of the most complex is centered on a system relation ‘aid utility & utilization’. ADB, in Cameroon, the best case for this system relation in the following manner:
“...Profitable is a notion of utility, which is related to utilization. Utility denotes a de facto property: an intrinsic property. Yet utilization is weight by intention. Aid is like a knife; is it objective to cut or to cut something? Is anything that cuts a knife? With aid it’s its finality to be useful or to be utilized (used)? Aid that is not expected – will it be well utilized? If it’s not well utilized, does it mean that it’s not useful? It has no utility? For me, that is at the heart of the difficulty in comprehending Aid effectiveness. Aid has no polarity. The same knife that could be used to share equally a mango – with the fight to know what will get the nut/seed – just to say that even when things
are done in everyone’s interest, there might still be reasons for people to fight over them... The same knife could be used to cut peoples’ throats. May I say that the knife function is a question of utility or one of utilization? What aid is – because it is its nature, its essence and its property – that is where the whole debate lies? How many times haven’t we seen remedies/medicines being more harmful than the disease? Nonetheless, they are still remedies. We have got to ponder upon these questions and determine if the efficiency and effectiveness of aid is related to its usefulness or to its utilization and remain very caution in proposing any answer to the question. In social dynamics, failures are part of the heritage. One who has never failed is in more danger than one that has failed many times and has survived. As a theorist and Epistemologist, I don’t see an impasse: utility or utilization. If you say its utility, we will close the door to utilization and have a heated debate. Should you say utilization, we’ll leave the utilitarian essentialism and get into the performance of utilization. I don’t know if you understand what I’m saying; I’m responding at a specific theoretical height since you are at that high level of theory; that’s what will count for your thesis. I wouldn’t speak of this if it were to my grandmother for instance. There is a different discourse for her; which does not change the content but brings the expression to formulation modes suited to her understanding level...”

Another key system relation to note is ‘recipient local societies participation’ in that it allows democratic values to get more and more in the society. However, there are confusions on what civil organizations might or might not. SMG in Cameroon claims, “...There is a great confusion going on now which is to say that civil society has to contributed or at the very least participate in every aspect of government. We have got to separate and identify activities. In forestry, we identified three categories of activities. There are (1), legalian activities, which should be by right done by the state/government alone (2), transferable activities, which could be delegated to other actors, and (3), versatile activities, which could be done by either actor. There is also a question of the representativity of the civil society...”
**Figure 26: Mismatches Explanatory Mechanism Schema VII**

“Aid Unwanted” is another important system relation. Some interviewees are convinced that aid is not needed yet; others believe that aid is needed simply to satisfy a begging mentality of dependency on aid as well as having additional lines of unproductive incomes. In Cameroon JDN confirmed that

“A great number of civil society organizations have no choice but to pretend support in return for financial rewards”. “...Lack of support in some circumstances might be met with serious threats and even bodily harm,” reports DKS in Tanzania.

Another interviewee in Cameroon, PHN states,

“...Yes, I think Cameroon needs aid. I think aid as technology; it’s not only money. I know that aid represent 5% of the budget. Aid is also political dialogue. In areas like good governance, microfinance, civil engineering, aid is very useful, I mean technology. For instance, our support for financial reforms is aid although it’s not money...”
Another Cameroon interviewee, LAN adds,

“...Even the US is indebted. There are countries that are doing well by buying back their aid: Argentina, Nigeria, Kuwait and most fiscal paradises. There are few countries where debt is almost inexistent. It’s a problem of will: the will to achieve development. There are ways of being free from aid; we have a lot of natural resources and we need to develop the human resource and raise the quality of life of our citizens. We are still with standards beneath norms...

This level of disagreement on whether aid is needed or not is fundamental to its ultimate use; it will be misused should its needs be reduced to opportunities for embezzlement and other social injustices. From participants, it seems like a great number of recipients’ constituencies do not want foreign aid as they consider it to be an instrument of western oppression. This poses a challenge to management. Aid addresses true needs but also real greed – recipients as well as donors’ greed. Whether donors provide aid in satisfaction of the Dual Mandate or it is loan or even if it were philanthropy, it would address need or greed. In Cameroon and Tanzania, stakeholders who work for personal rather than public interests would want aid to be disbursed against a backdrop of mismanagement so that their greed may be met. As a result, aid does not filter through to the intended recipients. It has to be re-defined: perhaps, as support to “dinosaurs” or prevaricators or whatever the right vocabulary ought to be. In French-speaking Africa, the term dinosaur refer to old-styled politicians that hold onto power undemocratically while misusing their country’s resources without any regard to the welfare of the rest of its people.

8.4 – Summary of identified mismatches

The system relations identified earlier are either corresponded to mismatches or are part of underpinning mechanisms that define the said mismatches. The identified mismatches have been loosely grouped as tangible or intangible insofar as they could be objectively measured or not but also, if they could be recognized by both parties or not. However, from a standpoint of system relations understanding, there seem to be an additional or alternative way of categorizing – other than their tangibility – in the
way they affect aid effectiveness; bearing in mind that some might fall in multiple categories, there are:

(1) **Relationship-based mismatches**: identity perception is central and, whether it be right or wrong, the manner in which donors and recipients perceive themselves and others, has a definite impact on how foreign aid is managed. Needless to remind that such perceptions are loaded with an eventful history of slavery, colonialism and exploitation. In this category, the mismatches are system relations such as “Donor-Recipient Equal Status”, “Dual Mandate & Moral Debt”, “Neo-Colonialism”, “Principal-Agent Rapport”, “Donor-Recipient Conflicting Interest”, “Recipient Exclusion” and “Donor-Recipient Dialogue Quality”.

(2) **Nature or Essence-based mismatches**: these yield mismatches underpinned by the very essence of aid; how it is defined, viewed or perceived by both donors and recipients. Cultural, historical and managerial understandings are paramount in defining how a group of people define or perceive aid. Mismatches in this category are system relations such as “Aid Re-Definition”, “Aid Dependency”, “Aid: Illusion & Profiteering Artifice”, “Aid, Corruption & Social Injustices”, “Recipient Impunity & Development” and “Aid Unwanted”.

(3) **Competence-based mismatches**: system relations that point towards donors or recipients various capacities underpin this category of mismatches. They are at the justification of foreign aid in that it is provided to respond to a particular need in recipient countries. There are: “Recipient Planning, Vision & Objectives”, “Technology Transfer”, “Aid & Public Management”, “Local-Civil Society Participation” and “Aid Utility & Utilization”.

(4) **Result-based mismatches**: these are mismatches that reside at the understanding, approach and evaluation of aid processes. They are related to objectives assigned to aid by both sides individually and collectively. Unfortunately, such objectives are not agreed upon as other factors such a hidden motives and relational conflicts. There are: “Aid Disbursal &
Absorption”, “Recipient Internal Conflicting Interests”, “Donor-Recipient Conflicting Interests”, “Aid Utility & Utilization”, “Aid Fungibility”, “Aid & Public Management” and “Donors Intra-Inter Objectives Conflicts”.

(5) **Motive-based mismatches:** this category relates to mismatches born out of diverging motives or tacit terms of contract as referred to under the literature review. A fair number of interviewees referred to some “secret accords” entered into between colonies and their colonialists at independence or as part of independence negotiations. This category seems to point towards hidden motives behind foreign aid as perceived by recipients and some donors whether internally or externally. There are: “Aid: Illusion & Profiteering Artifice”, “Aid Unwanted”, “Recipient Impunity & Development”, “Local-Civil Society Participation”, “Principal-Agent Relation” and “Dual Mandate & Moral Debt”.

The above categorization cannot be said to be exhaustive and most likely, one mismatch could possibly move to another category should interviewees be different. This does not constitute a weakness or limitation of the study but, it is rather a confirmation that variations of system relations is particular to each country and that *one-size-fits-all* approach by donors is not conducive to effective aid management as was hypothesized under “Aid Management” chapter earlier wherein, additionally, mismatches between donors and recipients were broadly classified in three groups:

(1) **Ideological mismatches:** these mismatches are based on politically different perceptions and practices (political system for instance). They are also based on societal or social construct differences. They could even be a result of cultural (mindsets) mismatches. There are: “Recipient Planning, Vision and Objectives”, “Aid Re-Definition”,

(2) **Strategic mismatches:** these mismatches could be driven by economic, geo-strategic and diplomatic. They establish power relations between donors and recipients. There are for instance “Dual Mandate & Moral Debt”, “Recipient Planning, Vision & Objectives”, “Technology Transfer”, “Principal-Agent Rapport”, “Donor-Recipient Dialogue Quality” and “Aid Dependency”.

230
(3) **Cultural mismatches:** these relate to practical culture such as management culture (good governance). They also relate to basic beliefs drivers such as religion and ethics. There are: “Dual Mandate & Moral Debt”, “Recipient Impunity & Development”, “Local-Civil Society Participation”, “Aid: Illusion & Profiteering” and “Aid Dependency” for instance.

Insofar as their tangibility is concerned, the mismatches can be grouped in the following manner:

(1) **Tangible mismatches:** as described under “Study Background”, these are measurable mismatches wherein donors and recipients could agree on common yardsticks for evaluation. Just to name a few, there are: “Aid Disbursal & Absorption”, “Aid Fungibility”, “Aid & Public Management”, “Recipient Planning, Vision and Objectives”, “Aid Re-Definition”, “Technology Transfer”, “Principal-Agent Rapport”, “Donor-Recipient Dialogue Quality”, “Aid Dependency”, “Local-Civil Society Participation”, “Aid Utility & Utilization”, “Aid Fungibility” for instance.

(2) **Intangible mismatches:** are those that cannot be measure clearly. Their measurement will be highly subjective. There are: “Aid Re-Definition”, “Donor-Recipient Equal Status”, “Recipient Internal Conflicting Interests”, “Neo-Colonialism”, “Aid, Corruption and Social Injustices”, “Aid: Illusion & Profiteering Artifice”, “Donor-Recipient Conflicting Interests”, “Recipient Exclusion”, “Donors Intra-Inter Objectives Conflicts” for instance.

It is paramount to be reminded that some mismatches could be either tangible or intangible in that although they may not be measurable, a degree of estimation might be attributed to them which could be directly related to particular measurable consequences or outcomes. However, determining ways of measuring mismatches tangibility is beyond the scope of this study and as a matter of fact is an area for future researches. Analogically, these mechanisms are comparable to layers of an onion. Their schematization in the analysis chapter earlier are not exhaustive but were mathematically the most obvious and less complex. To put this in perspective, one
can imagine superimposing all the seven mechanisms and linking their components to realize how complex mismatches relate to and importantly to what extent they affect effective management of foreign aid. Only a three-dimensional ‘super model’ will be able to illustrate such a complex unified system relations.

8.5 – Conclusion

To achieve the objectives of this study, monological and dialogical data collection was conducted with valuable interlocutors as most of them have extensive knowledge of the subject matter being in specialized or expert areas that dealt with foreign aid directly and indirectly. Other than knowledge of the subject is the trust that the data is rich enough to adequately inform the researched matter. Every mechanism is unique although, system relations are similar or equally described. Each country’s priorities determine how system relations interact in view of affecting aid management effectiveness. In terms of management practice, it is obvious that aid’s return of investment has not been fruitful: it is a failed venture.

It is paramount to note however that most mismatches whether tangible or intangible will overlap, as groupings above are not strictly demarcated. Different mismatches will for certain permeate to various level of management. Contextual factors explored earlier for instance, while being idiosyncratic to a recipient country, would also affect the manner in which the leadership of the said country negotiates strategic choices with donors. These factors are contrasted with similar factors peculiar to donors for the sake of distinction within the schematic figure 27 below shows how the conceptual model evolves henceforth. The model’s components relative to the nature of the relationship and perceptions are indicated within the arrows, which show the direction of the aspirations in the case of recipients or actions in the case of donors. The aspirations are directed towards characteristics that recipients would like or would be advised to acquire in their societies on the one hand and on the other hand, the actions that the donors would direct towards characteristics that they would like to see changed or amended in the recipients’ countries. There is also a double movement and/or relationship between tangible and intangible mismatches which provides both causality and explanatory relationships. As
mentioned to in “5.2 – Research Approach”, earlier, this double movement – *concrete abstract, abstract concrete* – is often going on concurrently and it has no known end save when the researcher stops the analysis (Danemark *et al.*, 2002:51). Although they make up an object what it is, natural necessity relations are not the only ones that this study came up across in its investigation process. The retroductive analysis also highlighted other kinds of relations beside inductive and deductive – i.e. incidental/contingent ones as Sayer (1992:108) explains:

‘The relationship between objects and causal powers is necessary; the relationship between these and their conditions is contingent, some of these conditions may include objects which activate the mechanisms. For any particular set of conditions, the results occur necessarily in virtue of the nature of objects involved, but it is contingent with which conditions are actually present. Moreover it is contingent whether we know either necessity or contingency’.

The retroductive analysis has primarily focussed on capturing necessary relations and equally, not forgetting to account for contingent relations, the analysis became an amalgam of two parallel evaluations. Another important set of components considered in *figure 27* is the management levels relative to the recipient countries. At strategic level, the countries are dealing within the international aid environment wherein decisions are made and/or negotiations are held that determine aid policy, objectives and packages. The tactical and functional levels of management are located within the national aid environment of recipients wherein strategies and objectives have to be translated in terms of national priorities for aid program or project management.
A management perspective is therefore a technocratic approach to foreign aid effectiveness. This is a practical specialism-based approach wherein politics are confined to the national level to serve negotiations with other nations. At lower levels, departmental and operational, management will remain purely skill based. Country-specific contextual review of aid management for the chosen cases: Cameroon and Tanzania had focussed on the tactical level of aid management with the infrastructure development sector and particularly on roads construction. This had been informative as the tactical level hinges between political or strategic and the operational levels. It is paramount to know that the categories above have been crucial in addressing the impacts of mismatches and to conceiving strategies to shun away from them in view of allowing management function to be fully and correctly exercised. Additionally, and for future use, understanding mismatches will allow aid actors to set objectives realistically, plan carefully so that managers may exercise productively.
Chapter 9 – Conclusion and Recommendations

By seeking and blundering we learn – Johann Wolfgang Von Goethe (1749-1832)

9.1 – Conclusion

At the start of this study, the research question was: “To what extent do mismatches between donors and recipients impact upon the effective management of aid in low income sub-Saharan African countries?” The question was broken down into two key objectives (1), to identify key tangible and intangible mismatches between donors and recipients of aid and (2), to critically evaluate donor-recipient relationships from a management perspective.

To answer the research question above, a retroductive analysis was used in processing monological and dialogical data. Prior to that, a stakeholders’ analysis was performed in view of creating some kind of identification of ‘who’s who’ in the country cases in terms of key stakeholders that would influence the aid management practice as well as the process as a whole. Mismatches identified have been classified loosely as tabulated below.

It is inevitable to observe that both donors and recipients should agree to deal with some of the mismatches individually or collectively whether there be tangible or intangible for aid to work out as expected. The practical difficulty however is that dealing with mismatches would take a lot of time. Particularly, dealing with those mismatches based on thinking paradigms and those based on peoples’ identity. Most if not all mismatches are beyond the aid management sphere and as such do undermine the entire aid process. In other words, ideological mismatches – to be precise – are the basis of the current social construct wherein some groups of people are perceived to be more important or better than others are. These mismatches are important because thoughts influence actions and behaviors and consequently the character and conduct of relationships. They are arguably based on system relations that constitute the basis for profiteering, neo-colonialism, unequal status and similar
between donors and recipients. Cultural mismatches are equally difficult to be dealt with because they are equally based on the thinking paradigms of various groups of people. Additionally, they are also based on the perceptions that a people has of others and vice versa. If and when one perceives that their culture is better than that of other people, there will be a difficulty of learning (Gable, 2003). The information exchange and/or transfer commented on earlier gets hampered by cultural obstacles. This is fundamentally the power of labeling at its best (Moncrieffe et al., 2007).

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<th>MISMATCHES</th>
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Figure 28: Donor-Recipient Mismatches Categorization – Prepared by Author (2011)

Strategic mismatches as could be drawn from respondents’ answers, are International Relations’ issues which are fundamentally fuelled by national and/or regional interests: Aid is generally packaged – it appeared from interviews – by donors in such a manner that recipients are taken advantage of. Aid seems to address short to medium terms problems in recipient countries while providing donors with long term advantage principally, by given them the ability to influence policy and demand some form of loyalty (Calderisi, 2007). Such state of affairs is not particularly new and is reminiscent of the dual mandate as well as colonialism. Furthermore, these mismatches could theoretically be the easiest to deal with yet,
practically; they prove to be rather tricky because of conflicting interests. As evidenced in history, Europe many times has set out to exercise some sort of profiteering or colonization of the rest of the world for instance, the conquistadors in South America, the Scramble for Africa, but not least currently, NATO’s - with the United Nations’ backing – various wars of liberation or democratization. These mismatches crucially affect the foundations of foreign aid in particular, the quality of the donor-recipient relationship. These are not far from the cheap access of recipients’ raw material discussed earlier (Stiglitz, 2002)

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<td>Dual Mandate &amp; Moral Debt, Principal-Agent Rapport, D-R conflicting Interests, Recipient Exclusion</td>
<td>Donor-Recipient Dialogue Quality, D-R conflicting Interests, Recipient Exclusion</td>
<td>D-R Equal Status, Neo-colonialism, D-R conflicting Interests, Recipient Exclusion</td>
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<tr>
<td><strong>Nature or essence-based</strong></td>
<td>Aid Dependency, Aid Re-Definition, Aid: Illusion &amp; Profiteering Artifice,</td>
<td>Aid Re-Definition, Aid Dependency, Recipient Impunity &amp; Development, Aid: corruption &amp; Social Injustices, Aid Unwanted</td>
<td>Aid Re-Definition, Aid: Illusion &amp; Profiteering Artifice, Aid Unwanted</td>
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<tr>
<td><strong>Competence-based</strong></td>
<td>Recipient Planning, Vision &amp; objectives, Transfer of Technology, Aid utility &amp; utilization, Aid &amp; Public Management</td>
<td>Aid &amp; Public Management</td>
<td>Aid Utility &amp; Utilization, Local Civil Society Participation</td>
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<tr>
<td><strong>Result-based</strong></td>
<td>Utility &amp; Utilization, Disbursal &amp; Absorption, Aid Fungibility</td>
<td>Recipient Internal Interests’ Conflicts, D-R Interests’ Conflicts, Aid &amp; Public management</td>
<td>Donors Intra-Inter Objectives Conflicts, Aid Fungibility, Utility &amp; Utilization</td>
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<tr>
<td><strong>Motive-based</strong></td>
<td>Principal-Agent Relation, Dual Mandate &amp; Moral Debt, Aid: Illusion</td>
<td>Aid: Illusion &amp; Profiteering Artifice, Aid Unwanted,</td>
<td>Principal-Agent Relation, Dual Mandate &amp; Moral Debt, Aid: Illusion</td>
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Aid processes and aid institutions’ inquiries set out in this study’s introduction provided indicative information on the balance of power, the aid process ownership, the management culture, the management level and function. Management of aid enquiry however provided in-case confirmation of information collected on the two other lines of enquiry. The said inquiries have targeted key informants – interviewees – operating at various management levels working directly on aid and those working in positions that have influence on foreign aid management quality as a means of attaining aid effectiveness in recipient countries. A careful look can be taken at the table above wherein various identified mismatches, loosely grouped, affect different indicators or components – for lack of better words – that in turn would affect aid management i.e. nature, relationship, motives, competence and results, all of which are tributary to the quality of the stakeholders’ relationships and objectives. Foreign aid performance is therefore evidently inextricably based on the characteristics of the donor-recipient relationship. In hindsight however and in consideration of respondents’ perspectives on aid processes, that is in terms of aid disbursal and absorption – as well as perspectives on aid institutions provided alongside aid management perspectives, it is attestable, regardless of the line of inquiry taken, that the quality of donor-recipient relationship has an immeasurable impact on foreign aid effectiveness. Management is evidently affected by the quality of the said relationships.

In conclusion and in response to this study’s question, the mismatches between donors and recipients do affect to a very large extent the effective management of foreign aid. As a matter of analytical facts, explanatory mechanisms have shown that most mismatches do sabotage the aid process as they equally question fundamentally the nature of aid itself as well as the donor-recipient relationships. The tragedy of the foreign aid debate and indeed that of donor-recipient relationship is that – as explored earlier under the literature review – a multitude of
various studies deconstruct the matter and rationalize on measurable and concrete issues and values (Collier et al., 1997; Burnside and Dollar, 2000; Hansen and Tarp, 2000; Easterly, 2001; Stiglitz and Charlton, 2005). This study considered two very different countries yet similar in many ways: Cameroon and Tanzania. The former less dependant on aid yet more corrupt and less disciplined policy-wise. Both suffer the same poor aid management fate yet; the system relations tend to operate in ways that exalt donors and recipients’ weaknesses i.e. conflicting interests, corruption, etc in producing mismatches. Consequently and in contrast to deconstruction studies as well as other more quantitative approach-centered studies referred to earlier, this study shows that additionally to the obvious lack of information sharing between donors and recipients as well as within each group separately, various abstract issues, value-systems and motives have an equal if not much stronger impact on the quality of aid management than otherwise thought. These abstract issues and values are motives, perceptions of status and identity of donors and recipients vis-à-vis one another. Furthermore, individual aid workers/stakeholders, national and regional geo-strategic conflicting interests are not to be considered lightly if aid management practice is to be seriously made effective.

9.2 – Recommendations

From the analysis and discussion, it appears that the notion of mismatches is very crucial in evaluating aid effectiveness. In the logic of the conclusion above, the recommendations could be grouped into five broad categories: (i), visionary and strategic aid management; (ii), harmonizing stakeholders’ interests at all management levels (iii), deepening recipients’ participation; (iv), human resource capacity building; and (v), transparency and answerability.

9.2.1 – Visionary and Strategic Aid Management

While it can’t be said that every single stakeholder is a visionary, the responses received from interviewees from both countries show point towards a management without vision. Whether this is a lack of vision or a refusal or resistance
to applying national vision, it is difficult to say. Both countries have got some national societal vision that is not far from general policy directions provided for by the Paris Declaration. In Cameroon, there are sectoral visions and not quite a national one while in Tanzania, the Mkukuta expresses a little more country-specific vision that unfortunately fail to filter down to various sector. In an image form, Cameroon is “a body without head” while Tanzania is “a head without body”. What is needed in both countries to determine country-specific – tailor made – priorities resulting from a clear national vision that ought to be elaborately applied to sector level strategic planning that is consistent with good and ethical management practice. In Management terms, it could be said that Cameroon and Tanzania ought to think smart and plan strategically. They have to be intentional in their policy choices and resource allocation. They have to manage for results.

9.2.2 – Harmonizing stakeholders’ interests at all levels

In the Paris Declaration (2005), it is about Donor countries coordinating, simplifying procedures and sharing information and learning on various recipients and regions to avoid duplication. On the recipients’ side, once a clear national vision has been established, stakeholders’ cooperation ought to be encouraged so that resources are not deviated off their targets. Sharing information between recipients as well as between sectors and departments within a recipient country will also put aid effective management within reach. Additionally, donors and recipients’ stakeholders ought to share information beyond mere so-called technology transfer, as this will allow a common and equal understanding of aid, its processes, outcomes and priorities. Donors are not perceived as willing to freely transfer technology and learning. Harmonization has to be about addressing the fact that aid is needed or not and how both parties understand it so that it may be management with the same principles regardless of differences in local cultures (Seabright, 2002).

9.2.3 – Deepening Recipients’ Participation

In the November-December issue of Le Courier (2007), a Cameroon local political magazine, parliament had been define as a body that approves, stamps or legalizes ministerial and/or presidential decisions. The parliament votes or debates are
not trusted to be in the interests of the people of Cameroon but rather for politicians’ personal interests. Civil society and private sector organizations’ participation to policy dialogue and processes has immensely improved in the last decade but needs to broaden and become more and more institutionalized. However, the participation by the mass media and parliament has not developed sufficiently. Parliament remit has to go beyond the annual budget and expand to near-term and long-term planning and policymaking. Unlike developed countries where civil society and private sector organizations have access to funding, in Cameroon and Tanzania, funding is extremely limited and at times traded for support to particular matters. It is therefore to broaden, structure and institutionalize participation in a transparent and accountable fashion.

9.2.4 – Human Resource Capacity Building

Technical assistance has not addressed the need for capacity building in a sustainable manner. It has not also achieved technology transfer either. Most recipient countries fail to realize that human resource is the dearest riches they have got: more valuable than natural wealth. It is therefore paramount that recipient countries heavily invest in the development and exploitation of this valuable resource by way of education and training (Cohn & Friedman, 2002).

9.2.5 – Answerability

Management is a major area of concern in recipient countries. Action plans and policies are needed to address resource fungibility and mismanagement. In Africa, transparency and accountability discussions are dominated by concerns over corruption rather than quality of service or value for money. Answerability would help politicians and managers lead by example as a way to improving overall country image and industry performance. Management accountability will allow a better evaluation of progress made as well as providing an encouragement to pursue national interests (Hauge and Kusek, 2004; Stiglitz, 2006).
For the above five recommendations, they could be practically expressed in the following manner:

1) Donors and recipients need and must clearly define what aid is and is not;
2) Donors and recipients ought to have a clear understanding of and agreement on how they design, disburse and appraise aid processes;
3) Donors and recipients have to agree on key evaluation criteria for aid process appraisal and results;
4) Agreement to work on equal terms, returns and gratification have to be reached in view of addressing conflicting or hidden motives as well as identity perceptions that seat at the very generation of tangible and intangible mismatches that affect adversely aid effectiveness;
5) From a management practice perspective, the nature and terms of the ‘contracts’ that underpins donor-recipient relationships have to be clearly stipulated;
6) Respect of each other’s culture is central to current and future good international relations;
7) Recipients ought to clearly submit and/or justify to their constituencies what they want and expect of aid in establishing their national vision, planning and objectives;
8) Recipients ought to establish accountability hierarchies and result-based management structures with clear rewards or retribution systems;
9) Recipient needs to desire aid and establish its objectives and terms;
10) Recipient ought to work away from aid dependency.

9.3 – Closing Remarks

In closing, Aid dependency is a major concern for both donors and recipients alike. While aid has been seen as a means of accessing recipients’ resources very cheaply, its dependency will not be sustainable in the long-term for donors. Both donors and recipients have not explicitly and actively been discussing some sort of exit strategy to the deepening aid dependency. It seems like powerful stakeholders are
comfortable with the status quo. Following decades of Structural Adjustment, aid is still not coming to complement domestic resources or foreign investments but it is rather the main source of finance for a great number of recipient countries. It is possible to achieve an aidless development framework in the sub-Saharan Africa but this will greatly depend on recipients’ desire to come out of financial slavery. The colonial debt referred to under chapter 2’s “Aid Conditionality and Contract Theory” is a recipe for continued and sustained aid dependency. This is an area of potential development research considering that a return on investment (ROI) had been judged to be negative (Matschke, 2010).

9.3.1 – Limitations of the Study

The study had some limitations that ought to be acknowledged. Some of them are reviewed hereinafter with suggestions on possible mitigations’ strategies for future research endeavors. It is paramount therefore to start by mentioning a number of facts relative to the methodological choice of this study. One fact is to overturn the perceived limitation of qualitative studies in convincing the reader – most of which, in academia, are acquainted and more comfortable with quantitative methods – that retroductive analysis is a perfectly logical and has a great degree of objectivity and therefore, such a perception is more of a philosophical choice than anything else. Its strength to study the phenomenon ‘live’, within its natural setting can’t be rivaled by any statistical method that is limited to blind replication, which ignore the dynamic nature of social phenomena. A second fact and in defense of the methodological choices, quantitative studies too, can be undermined by researchers sloppiness in allowing equivocal evidence or biased views to influence the direction of the findings and conclusions. These biases can also enter at an early stage as the conduct of interviews. In this research, to address this reliability concern, interviewees were made aware of – without being too descriptive – of others’ statements or answers; in this fashion they will tend to give evidence to support their stance (Darke et al., 1998): this approach provides internal validation. Furthermore, the conceptual framework designed for, and used, in this study had provided a way to examine various dimensions of mismatches between donors and recipients within a non-experimental context. There is no doubt that possibilities still exist to further developed it in view of constructing even greater understanding of the impact of the
said mismatches on foreign aid effectiveness and not least, proposing more ways to improving the donor-recipient relationship.

Another limitation of this study’s strategy is the perceived difficulty of generalizing – from a popular positivist perspective that is. One cannot generalize from a single case or even two for that matter as in this current study. Yin (1984) eloquently articulates, scientific facts are rarely based on single experiments; they are usually based on a multiple set of experiments, which have replicated the same phenomenon under different conditions. The replication is not necessarily of the results, but of the process used to obtain the said results. In short, case studies are generalizable to theoretical propositions and not to populations or universes. Additionally, recalling Munhall (1989) observation about the qualitative paradigm that discard both a cause-and-effect construct and generalized conclusions devoid of any socio-historical context and, the separation between researcher and respondent is drastically reduced. In simple terms, there is a flawed general tendency to believe that only generalizable research results are valid and that respondents’ perspectives are very subjective. Retrospectively, retroductive analysis is the appropriate analytical and epistemological process to move from the concrete to the abstract and back. Additionally, qualitative case study analysis are not concerned with size of sample but rather depth and richness of data collected.

An additional limitation is that this study adopted critical realism and therefore does not yield to ‘created’ experiments; the phenomenon has to be studied in its natural context as already discussed. The challenge however is, as also noted earlier, social phenomena are dynamic. Nonetheless, the objective of this study was to generate explanation rather than generalization. Explanatory mechanisms identified as well as mismatches areas could be broadly applied to other SSA countries if and only if contextual factors of the said countries are specifically considered.

A logistics-related limitation is financial; the author could have had a sample made of every single SSA country if time and financial resources permitted. In this way, this study had been robbed of invaluable data that would have made it possible to provide explanatory mechanisms for mismatches in every country thereby creating a true mismatches’ map of SSA,
9.3.2 – Suggestions for further research

It is the author’s sure view that this study has provided plausible explanatory mechanisms to the investigated ‘mismatch’ phenomenon by following Kemmis (1980) assertions referred to in the study’s research philosophy. Therefore, realities could not have been studied independently from their contexts. This was once more made possible by the choice of the qualitative methodology as legitimate and valuable, possessing distinctive characteristics that make it appropriate to this type of investigation (Tesch, 1990).

Further research could be carried out on (1), mismatches at each management function level: strategic, tactical and functional. (2), focus could be given to either aid processes or aid institutions, by finding or designing new and meaningful ways of measuring or evaluating foreign aid impact. (3), more explanatory mechanisms could be designed for every SSA country in view of studying shared mechanics patterns and/or components. Finally (4), more research is needed on the donor-recipient relationship’s impact on aid in considering their shared history if any and current affairs that shaping future international relations, social perceptions and geo-strategic interests.

“Don't be buffalomed by experts and elites. Experts often possess more data than judgment. Elites can become so inbred that they produce haemophiliacs who bleed to death as soon as they are nicked by the real world” – General Colin Powell (1937-date)
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Appendices

Appendix 1: Grey Literature Lists

Cameroon’s grey literature

- Le Courrier, Le magazine des relations et coopérations Afrique-Caraïbes-Pacifique et Union Européenne: # 3 N.S. – Novembre Décembre 2007
- Razel Cameroun Rapport Annuel 2007 (www.razel.fr)
- Annual Report 2007: Institut de Recherche pour le Développement (IRD)
- Concept paper, Cameroon civil society’s national consultation on the Doha financing for development and the millennium development goals (MDGs) Review Conference, Yaoundé 10-11 June 2008: Djeuga Palace Hotel
- Breaking with Business as usual, Commonwealth Foundation 2005
- General Report of National consultation on Civil Society and Aid effectiveness, April 2008, Yaoundé
- Cameroonian delegation’s proposal for discussion at OECD Accra 2008 forum: Accra High-Level Forum Participants
- Civil Society and Aid Effectiveness: Synthesis of findings and recommendations, 4th and final draft, Yaoundé August 2008
- Cameroon Tribune Newspaper 06 May 2008
- Cameroon Tribune Newspaper 16 May 2008
- Cameroon Tribune Newspaper 22 May 2008
- Cameroon Tribune Newspaper 12 June 2008
- Cameroon Tribune Newspaper 15 August 2008
- La Tribune du Citoyen, Monthly Newspaper (www.devloc.net), August 2008
- Grain de Sel n°13 - Novembre 1999: Retour au menu des articles en lignes
Tanzania’s grey literature

- Views of the people 2007, Growth and Reduction of Income Poverty, their quality of life and social well being, and governance and accountability (Mkukuta Monitoring System)
- Economic and Social Research Foundation, Tanzania Development Gateway www.tanzaniagateway.org
- Tanzania Public Procurement Regulatory Authority www.ppra.go.tz
- Tanzania Development Information Centre www.tdic.or.tz
- Tanzania Global Development learning Centre www.tgdlc.go.tz
Appendix 2: Interviews’ transcripts

Sample Cameroon Interviews

Extract of FBB 14/08/2008, 10H00 Yaoundé, French

Beti, Bantu, Journalist, defender of culture, traditions touching to anthropology and cryptocommunicology\(^5\): research the sacred and the mystical.

Concerning Development Aid, I will give my personal reflection relative to the aspirations of the African people, the Cameroonian people that we are,

Description of aid:
I would like to start from the “helap” meaning mockery or putting others down, it was derision.

Anecdote of the economic-drama of the Beti chief… It was a “Bilaba” dance that other chiefs will come to the aid of another chief is in difficulty. This was inter-clans manifestation of an alliance. It was pluri-spatial as it did involve other chiefs’ form other places. Chiefs will bring gifts (cattle, sheep, plantain, etc) dancing and singing songs of mockery and derision to the one in difficulty for lacking the ability to plan and make provision for his clan… Of course, the fellow will respond by saying that your stuffs are of poor quality anywhere… If one of the chiefs that helped him is also in trouble, the same Bilaba dance goes on again… This was a manifestation proof of alliance between clans or tribes but this aid was not done with conditionalities. In the African mind conditionality is a key element of modernism; it is not perceived as a positive approach to wanting to help.

We are dissatisfied by the process of foreign aid for it is done in terms of power: “we give you aid for you can’t do anything without us”. It is therefore in terms of hegemony. I fear that this is nothing more that a demonstration of hegemony. It is never always verified that the west asks what kind of aid we need. What do we want to receive as aid? We’ve got at times the impression that they give us their excess, but worst of all they are conditioned and conditional. “Because we’ve helped you do this or that, do not forget that we have public works, roads’ construction, forest exploitation enterprises in your country. So we are not consulted and we are imposed upon the so-called aid without being told that this aid will be repaid in a manner or another over and above the demand for us to be generous to foreign multinational in tender processes, mineral resources, etc.

For example, France is the 1st European exporter of tropical wood – where are the tropical forests in France? Is France a tropical country? This is the way they rape our forests. This is our wood.

My claim is that ideally we have to be told in advance and explained clearly what is given under the label of aid rather than given “constraining donations”. The massage is: “Regardless of the results of aid, you have to pay back”.

\(^5\) Cryptocommunications- the study of the use of hidden access and contextual associations to hidden meanings. Cryptocommunication processes are naturally occurring though the technical uses are normally associated with the integration of mathematical logic with applied rational and irrational information using cryptologic and inferential artificial intelligence techniques.

Cryptocommunicologist- a person who studies and applies access and contextual associations, normally through the use of cryptologic and rational reasoning, to affect improvement in the communication of knowledge among people and organizations.
We know that within the African solidarity context, hospitality, help, etc are loans but they are not conditional. Gratitude is not compulsory but it is one thing that ought to be on the conscience of everyone.

“Akap’ enekola”= this aid has the allure of debt. In Africa, we say this to mean that we do not have to repay the giver necessarily but preferably someone else who is facing difficulties. Hence, the principle of African solidarity works in a “chain of solidarity”.

For instance, the West wants to help the ‘baka’, the ‘bekodi’ who are pigmies, to embrace modernism. They are chased out of forest, put into school, in houses with metal sheet roofs, etc. They are not asked what your preoccupations as pigmies are. These people have hunting season, forest religious rituals and live in harmony with their environment, why “help” them against their natural lives or their preoccupations? When a particular season arrives, the pigmies leave without telling… This people will not get accustomed to modernism and as a matter of fact we are going to exterminate them to the rhythm of deforestation. We can’t assure their survival by imposing to them what great powers have done to us… We are doing the same to pigmies that had been done to us.

Aid is good but in what manner is it given? Does the donor know our needs? Do we draw as much result as they do? What are the true motivations behind?

Aid is given but then manpower qualified or not is imposed so that the donor eventually utilizes its aid through huge salaries and incommensurable expenses. So at the limit, our profit is so minute that and it is not the solidarity of the “bilaba” but a gift of power, a demonstration of power. We gave you, ours ought to work there and be development agents.

Let revisit the case of roads & infrastructures, we are in the National Radio House, which had been together with the presidential palace built by the military engineers in few weeks yet foreign companies make an eternity to complete poor roads. Aid has to be given where we do not have the know-how rather then crowding out our own enterprises. Donors do not even respect our expertise in particular fields. It seems that it is more a bullying to dominate the markets and destroy others’ workforces.

If aid would respect the small development that we have been making and concentrate on less developed areas, then it would start to look and be beneficial.

I am talking with passion.

UNESCO came here, we told them about what we wanted on university education. Once the dossier reached Paris, they now telling us what they think are our needs or how they understand what it is we wanted to say. So what we [African] say is unimportant, we are asked to do it their way or else we will not get anything!

It is contradictory; it is paradoxical that we could talk about aid effectiveness. How can we make aid effective save but discussing or negotiating as equal? In creating frank discussions’ platforms between donors and recipients then we could start evaluation processes. Not when it is imposed! Discussions ought to be open, frank exchange and keeping in mind that we have also a great deal of expertise in a number of fields.

Donors are not our sociologists, they are not our ideologists, and they do not masters the real problems here therefore are not the right people to determine the kind of aid or in what way it ought to be done.

We understand that they have got needs when we consider the passion and drive which accompany their actions of looting our forests and mineral resources. All we
want are open discussions and negotiations to evaluate their needs and ours. They should not give the impression of not needing us.

It is true that we are so much anchored in our financial garbage. Probably it is due to the fact that one might had worked their whole life yet get nothing because of the lack of benefit that our countries themselves are submitted to when dealing with the West. Secondly, those in direct contact with western workers are encouraged to embezzle simply by observing/copying the actions of these “economic operators”.

African need and must be given as a matter of right the task to define their development. Anthropologists do not like the concept of “development” as it encompasses even negative things. I could suggest the concept of “progress” and say that donors should not conceive our progress in their laboratories, which are not our sociology, of our reality, etc.

I will use a tragic and extreme case to explain my point. In the time of Sekou Toure in Guinea, Russia gave them thousand of snow clearing tractors. Needless to say that the word “snow” does not exist in most African languages; that aid was thought out and rolled out by Russians without consulting their intended beneficiaries. In Cameroon, we have the case of Scan-Water project of water & sanitation. In less than six months, all equipments were broken down, spares could not be obtain as the manufacturer closed at least a year before its equipments were sent to Cameroon. This is a case of dumping their “not needed”, their excess to in the name of aid. We know the symbolism of the water body, of the stream where all village children go to play and meet… It is the place where village women would meet, discuss, communicate and exchange. Scan-Water did not know that but created an artificial environment that destroyed the social/community exchange. This goes to say that even where a need is real, we ought to be consulted so that we could find way in which aid out to be utilized. We do not need their experts; examples are multiple of engineering or polytechnics lecturers and professors that come to teach and are unable to calculate a square root for instance. Students realize that the professors are actually learning or are simply illiterate.

To evaluate, we first have to follow the planning that has been established. Development could be measured in terms of clear project that make a difference for instance by providing road infrastructure… There are great losses of foodstuffs simply because there are no roads to distribute them. Japanese built good schools, which are still standing. Although Chinese, are responsible of 80% of wastes today, they have brought cheap motorbikes, easy to repair, helping transport in villages. At least, it is visible that these things are and could positively contribute to development.

We can educate donors about our needs by organizing forums of open and frank discussions. Donors should not be talking to politicians only, forgetting technocrats. Many projects are not even started because politicians want their share without understanding the outcomes. We ought to de-politicize, to de-administer the processes and projects. The sheer volume of admin and paperwork demanded to start even the simplest of projects discourages many investors. Many NGOs have been converted in corrupt entities once they get here.

The difference between donors & recipients is educational, ethical, ideological, operational but even more sociological. We went to school in the West but they did
not come to our schools so they do not understand our societies. It is also ideological because development is universal and should not be defined only from their perspective; we know our ideological context and we have the same sorts of experts who come back home or stay there if the politics does not allow them to work home.

[Example of Mouloundou, a city in the forest where only white fly in from Douala, they pillage stuffs there, they do not build road and air charter the resources… no exchange, no discussions, no equal trade!]

Development is moving from one primitive initial point to another point of amelioration. This is applicable to any domain or field: habitat, cooking, transport, etc. The human wellbeing increases while his body gets liberated more and more from manual work. So development is a progressing amelioration of life conditions so long as that amelioration is initiated and thought out by the beneficiary. E.g. using more gas rather than wood for instance.

In the last four decades, there has been more amelioration in public infrastructures and/or road.

My personal observation is that we are wasting a lot intellectual energy in a garbage I call “democracy”. Europe or even the USA did start developing before having democracy. Think how they killed the red Indians, the Aztecs, exterminating the buffaloes to starve indigenous populations, etc. Development start…

I should mention that when donors want to engage with civil society, they chose those of us that are less educated, have less understanding of societies, those that do not speak well and shun those that could express themselves well.

Extract of ABD

14/08/2008, 19H45 & 21/08/2008, 10H00
English, Yaoundé

Q: Taking on our discussion of about a week ago regarding aid effectiveness from an examination of donor-recipient relationships perspective, have you got anything to start up with or maybe would you want to talk on experience with donors?
A: They are both the same multilateral and bilateral alike. Relationships with both are the same; there is no equitable relationship when one controls everything. For multilateral, donors agree as their interests are convergent, but they wont agree with recipients.
   As a University professor, I have participated to high-level meetings regarding foreign aid both in an advisory and negotiator’s capacity. It’s the greatest masquerade where hypocrisy is the respected code. But, the truth is that those converging interests are still competing.
   “What is in the house is not necessarily part of the house” – Donors are not part of the recipients’ countries success. Donors are so presents in recipients’ countries that we mistake them for ourselves.
In Africa, there is a saying that the chimpanzee is not the gorilla brother although they are both apes. That’s the situation when donors provide funds that bring in corruption to recipients: donors’ own agents and recipients’ agents or government alike. The donor keeps on disbursing more money with full knowledge that it’s filling individuals pockets rather than fulfilling its objectives. People would call it complicity, I will call it non-assistance to people in danger – because, the assisted people are only asphyxiated. For me, more disbursal is a way of under-developing people – so I teach my students. Bilaterality is an artifice; it’s superficial and theatrical. I would say there’s bilaterality if they weren’t concerting among themselves, but since they do, bilaterality is only in the key figures – for example if we agreed with Britain for a particular project or program, Britain will still have to take into consideration what the WB and the IMF say, so there is no bilaterality. Multilaterality is in my opinion the best entry point. But there are 2 forms: one admitted and another non-admitted. It’s the best subterfuge to deconstruct bilaterality discourse. Unless we consider western Bilaterality, in our block, Cameroon doesn’t consult Gabon for example; the former doesn’t consult the legislator even in decentralized cooperation. I’m still partisan of a chaotic solutions’ vision from a multitude of voices and interests centers.

Q: Do you then think that the difficulty is in the recipients’ inability to speak with one voice to establish interest priorities and objectives?
A: If it’s in our interests to speak with one voice then that fine. But, I should say that I use to think that way now, I doubt that – An Arab proverb says “what you have been reproached most about, keep it jealously” – If there wasn’t a mushrooming of negotiation centers, looking at the derivation of our separate focuses as debtors in comparison to the republican or patriotic dynamic/solidarity of the social progress – Meaning that all eggs are in one basket carried by someone without any desire to do so. The question is “Why are we still alive, how have we survived thus far?” Inspite the adversities, those that represent us have no interests or at least don’t represent everyone’s interests. In the 1980’s so far as economic indicators were concerned, every single one was red. A country like Zimbabwe with an inflation rate of millions, people still live – simply because there is a disconnection of spheres that of negotiators and that of people and their survival. No matter what’s done, pockets of survivals will be where hope to restart will comes from. That’s my lecture, if we ought to speak with one voice to say “Banzai, kill us all” then let talk with a thousand voices.

Q: Professor, can we do without aid?
A: Of course we can, what is aid? What aid do they give us? If I told an old woman in the village that I’ve given her aid in the form of a farm. She won’t believe it until she’s working of the farm. How can you say that you have given me if you are taking with the other hand what is given by the one hand? It’s a displacement of investments – It’s a penury of words; that’s not aid. “The chimpanzee is not a gorilla’s brother even if they are apes” – The donor places his money and expect interests: financial, political even symbolic: to be called dependent, poor. Chinese for instance have a saying: “give me a fish and I will be hungry tomorrow, teach me to fish and I will not hunger again”. Now the Chinese
doesn’t teach you to fish or give you a fish but he is coming to fish in your pond. All those works accomplished by Chinese, will have to be maintained by local labor. If you have learnt how to fish, the performance indicator will be the learner’s capacity to fish. Let them show us where they have learnt to fish – They should not tell us that Chinese taught; the teacher’s performance is linked to the learners. Show me how many or which Cameroonian firms are doing what the Chinese are doing because they have been shown. I don’t think there’s any in Cameroon or Africa in general.

Q: What is the solution? Do you think it has to do with Aid architecture or its packaging? What should be done for it to deserve the name of “Aid”? Should we change on our side anything?

A: I guess it’s on both sides. One side, the recipients, of aid doesn’t reflect reality; it’s useless. It’s nothing to do with its quantity; frequency or elaborated speeches done that will make it effective – its foam with little beer. These are images I use when I teach on aid. The cosmetic within which aid discourse and aid actions function ought to be in my view, at the heart of your work. The articles I mentioned to you show the peasants and grassroots’ people not our viewpoints. Cosmetic aid had been denounced for many years but it still going on. People regardless of their level of knowledge of the Shakespeare or Moliere languages can still express their pain, needs and aspirations better than we could have done. In administration and political obstacles, you will find for example, ambiguous role of traditional authorities of clients, of local and national elites, mistake or bluff of diverse parties. At intervention points each party pretends that they don’t know what going on – everything is based on presumptions. Donors’ capacity to provide 10 times what is required and recipients’ capacity to use the one and misuse the other nine is not assumed ignorance. In other words, to feed one pleasant, 9 elites have to eat first. Yet, the belly of one elite is perhaps 10,000 times that of peasants. Africans aren’t out of subject even in smallest villages: “you can’t give enough food for the baby without feeding the child-minder”. Aid doesn’t do that, it does worse – that’s my own view. In a regional forum in Paris 3 years ago, I insisted and requested that IFIs should change their evaluation and disbursal cycles of aids dynamics. The quinquennial cycle seems well “tested” that economists’ support is completely a dead-end. Social transformations have their own temporalities – It’s useless to found elements for development and aids on anything else while social cycles exist. The current cycle had become a cycle of evil intents. In donors countries many programs are multi-annual, even centenary, why aid would not do the same? That kind of programming (multi-decentralized) has guaranteed development in the West; why not use the same models? The Eurotunnel has been built for a minimum of 50 years, why will bridges in Africa be for 1 year or maximum 5 years? A word of caution, my position is marginal. If you use it, you will be combated and fought against strongly. What I’m saying is founded, it’s not an argument of persuasion. I know that there are various schools of thoughts and certainly they should be some people thinking like me, there are dominant schools and dominated ones.

Q: What will be your advice to a group of people to whom aid is about to be given?
A: They shouldn’t take it if they don’t need it – it will be poison to them soon or later – 1st advice, if you have stomach pain, you wouldn’t need medication for hair growth. There are many other things that shouldn’t be considered. You don’t help someone against their needs, against their expectations, against their aspirations. If that is aid then it’s a toxic aid wrapped in a cosmetic speech but that extremely painful. That what I’ll tell a group to which aid is about to be given – Aid is not given, it’s invested because there are conditionalities. The return is only symbolic because we recognize the other’s pre-eminence. What we don’t see is Aid subliminal message or discourse, which is the establishment of a social hierarchy and of course, geo-political strategies. Aid takes away the right to express oneself, this isn’t only true in international politics but even within family context. The breadwinner feels that they have more rights than anyone else. The temptation of pride haunts the giver to be the dominant; it’s a universal fact – everyone fights his or her own demons.

Q: How can we evaluate aid then - as recipients?
A: Starting by provider, it’s an investment or at least a borrowing. So the volume of aid is not the right tool and evaluation. The return on investment is what needs to be done, for the donor, for the recipients, for the passive concerned people – It’s a classical case of impact studies. Theories of impact exist, I’m not adding something new that were evaluation should be. There is audit, there is a bond (a security), and it’s a deduction or inference. Until some contrary notion could be proven, that what aid evaluation ought to be.

Q: What can Cameroon or a recipient should do to benefit from aid?
A: The concept of profiting or benefiting is a terrible thing here in Cameroon. May be because you are living in the white man’s land you have forgotten what is “profit”. In Cameroon it means getting something that you do not deserve.

Q: We are in a socio anthropological context where we live with our governance and politics to manage our society. What should we do politically to benefit from aid? Or is there anything that ought to be done culturally or ethically? Ideological?
A: I can only think. It will be pretentious for me to say that I know what needs to be done. The 1st thing is to avoid believing that we are benefitting from aid. There are needs, there are expectations, there are services, there are goods – The question of aids is superfluous. I have got a poem that I read every morning in my office as I come in. If you read it, you will understand my perplexity in this question. There are those that do some thing. There are three doing something out of ten delivering only speeches. If only 3 do aid, I wonder what I am doing personally. I wonder what’s profitable. Profit, profitable is a notion of utility, which is related to utilization. Utility denotes a de facto property - an intrinsic properly. Yet utilization is weight by intention. Aid is like a knife; the objective of a knife is it to cut or to cut something? Is anything that cut a knife? With aid it’s its finality to be useful or to be utilized (used)? Aid that is not expected – will it be well utilized? If it’s not well utilized, does it mean that it’s not useful? It has no utility? For me that the heart of the difficulty of comprehending Aid effectiveness. Aid has no polarity. The same knife that could be used to share equally a mango – with
the fight to know what will get the nut/seed – just to say that even when things are done in everyone’s interest, there might still be reasons for people to fight over. The same knife could be used to cut people’s throats. May I say that the knife function is a question of utility or one of utilization? What aid is – because it is its nature; its essence; its properly – that is where the whole debate lies. How many times haven’t we seen remedies/medicines being more harmful that the disease? Nonetheless, they are still remedies. We have got to ponder upon these questions and determine if the efficiency and effectiveness of aid is related to its usefulness or to its utilization and remain very caution in proposing any answer to the question.

In social dynamics, failures are part of the heritage. One who has never failed is in more danger than one that has failed many times and has survived. As a theorist or Epistemologist, I don’t see an impasse: utility or utilization. If you say its utility, will close the door to utilization and have a heated debate. Should you say utilization, we’ll leave the utilitarian essentialism and get into the performance of utilization. I don’t know if you understand what I’m saying; I’m responding at a specific theoretical height since you are at that high level of theory; that’s what will count for your thesis. I wouldn’t speak of this if it were to my grandmother for instance. There is a different discourse for her; which does not change the content but brings the expression to formulation modes suited to her understanding level.

If the donor did put in some genetic or programmatic codes in it for a particular utility function, that code would affect the way in which the action of the said aid materializes somewhere. That’s the encoded heritage that makes it efficient in relation to what the donor has coded into it. I can give you aid so that you don’t grow ever, that the counter action approach or the “counter-foot” process – In intelligence and espionage that’s known as “retorsion” – what we see is not what it is we need to see – example of aid that’s not aid: 1960 independence is given in a world where everyone is interdependent.

Independence was a veil that covered our vision for half a century – I don’t think it’s what was needed. Example of compromising aid; you don’t have enough rice – February 2008 civil unrests – you get given rice donation at very low price and chicken drumsticks; result: all chicken farmers are out of business for a while – was that aid effective? I don’t know if I’m out of the subject or did you expect a straight yes or no in aid effectiveness?

Q: For the donor, don’t you think it was effective? Is it usefully for us – the donor will say, although from what you are saying it is utilization in our side?

A: Who is it useful to? Not to us at all! Ferdinand Oyono gives an example of village children singing a song to the point of going breathless, visiting white administrator clap their hands to the nice indigenous song, the children think it was the French national anthem. Result: the song was efficient. Measurement: the applaud-meter – all the parameters are there – but in essence, nothing worked.

For children and villages, the schoolteacher did a good job and would no doubt be the man of the year. For the French visitors, the same teacher is the autochthon of the year.
Q: Do you think that we could reverse the roles so that the donor sees utilization while we see utility?
A: Is there a donor? A child learns from birth – everything goes to the mouth. With time not everything goes there. With aid, it’s like an enfant that hasn’t learn to let go. There is no gratuity in aid. There is no fortuity either – It’s a dog and cat or Tom and Gerry matter. It’s an investment from which return is expected for every party involved. It’s a loan for the borrower that expected to make the best use possible in view of refunding with interests; investment, capitalization with rentability. The problem with growth is that it has to do more good than bad.

Q: Have you got any reflection or idea you would want to share? I have taken quite a great deal of your time?
A: My position is that aid is always effective; it has never been ineffective. My postulate is that it is effective either by its nature or by its utilization whether the Chinese built a stadium or not for example – aid is always effective. Efficacy is the principle of effectuation without orientation. Efficacy is not oriented?
Orientation of aid ought to be determined for effectiveness to be judge. In the prayer “Confiteor” there are 4 types of sins – by analogy aid is effective in those 4 directions: (1) in thoughts, (2) in words, (3) in actions, (4) in omissions. Sometimes in the 4 at the same time.
Calling it aid is not senseful – Effectiveness will be related to its finality. If it’s effective, the questions are in what and for whom? There is a double entry matrix – there is a foreign attractor otherwise we wouldn’t see anything. Chaos is not absence of order; it has an order that escapes our understanding. Aid is always effective in that it’s simply creating a social relationship. There is a new social identity that is created – whether you like it or not, the giver will be known as the donor and you will be known as the recipient. All identity dimensions are a premise for a great commercial transaction. Not proposing aid is equally contributing than providing it. The fact that you are not given something doesn’t mean that you do not need to possess it. There are 2 worlds, 2 universes that co-exist at times in parallel, at times crossing each other. A world of situations and facts, a world of intentions and representations, which is not less important...
The subliminal question you have raised is one of ethic and morality; where is the evaluation between the good, the beautiful and the better? The ‘good’ leading to consideration and ‘better’ leading to intention good or evil behind the whole cycle... On consideration of one another bringing relational rapport symmetric or asymmetric as mode of regulation in intention, it is said “the way to hell is paved of good intentions” but it is still hell.
There’s always effectiveness – then we ought to talk about perverse and virtuous effectiveness. Is it a scientific or ethical question?
In action aid may fail but succeed in thoughts. In the worlds, a lot had been done; in omission nothing had been done.
There’s also an aid effect that is divine; that is a conclusion scientists wouldn’t want to hear (e.g. When someone in coma wakes up as soon as they hear the voice of a specific person). The divine effect is that aid is proposition; the disposition of aid doesn’t depend on the proposition done. It’s disturbing, isn’t? Because there are cause and effect in science, how are you going to
present it in your thesis – I don’t know! I guess at your faculty if you say, “man proposes, God disposes”, you will be kicked out of the department or at least, they will send you to a monastery-Africa has done you wrong or what! There are huge failures in projects which turn out to become the starting point for an enormous conscious taking process that will re-dynamize a behavior for generations – optimist. There are on the other hand successes, which have become a veritable discourager. Chinese built a sport complex, Cameroonian forget that they could build small stadia in all neighborhoods – that’s my answer. When I say man proposes God disposes; it’s not a capitulation. Leave the one that disposes do his work. If you don’t propose, you sin by omission – Religious answer. Those are my conclusion. I assume responsibility. This subject court be dealt with in are thesis or even a lifetime. At least everyone could bring in something constructive. Even encouraging people will be able to support aid – Not forgetting that aid is an investment, a capitalization that ought to be utilized positively – If you would find the word that is the contrary of aid, you will have done a great deal of the way. As I said, you can only do you duty of proposing.

Sample Tanzania Interviews

Extract of JRY  29/09/2008, 10H30
English Dar Es Salam

Infrastructure development is one of the keys to development. They have been much talk on Education and health-rightly so but without roads to wherever Education and health need to be within certain infrastructures. I’m J R; I’m an assistant director working in road infrastructure looking at trunk road section in the ministry of infrastructure development.

Q: 40% of the ministry infrastructure development comes from donors?
A: That only for roads but development is 60%. I mean by development capital-intensive projects. They take many years to be completed. Recurrent expenditures aren’t classified as development costs – example stationery. Donors have conditionalities such as government requirement to contribute 10%, 15% even 50% depending on which one.

Q: Who’s your major donor?
A: In infrastructure, it’s NORAD, the Norwegian, DANIDA Danish, JAICA: Japan International Cooperation Agency, WB that coordinates other donors, ADB (African Development Bank) providing soft loans and OPEC, France with smaller loans.

Q: What kind of conditionality Scandinavians are imposing – I would guess that it would be more in line with good governance?
A: Because they are projects focused (DANIDA and NORAD), they build and rehabilitate about 240 km per annum – These are through soft loans – like JAICA’s soft loans as well as grants. There are anyways loans; not more than

304
1% interest if above, it will become a commercial loans. Good governance is a
real necessity. On interest, I should mention charges that take it to about 1.7 to
2 not more than 3%.

Q: Are these projects executions awarded through tenders? Do you oversee the
processes?
A: Yes, it goes through tenders – but we don’t have much access to it. They are
done through their own countries. Contractors come from their countries. We
have got contracts in terms of references. They stipulate how thing ought to be
done – that’s conditionality. To me, it’s an adequate process. Donors will
bring up packages for which you don’t have suitable contractors. Unless they
[local firms] go in joint venture with foreign firms, one can’t ask much more
from them. When you go into joint venture with someone who has nothing to
offer, it is to take from his or her country. For someone who’s given you a
grant, you won’t go into joint venture with a Japanese company for a
DANIDA contract.

Q: How do you evaluate those contracts? And grants and loans you do receive?
Beside or regardless of donors’ evaluation?
A: For us evaluation is when we get supplies of the services and how much of the
employment. How much is the improvement of the service like time reduced
by the road infrastructure. Improvement of the capacity contracting and how
much of the money spent by the local. It’s not in the policy terms of the grant
but for government we look at the receipt of the service in time then it will
fulfill the objectives of the project. I understand what you mean by evaluation,
but in most cases we look at how much employment we get out of the grant.
The department of course had done use of local material – such evaluation.

Q: I can foresee 3 stages you have got. There’s the pre-project, project and post-
project who’s controlling each project stage?
A: Donors wouldn’t finance without feasibility studies; that’s the pre-project.
Then there’s project duration; we manage the construction or should I say the
execution. There is an active monitoring through the project life cycle. Then,
there is finally the post project.
This is what we call defect liability period, about 1 year as opposed to 2 years
of the project. If all is satisfied, the project is considered effective. The
government looks much at the two latter stages but donors would always more
than often bring a separate evaluations team at the end of the project. It’s a
post qualification evaluation before a total handover to the government.
However, I ought to mention that they may bring in a monitoring entity in
accordance with the government or unilaterally.

Q: Having said that, it looks like overhaul project’s overheads/costs are
increasing? What will be the real value of the loan/grant?
A: All these are stipulated during the financial agreement. So there is a portion of
evaluation and monitoring the donor provides. Then there is a construction or
execution together with consultancy, which get included in the project costs.

Q: As you can gather, it has always been a true complaint that the donors through
consultants, evaluations and repeated audits absorb more than half of the aid?
A: I think that is not a correct assumption to me, having worked long time in the infrastructure. The problem of infrastructure is a problem of policy. We don’t have adequate policy sets to address construction. Talking about infrastructure is indeed about construction. Demands of the construction have to be established so that the process of aid employment can become beneficial. In 2000 in Tanzania, we had a resource of about 1660 people dedicated, making about 40% of civil work (See field notes for detail)... Money being brought in causes only inflation rather than infrastructure and development. Looking at the construction industry alone in terms of changing prices, it’s very discouraging.

In 1990, we were able to construct one kilometer of road using 230 US$/km and 2008 we use almost a million/km. some will say that it’s due to oil price but I tend to disagree. Our objective and intention are to augment employment by 40% if demand rises by 40%. If you move more people to the construction industry, it has got more impact on other industry. We are then creating imbalances and cascade inflations. Western donors like the USA will give more money and make the inflation even worse, US$ can’t be used in our country so we have to print more of our own against the value disbursed. The volume of their money circulating in your economy is even greater than our output. Sectors where capacity is smaller get squeezed out more and more – such as agriculture. There is a depreciation of real exchange rate. Donors are putting a lot of money that will use the limited logistic of the country. As a result of the inflated demand, prices increase and the cycle continues. I have even written to the president that if we don’t change the way we manage scarcity. Otherwise, infrastructure will not benefit everyone.

Q: What do you think is the best way for that money coming in? Considering that 40% of the budget is made of aid?
A: Whenever you get a loan, you need to ensure that you will get a higher return. We need to work out our projects and programs in such a way that prices are low, resources are made available so that our people could benefit across sectors. Projects are still selected politically rather than strategically. We don’t have a department or a task group that could objectively look at our needs. In most cases, our so-called feasibility studies are overstated so that we get the money from donors. There is therefore very poor planning, no real projects. There are too many projects per annum making resources even scarcer. Why should we maintain a road because some American ambassador or firm wants to see a road to a mine; which road does not benefit local populations? There is an issue of competence on the side of the infrastructure department as well as on the side of our bureaucrats, negotiators and politicians. There is about 8000 engineers in Tanzania but we should be many more. Eight American marines entering your country could destabilize it because of their engineering knowledge and expertise. Why can’t our 8000 do better? Donors have no real hands in our development.

When we got independent, our economy was much better than many South-East Asian countries, but now they are – most of them – better than we are and they are providing us with technical assistance. What a shame! We were the best students in Colleges in Europe. I can’t understand why their former colleagues surpass those best students? Donors have money to pour onto us without getting any true suggestions of how to make it work from us.
Q: They have got money and motives while you haven’t got much choice?
A: Not much choice because they are also serving their interests and not ours. They have got to bring in consultants; engineers as well while you bring nothing. As a result, they absorb the money – you got your road. We need to have our own agenda, strategies and build capacity. How can I come to your house and ask you what you want to eat?

Q: Do you think it might be a cultural problem?
A: It’s not a cultural problem; it’s a leadership problem. When you talk about culture it’s a set of law – unwritten – that support a certain economic progress. In Africa, we had from long good working culture that why we managed to chase out people with weapons – for example the Zulus versus the British. The problem is of leadership. Most independence in Africa was achieved as a result of our fathers putting aside then differences to kick out colonialists. How can we now claim that our old people have no culture? Ask Odinga or Kibaki what’s their vision; I don’t think they will be able to tell. If you find a country with a vision and a mission, you won’t find a difference in people; they have got something pulling then together, a mission. You can’t create policies without a mission.
In the US for instance, democrats and republicans work together for a mission to achieve their vision. They can separate when they complete particular missions.
South Africa had a vision under apartheid, now what is their vision? Mbeki fighting Zuma – something is wrong.

Q: What is your take on the issue of public and personal good? Is it a problem to your view?
A: I don’t see how embezzlement would come in. For example, you as a leader set up targets, outcomes and their measurements. There is a budget that can be clearly monitored – where will embezzlement come from? You check the sector growth, projects growth, etc. It becomes easy to fire or sanction each ministry, department, etc. because there is a mission. It's because everybody will be channeled to work within the mission statement and the vision.
Banking and financials aren’t also doing us a good service – look at any country the ratio between the contributor of the GAP in that country and the people under banking and finances- and how many are they, you will be surprised to get a productivity more than 20 – 60%. The ration of the GAP – what kind of services is provided to become efficient in such a way that only 66 times than the rest? It’s because they are stealing – how they are stealing the money being saved. They should be lending the money to people that will work and produce. They are instead lending to people who will do nothing with it. They should be doing the business of banking and creating wealth rather than consuming everything from what people have put in banks – this had been allowed for years.

Q: It seems there is a mismatch between donors and recipients. Donors have a clear agenda while we don’t. In legal terms if you signed a contract with someone who’s mentally unstable, the contract is void. If we aren’t strategically stable or crude up as they are, should we repay the debt?
A: If you’ve already eaten, you’ve got to repay. Well, I will say you might be insane but you have got the benefit of the service or product. They have cheated us but we have used the product. We chased them at independence; now we call them to help us. They didn’t think these people can chase us and were not prepared. Now they have got a clear agenda and pathway on how to re-colonize or even re-enslave us methodically and totally. Infrastructure is a 3rd colonialist; they have found that we are so interested. People would be attracted to good roads, bridges, buildings, etc. slowly they are putting in their money and will be demanding soon more and more access to raw material – our government will displace people to give them access to mines – have you ever seen that in Great Britain? An African investor protected by the UK government? They will tell you to find a place of business and do like anyone else. Why do we protect outsiders! There is no way out now otherwise, they change the president. We need to change our policies so that we can benefit our own economies. For now our government are even paying them for their short falls and serving their economies.

Human beings live together to foster their social and economic wellbeing. Without the economics, the social will not work. We need leaders with vision and on a mission; otherwise, people will put money in their pockets. Whenever there is no vision, individualism takes over – there is no sense of responsibility. Why in Africa, you will hear that “Agriculture is priority now” – why should it be sector priority? Can you employ everyone in that one sector? What about industry?

Q: How does the democratic system translate in Africa?
A: It has no meaning because we have lost our own culture. Democracy is division of power between executive, the parliament and the judiciary. If those different parts are colluding, there is no democracy. If the executive – the president gives vision, the parliament will make good laws that the judiciary will enforce them. Most African countries are discussing without basis. How can they make laws without vision or mission? Where do you find these laws? The judiciary will be punishing wrong people. We have got child, women, family laws for example; some of them jeopardize our culture. We can’t make laws against our culture. How does the division of labor in the family work with gender equality? Everyone has a function – when function are done, peace will reign as well. There should be a family leader as well. We can’t have a leader being a lawmaker, interpreting the laws and enforcing them. It took years and century for the democratic system to work. How can we ask for money while we have left money at home? We want the paper money that will destroy our economies. Our policy-makers are scared to even take risks.
Q: How do you work on policies? Do you design them?
A: We have a team of 5 or 6 people. We liaise with the relevant subdivision to feed us with materials, we consult with other stakeholders to produce a draft that taken to government for approval. The 1st tier of consultation will be made of internal stakeholders. We have not involved churches and mosques but we involve NGOs and private sector actors. Religious workers get informed and educated on what we do. The council of ministers does the approval. They have got secretariats that have their own engineers and technicians that advise then on what we submitted to them. It’s ping-pong between them and us so that we get a clear document.

Q: There is a concern that if the council of ministers is making political rather than technical decision. There is a feeling that the council of ministers is short-circuiting the process.
A: No, don’t worry; they have got their own secretariats that have specialists who will read our proposals. It’s true that politicians wouldn’t read them.

Q: How do you follow through, enforce and evaluate your policy once approved?
A: We have got strategy preparation, then implementation, then we evaluate annually and after 5 years we report to close it down. When there is a new need or critical issue, we send it back the government for approval again.

Q: What would you do if policy were not adhered to? If departments you have supported refuse to follow, will you fire people, get them arrested?
A: We simply re-discuss in view of addressing their concerns and see how they could be integrated – We have been lucky that we haven’t had that. However, there are areas that might need re-looking in.

Q: Are there policy drafted for 50 years? If not why?
A: No we don’t have. Maybe in Africa things are changing a lot. We had a policy in 2003 but now in 2008 we are changing. Maybe easy in developed countries not here – not yet.

Q: Where does your department get funding? National, International, Bilateral?
A: From DANIDA in road sector: the WB is the mayor donor; funding makes almost 30% of our budget, DANIDA sponsors some part of project.

Q: As a planning department, do you negotiate with donors?
A: The finance minister does it on behalf of the whole government. At time various ministries are associated in the negotiations when there are specific projects. Otherwise if it is soft loans and grants for budget support.

Q: If they [donors] provide funding, who set up priorities the donors or the recipients?
A: The recipient has to negotiate – At times they get intransigent. We take time to compromise. Most of them don’t mention the return or expectation. They want to see results in terms of governance.

Q: Is it possible to development or work without that money?
A: Infrastructure is expensive; we need the money – maybe not the full cost but part of them. Technology is expensive as well.

Q: An engineer told me that we need to train our own engineers and buy technology from developing tropical countries rather than Western countries?
A: I understand his point. The practice is that when you are at Km-20, Km-1 needs maintenance.

Q: What should we do to be able to do without aid?
A: We need to increase our own budget. In my ministry, I need at least 30% for infrastructure development.

Q: Do you think that we are negotiating at the same level? Are we winning? Is it imbalanced?
A: I think at times, we win, we negotiate but we have to agreed on priority with them because they are the giver. We are the beggar and are forced in a way to accept. If takes time to compromise in negotiations; they might agree in part and postpone certain things for the next funding round.
Appendix 3: Interviews Summaries

Cameroon Interviews’ Summaries

Interview 1: FBB (14/08/2008)

This interviewee is a public journalist, host of two interactive programs that deal with current affairs and a national celebrity. A sociologist and reporter by training, FBB is well known as an outspoken supporter of afro-centric ideas and world outlook. FBB is loud on governance and management as concepts that are not new to the pre-colonial African society. He is a strong supporter of various eco-preservation movements and campaigns. Believes that donors have more responsibility than recipients for the Sub-Saharan Africa social, economic and political status quo. FBB prefers to talk about “progress” rather than “development” from a sociological standpoint. FBB describes himself as a Beti, Bantu, Journalist, defender of culture, traditions touching to anthropology and cryptocommunicology\(^6\): research the sacred and the mystical.

Interview 2: MTZ (14/08/2008)

The interviewee is a celebrity journalist known for his courage to publicly confront corrupt and suspected corrupt officials and private sector individuals or firms. MTZ hosts a development radio program; his assertive style has earned him not only a great audience but also an unnumbered crowd of enemies. Some pro-government groups consider Magic FM to be a dissentious tool; the Radio Station license has been withdrawn without due process and reinstated a number of times. MTZ is weary and defensive of meeting strangers for fear of being discredited should he make any thoughtless comments.

Interview 3: ATY (14/08/2008)

ATY is a civil engineer, owner of an SME tendering for various infrastructure works. Talking from experience, ATY testifies to how difficult it is for local firms to win

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\(^6\) Cryptocommunications - the study of the use of hidden access and contextual associations to hidden meanings. Cryptocommunication processes are naturally occurring though the technical uses are normally associated with the integration of mathematical logic with applied rational and irrational information using cryptologic and inferential artificial intelligence techniques.
tenders. He also testifies to Aid process corrupt practices that undermine development. For instance, breach of confidentiality, bribe offers in support of foreign firms and recurrent audit requests of local firms by donors. The infrastructures’ development sector regardless of the type of aid or regardless of the nature of the donor is rigged with donors’ home country favoritism and corruption. ATY states that donors and recipients government act so much alike that there is no more safe space left for local SMEs.

**Interview 4: ABD (14/08/2008)**

A university professor, ABD had participated to high-level meetings regarding foreign aid both in an advisory and negotiator’s capacity. From his experience, he concludes that bilateral and multilateral are alike; their differentiation is fundamentally strategic. ADB sees aid as the greatest masquerade where hypocrisy is the respected code. But, the truth is that those converging interests are still competing. “Bilaterality is an artifice; it’s superficial and theatrical. Multilaterality is the best entry point. But there are two forms: one admitted and another non-admitted. It’s the best subterfuge to deconstruct bilaterality discourse.” ABD concludes that aid is an opportunity for the donors to dominate, access recipients’ resources at vile price and dictate/influence political decisions.

**Interview 5: JPA (18/08/2008)**

This interviewee is a senior national police officer (a commissioner). He is involved in budget negotiations with the Ministry of Finance as well as the Ministry of Economy, Planning and Regional Development on behalf of the police services. At numerous occasions, he dealt with donors directly. From his experience, aid is inappropriate and unrelated to recipients’ needs. Within the aid transactions, Africa and specifically Cameroon is always a looser; aid is quasi invisible and non-concrete.

**Interview 6: JMB (19/08/2008)**

JMB is an agro-economist who has worked for many years for the government before joining a civil society group that campaign for transparency, accountability and populaces’ participation into country’s management. JMB finds that aid simply generates more debt for recipients yet on balance it is not positive. Aid is still disbursed although it has not yielded because there are secret agreements/accords that
were signed at independence; these agreements would only work if the status quo of powers’ hierarchy were maintained. These secrets agreements are of various natures: military, economic cooperation, monetary, ideological and political. Aid is seen in his eyes as quantitative rather than qualitative. JMB finds that there’s a lack of will to change from both donors and recipients; donors are not really committed to see recipients develop.

**Interview 7: JCB (19/08/2008)**

JCB is a director of a foreign firm, which won numerous civil engineering feasibility studies. While he realizes that there had been considerable progress on local firms’ work quality, he confirms that there is not a single firm local or foreign that has not come across corruption whether as actor or spectator. Yet, every single one of them has to pay bribes to win tenders and/or receive funds’ disbursal. JCB finds that aid is not about “good hearts” but interests. Donors favor home country’s firms over local ones; “it is business” first of all! Cameroon being a small market area, there is no true competition; winners are always known and are pre-ordained.

**Interview 8: CTY (19/08/2008)**

CTY is a civil engineer in a local roads maintenance firm that tenders for government as well as donors’ funds. She believes that the only positives of aid are philanthropic social aspects; the core aid aspects do not bring about positive changes. Aid is about control or political leverage. Development is not about money only but it has to encompass control and monitoring. CTY believes that mentalities ought to be changed in view of good governance and retribution/rewarding mechanisms. The burden of development has been unequally and unjustly shared between donors and recipients.

**Interview 9: PEG (19/08/2008)**

PEG is a Development Sociology Researcher at a local University. She believes that while aid is intended to raise African level to that of the Western world, aid is an instrument of different kind of dominion (geostrategic and monopolistic control). PEG finds that aid is not neutral and is in fact a form of colonialism. Aid conditionalities are an attempt to ‘transpose’ euro-centric values onto other people
regardless of their reality. She finds that donor-recipient relationships are generally characterized by low trust level even the absence thereof.

**Interview 10: MBG (20/08/2008)**

MBG is a senior lecturer in a Public Works school. The school is partly subsidized by the government with funds coming from foreign donors. The school is under shared tutorship of two government departments. MBG finds that public works practice is not well regulated in Cameroon, which provide a fertile terrain for destructive behaviors from some actors. He believes that donors are not satisfied with the way in which aid is employed. Recipient governments are the losers as a bottom line. For MBG, Structural Adjustment Programs taught Cameroon how to manage crisis and service chronic poverty.

**Interview 11: LAN (20/08/2008)**

An economic journalist, LAN finds that there is a fundamentally great problem of capacity (HR, financial and logistic) in Cameroon. Having moved from SAP to HIPC with considerable debt reduction, Cameroon Politics still want more aid. As a drug addiction, it is hard to do without aid. Donor-recipient relationships have always been an issue because it is a “rapport des forces”. LAN declares that aid is no philanthropy; the receiver becomes subjected to the giver’s exigencies. LAN observes how Cameroon has ceased to be an agrarian society to nothing: importing everything from aid donors.

**Interview 12: MTK (20/08/2008)**

MTK is a local NGO aid worker. Aid is not aid, it is what the UN calls Cooperation for Development. The Northern neo-liberalism is expressed through markets control to which donors are brought in by way of foreign aid. Africans have adopted a begging and dependent paradigm that need to be overhauled for any significant change to happen. MTK observes that aid will be effective if and only if it is focused on serving local initiatives. There are seriously great governance issues in aid handling. New aid is used to pay off old aid debts. MTK believes that the entire management chain is problematic – from planning, budgeting through monitoring to evaluation. The recipients ought to influence aid conditionalities so that they may put on a human face.
Interview 13: CAL (20/08/2008)

Development Economist, CAL is a member of the Cameroonian Civil Society delegation to the ‘Accra Agenda for Action 2008’. CAL believes that while Cameroon can do without aid, aid could still be beneficial so long as recipients drive their own development. She observes that the Paris Declaration is both workable and appropriate for Sub-Saharan Africa economic and social progress. Her involvement in negotiations for civil societies’ participation into country’s management have put her in direct contact with both key government departments and major aid donors. Cal finds that participative governance is the only way forward for SSA.

Interview 14: JDN (21/08/2008)

JDN is a manager in a local housing and health campaign group. His group gets supports from various bilaterals and international NGOs. JDN mentions that getting involved in any government tender process means getting into corruption and bribery operations; tenders are not fully open to the public and are simply unattractive. He notes that bilaterals are not by far better that the Cameroonian government; aid-providing branches of the same donor do not know what others do. It is not unusual to find such branches or bodies working in total opposition of one another. It is unnecessary to create numerous dialogue frameworks – otherwise relationship quality is lost.

Interview 15: DXG (21/08/2008)

DXG is a director of a French development research institute that is fully funded by the French International Cooperation. DXG notes that donors have to look after their own interests and so should recipients too; aid is a business transaction. Furthermore, he notes that a lot of unscrupulous practices are still done. He observes that aid in SSA is built on the backdrop of lies and deception, slavery and inhuman exploitation and, colonization. He posits that the continual exploitation and manipulation of the Françafrique does not set up a good precedent for trustful donor-recipient relationships.
Interview 16: DPH (22/08/2008)

DPH is a director of a NGO: a social responsibility arm of a multi-national mining corporation. Development is a business in a sense because it is about ‘investment’ to get a ‘return’; this ought to be true for both donors and recipients alike. DPH finds that aid has no value, as it is ‘free’ money. If it were locally generated, it would be more valuable for recipients’ communities. He observes that aid is globally very ineffective; it has to be project specific and ought to get down to the individual level in view of bringing organic growth. Currently aid is a band-aid rather than a seed, an investment. DPH observes that such an inefficient aid regime is continued because it is lucrative and provides an international hierarchy of power and influence.

Interview 17: JGB (22/08/2008)

JGB is a planning and urban law specialist that seats on the Yaoundé city council infrastructure development tenders’ committee. He admits that corruption is the greatest evil that undermines any development effort. JGB believes that the prevalence of this climate provides a space for some unscrupulous donor’s home country firms to join in into corrupt practices. While donors are not innocents, he asserts that recipients are to be blamed the most for the status quo. JGB notes that various management philosophies are at work: those of “Wait and see”, “Let’s do it” and “No interest, no action”. He observes that current aid and development terminology are reductive and prospective; they ought to be redefined, actualized and updated in line with current realities.

Interview 18: FXT (22/08/2008)

FXT is an independent observer at the Public Works Tender Office of the Yaoundé City Council. Independent observers are funded by the city council as well as various donors’ initiatives. FXT believes that their office exists to satisfy donors’ exigency for process monitoring and transparency yet, they are under pressure to equally portray a good image of the recipient. He believes that there has been a net improvement so far as tender process’ transparency is concerned. FXT notes that foreign aid provides political leverage for donors to carry on controlling recipients beyond colonialism through international trade control, tariff manipulations, elections rigging and many more things.
**Interview 19: TAM (22/08/2008)**

TAM is the mayor of one of Yaoundé’s zones (Urban communes). He believes that without local communities’ ownership, projects and programs will not be successful. Considering the Asian tigers progress experience, there is no reason why Cameroon should not make similar advancements; a quarter of a century ago China was at the same level of development. TAM believes that Chinese technology is closer to Africa than Europeans’. The key issue to address is governance if Cameroon is to develop. The major obstacle however is corruption; mentalities ought to change.

**Interview 20: SMG (26/08/2008)**

SMG works for DfID on good governance, since the Iraq war, he also represents the World Bank. This is a DfID program executed through the Bank in view of gaining wider support from other donors – it is a multi-donor program rather than a multi-lateral program. SMG believes that there is confusion in so far as participative management or governance is concerned. There are (1), legalian activities, which should be by right done by the state/government alone (2), transferable activities that could be delegated to other actors including civil society and (3), versatile activities that could be done by either actor. SMG posits that donors and recipients are defending their own interests.

**Interview 21: SBK (26/08/2008)**

SBK is a senior advisor at the Ministry of Economy, Planning and Urban Planning. Three quarters of aid is channeled through this department. He believes that if the government does not clearly define priorities, it is embarrassing but equally for donors who disburse funds into aimless projects or programs. SBK finds that there is a serious misunderstanding due to differing views of what aid is or is not between donors and recipients. He also finds that regardless of the EU various unification treaties, bilaterals will remain reluctant to relinquish control or give up their presence, as this is a strategic tool for world influence. SBK observes that the drama with Africa reside in the fact that there is a need for psychological liberation from the ‘colonized’ mentality.
Interview 22: GMG (27/08/2008)

GMG is one of the British diplomats involved with development matters. He observes that numerous conflicts of interests, corruption, lack of media freedom and poor governance are key obstacles to an equitable Cameroonian society. He notes that aid will continue as it creates jobs both locally and abroad but importantly, it is a means to access cheap resources and enlist international support from other nations to various causes. SBK observes that nations are pursuing all sorts of interests and therefore aid has little or no philanthropic justifications. Humanitarian aid is the same as development aid. In Cameroon, high-level diplomatic discussions have ‘forced’ leaders to commit to democratic values, he remarks.

Interview 23: JCS (27/08/2008)

JCS is a diplomat and a governance specialist at the Canadian International Cooperation Support Bureau. JCS finds that corruption and mismanagement are the main obstacles to Cameroon’s progress. He notes that aid being a lucrative business, it seems to thrive well in corruption-ridden environments, and on that basis donors and recipients are happy to maintain the status quo. With the move from project-approach to program-approach, the aid absorption level has drastically diminished and his exposed the fictitious nature of the country’s budget. JCS observes that there is a survival matter that makes people vulnerable to corruption, as it is much higher than their income.

Interview 24: JMM (30/08/2008)

JMM is a senior evaluation and monitoring officer at the directorate for investment and road maintenance: part of the department for public works. This office studies norms and regulations to make public works more efficient by defining development politics, by getting involved in donors’ decisions and affecting necessary changes. JMM notes that his office oversees the entire process from aid disbursal to project handover. In his experience, tender is very complex and there is no corruption without the corruptor. He does not believe that it is possible to bribe to get awarded a tender, as one will be required to bribe everyone else. JMM observes that aid will be effective only when donors and recipients objectives match and they are in line with the recipients’ real needs.
Interview 25: CAE (01/09/2008)
CAE is civil servant with the Ministry of Culture and Art known as an overnight celebrity following his book “The paradoxes of organizing countries” publication wherein he openly criticized both donors and the Cameroonian government for irresponsible decisions and the crucial role of foreign aid in being the instrument of control of poor countries. These ‘Organizing countries”, the donors live from created paradoxes. Poor countries are literal laboratories to test various development theories. CAE points to how development might work differently in non-democratic societies: in democracy, there are civil societies, private sectors, trade unions, etc who work as development actors. He observes that aid is effective in that it does exactly what it is intended to do: impoverish and make recipients more dependent.

Interview 26: LME (01/09/2008)
LME is the general secretary for a women NGO campaigning on health, education and governance. Her personal experience of bidding for funds from both donors and local government has provided her with a unique insight of the aid process. LME confirms the need to align to donors’ objectives and priorities in view of achieving funding eligibility. She believes that recipients ought to be capable of choosing what aid, what partner and what policy they feel will be beneficial to their growth. Aid does more harm than good, she finds; it is an instrument of dominion and it cannot be dissociated from racial implications built on a past of slavery and colonialism.

Interview 27: NAP (01/09/2008)
NAP is a civil servant working in the Engineering Works’ Tender issuing office at the Yaoundé City Council. He states that corruption does exist but he has not come across it in his office. He notes however that every bidder tries to win and considering that public works are high value businesses, there would be no surprise that civil servant might be implicated in various corrupt practices. NAP notes that aid is not needed in Cameroon and it creates crowding in of important resources that could have been employed fruitfully somewhere else. She believes that Cameroon does not have to follow the euro-centric development model or societal organization. NAP observes that donor-recipient relationships are problematic because one culture suppresses another.
Interview 28: PHN (03/09/2008)

PHN is a development and governance specialist at the Canadian International Cooperation Support Office. He finds that donor-recipient dialogues ought to be frank and transparent while being held on equal terms. Donor-recipient relationships lack structures and systems to be effective. PHN believes that multilateral aid had been more beneficial than bilateral. Aid ought to be given to managers and not to civil servants who are administrators. Without a change of mentalities, Cameroon will not achieve any significant progress: nepotism, corruption and impunity ought to be uprooted. PHN finds that the only management approach that will work in Cameroon and Africa should be performance-oriented or result-based otherwise evaluations are futile exercises.

Tanzania Interviews’ Summaries

Interview 1: DKS (25/09/2008)

DKS is a development economics lecturer at the University of Dar Es Salaam. He notes that public or national interest is collapsing as more and more aid is disbursed providing a great opportunity for corruption to creep in. Impunity, extensive tax holidays to private investors’ enterprises and lack of accountability leading to a flagrant lack of post-benefits analysis in terms of policies and objectives of Aid are the key characteristics of aid in Tanzania. DKS remarks that the move from socialism to capitalism had change paradigm leading to the marginalization of the general public. He observes that any opposition is suppressed by physical harm that is becoming more and more common practice.

Interview 2: JRY (29/09/2008)

JRY is a civil servant at the Directorate for Trunk Roads (Ministry for Infrastructure Development). He notes that the key development point for Tanzania is policy. Policy problems are at the very center of Tanzania progress. JRY finds that the fact that donor’s home country contractors absorb great portion of aid is not a problem; the problem is inflation created by unabsorbed aid money. Aid projects are still politically selected rather than strategically. JRY believes that donor-recipient relationships have
no cultural matter but conflicts of interests. An additional matter is a lack of strict retributive and retribution mechanisms.

**Interview 3: FTM (29/09/2008)**

FTM is a civil servant at the directorate for Roads (Urban, Trunk & Rural). The directorate measures aid effectiveness by comparing to benchmarks and performance indicators. FTM finds that his directorate handling of projects’ tender process and procurements is fair and corruption free. He notes that Tanzania is getting a fair deal so far as aid is concerned. He notes that donor-recipient relationship is happening on equal terms; there is no cause for concern on either side of the negotiation table.

**Interview 4: AJM (29/09/2008)**

AJM is a civil servant, a monitor and auditor at the Commission for Human rights and Good Governance. AJM notes that Tanzania governance indicators measure well and satisfactorily against government designed benchmarks. He observes that any adverse report will be met with internal/departmental resistance. People live in fear of reprisal or lawsuits should they denounce corruption proofs can be made to disappear fairly easily. AJM observes that capitalist ideologies have brought in or perhaps magnified social inequalities. He finds that aid has funded new infrastructures but has not created noticeable social growth.

**Interview 5: PMW (29/09/2008)**

PMW is a worker at the Arusha Community Development NGO. Having experienced tenders firsthand, she finds that corruption is rampant yet unspoken. PMW believes that without aid and its conditionalities, progress would be even slower. She observes that donors’ competition for NGO support has given them [NGO] unorthodox power and at times make them the true opposition. PMW observes donors’ support for local NGOs is a bittersweet issue for the Government.

**Interview 6: ETG (30/09/2008)**

ETG is a senior economist and civil servant at the Department of Policy and Planning (Ministry of Infrastructure Development). Her department holds constructive relationships with the Ministries of Finance and of Planning that negotiate with donors on behalf of the country. ETG states that Tanzania sets up its priorities and
influences conditionalities’ design and not donors. Scandinavian donors and Japan mostly support Tanzania infrastructures’ development. China has returned in full force after decades of low-key supports following the TAZARA rail project.

**Interview 7: ABM (30/09/2008)**
ABM is a transport economist at the Ministry of Infrastructure Development. As an individual that deals directly with other government ministries and most donors, he believes that most traditional donors have no choice but to continue disbursing aid rather than loosing their geo-strategic positions to new donor countries. ABM assesses that donors require access to cheap raw materials but even more now to lands for farming. He notes that these practices will lead to future rich-poor countries relationships tensions.

**Interview 8: AST (30/09/2008)**
AST is a DfID officer for finance and investment. AST notes that aid is a ‘give-and-take’ experience or process. He observes that the share is unequal because donors will profit in the present and the future contrary to recipients who would have a short-term benefit in most cases. ASD believes that recipients could get better deals but there is more to aid than meets the eye. He observes that aid is influence, power, positioning and control. Unfortunately, every country has to look after its own interests first.

**Interview 9: CAI (30/09/2008)**
CAI is a local entrepreneur and companies’ director with experience bidding for funds to train and support various women cooperatives and community development groups. CAI notes that aid is needed to provide resource to local NGOs, as government does not consider them a priority. She notes that this aid has provided a voice to grassroots and has provided a way to participate in country management. Social justice and development campaigners are feeling safer since they have got visible support from foreign donors.

**Interview 10: JTC (01/10/2008)**
JTC is a diplomat at the Canadian High Commission and a CIDA officer in Dar Es Salaam. Since the late nineties, Canada has decided to focus aid on six countries: Senegal, Mali, Ghana, Ethiopia, Tanzania and Mozambique. JTC notes that all donors
want to be associated with success stories to justify their actions to their home constituencies. Every donor fight for that relationship notwithstanding that although Tanzania is technically a mono-party country, it is stable in a troubled region (Rwanda, Burundi, DR Congo and now Kenya). He observes that applying principles of aid effectiveness is a hard task because of conflicting interests in such a regional climate. He also observes that Tanzania remains a poor country with very limited capacity causing a large part of aid disbursed to stay unabsorbed. There is also absence of a managerial culture and a lack of sectoral or departmental objectives.

**Interview 11: PMB (01/10/2008)**

PMB is a professor at the University of Dar Es Salaam. Having lectured for many years in the US, Canada and UK, he believes that donor-recipient relationships are still colonial in nature. PMB notes that donors are required to be transparent in their home countries yet in recipient countries most donors are associated with activities that destroy local lives. Even in mineral-poor countries, donors are interested in huge farmland investment that at times lead to eviction of smallholders out of their lands. PMB is acquainted with aid negotiations on behalf of his department and the University at times.

**Interview 12: AXS (03/10/2008)**

AXS is a researcher in Transport Infrastructure Funding & Monitoring at the World Bank office in Dar Es Salaam. He believes that aid management is short-circuited by low capacity. Additionally, the notion of public good is still not well understood. AXS notes that patriotism is an equally misunderstood and at times inexistent concept. Lack of strategic leadership makes aid to be nothing more but a debt enticement exercise. AXS observes that debt resulting from aid is too much a price to pay for human rights, good governance and basic infrastructures.

**Interview 13: JKW (04/10/2008)**

JKW is a researcher at the Open University in Dar Es Salaam. He notes that while there has been more participation of civil society organizations in daily politics, quality of life has not noticeably improved. JKW believes that program aid is providing a lot of freedom of choice in setting up objectives and less donors’ interference. He observes that aid provide an opportunity for recipient’s economy to
be privatized without the full support of the populaces. Poor management and corruption are part of a post-colonial cultural legacy of readily available funds to mono-party government that protect foreign interests more than local.

**Interview 14: FSR (04/10/2008)**

FSR is a lawyer at a local firm that represents a major international NGO. Her focus is dealing with risks and conflicts of interests between her client and other aid actors. FSR finds that for example US foreign aid, as administered through USAID in many African countries, serves the purpose of fueling conflicts and secretly promoting US corporate interests to the detriment of democracy and countries’ independence, sovereignty, social justice and political freedoms. She notes that these events are perpetrated in view of maintaining the world power balance. The level of corruption and traffic of influence accompanies these transactions is unprecedented and unique. She observes however that not all donors or agencies do serve such purposes.

**Interview 15: MMJ (04/10/2008)**

MMJ is a Norwegian diplomat who had previously worked for the USAID, SIDA and NORAD for decades. He believes that Scandinavian aid models are not subjected to mismatches as much as other OECD countries; it is aid for the sake of true development. He admits that management is the key area of focus within different cultural context. MMJ notes that strategic and profiteering interests will achieve less development, much resentment and nations conflicts. He maintains that some donors’ activities have been at the origin of undemocratic behavior, yielding underdevelopment, constant coup d’état, impunity of Oligarchies, indefinite imprisonment of nonconformists and destroying agriculture sectors essentially promoting famine.

**Interview 16: CHY (04/10/2008)**

CHY is a Dublin-born Tanzanian social justice and development activist and a freelance journalist. She notes that aid has been useful in many particularly in sectors such as education, health, infrastructure and human rights. In governance however, aid is mostly associated with donors’ multinational interests. CHY observes that regardless of the donor, aid is strategic and many times it eventually turns out to be an
instrument of manipulation and neo-colonialism. She states that in its current format, aid will not benefit recipients as much as it does to donors.

**Interview 17: UVL (05/10/2008)**

UVL is a senior civil servant and a former diplomat; currently, a finance and budget advisor that have been involved in various foreign aid negotiations. He observes that aid is the latest scramble for Africa that seeks to loot Africa’s resources. He finds that as a result aid is means to gain rights to loot Africa and is proof of neo-colonialism and neo-imperialism. He wonders why the US will provide billions of dollars of military aid save to create armed conflicts. UVL believes that it is also about real estate control as evidenced by China mass purchase of millions of hectares of land in developing country. He finds that most ex-colonial powers are reluctant to relinquish manipulative control of their ex-colonies and moreover, would like to keep them poor for strategic reasons.
Appendix 4: Nvivo 9 Analysis Results

Cameroon Words’ Cloud

About Africa always another aren’t because before being between budget Cameroon Cameroonian can’t capacity Chinese civil corruption could countries country department development doesn’t doing don’t donor donors effective effectiveness evaluation example finance firms foreign French funding given governance government infrastructure instance interest interests level local management ministry money monitoring national needs objectives other ought people political politics priorities problem process processes program project projects provide public quality question rather recipient recipients resource resources right roads sector should social society still support tender tenders terms things think those through times understand various where which while without works would Yaoundé years
Cameroon Tree-map

Figure 29: Nvivo tree-map for Cameroon interviews

Tanzania words’ cloud

About Africa African areas because before benefit between bring budget budgetary can’t capacity china Chinese clear concern construction corruption could countries country cultural culture decision department development dialogue don’t donor donors  education effective effectiveness employment English evaluation example finance foreign funding governance government growth handwritten health human infrastructure interests issue leadership level loans local making management might ministry mission money national negotiate nothing other people policy president private problem process project projects provided public recipient recipients rights roads salaam sector
sectors service should social still support Tanroad tender terms think through times vision where which without would years

Tanzania Tree-map

Figure 30: Nvivo tree-map for Tanzania interviews
Figure 31: Nodes clustered by coding similarity

The same schematic is re-drawn with Nvivo clustering the nodes by word similarity:
Figure 32: Nodes clustered by word similarity
Figure 33: Study sources clustered by word similarity

### System Relations’ Coding Statistics

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<thead>
<tr>
<th>Nodes</th>
<th>Number of coding references</th>
<th>Number of items coded</th>
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<td>13</td>
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<tr>
<td>Aid and Public Management</td>
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<td>20</td>
</tr>
<tr>
<td>Aid as Illusion, Profiteering Artifice</td>
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<td>9</td>
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<tr>
<td>Aid as Moral Debt or Dual Mandate Duty</td>
<td>24</td>
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<td>Aid Unwanted</td>
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<td>Aid Utility or Utilization</td>
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<td>Aid, Corruption and Injustice</td>
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<td>Nodes/Free Nodes</td>
<td>Recipient's Vision, Planning and Objectives</td>
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**Table 24:** List of all nodes (System relations) with basic coding and reference statistics
Appendix 5: Similarity Coefficients

The Jaccard’s coefficient otherwise known as Jaccard index or Jaccard similarity coefficient (originally coined by Paul Jaccard as coefficient de communauté) is a statistical tool used to measure how similar or diverse sample sets are from each others (Jaccard, 1901). It actually measures the amount of shared properties or characteristics and is worked out by determining the size of the intersection divided by the size of the union of the said sample sets.

For two sample sets, A and B, the coefficient will be computed as:

\[ J_{(A,B)} = \frac{A \cap B}{A \cup B} \]

It is paramount to mention that Jaccard’s coefficient is generally associated to Jaccard distance, which measures dissimilarity between sample sets. It is obtained by subtracting the Jaccard coefficient from 1, or, equally, by dividing the difference of the sizes of the union and the intersection of two sets by the size of the union:

\[ J_{d}(A,B) = 1 - J(A,B) = \frac{|A \cap B| - |A \cup B|}{A \cup B} \]

For the sake of this study, let keep in mind that both measures are different ways of looking at the same thing with the coefficient being the simplest way considering that Jaccard’s distance is a proper metric. Nvivo calculations of Jaccard’s coefficients for two cases are tabulated below. These coefficients readings help determine the degree of similarity between interviews within and across countries. This is significant in that from these coefficient values, similarity of various nodes (system relations) could be determined in view of establishing relationships. In other words, in a schematization, Jaccard’s coefficient values of different nodes helps determine that node N for instance is closer to N’ and not N”. Following up on Jaccard’s coefficient readings and having established similarity weighing between various nodes, it is paramount to also work out similarity from Sørensen’s perspective. There are very minor and little
differences between the two coefficients; the smaller the value, the more similar the sample or items are (Zuur et al., 2007).

The Sørensen’s coefficient or index, generally referred to as Sørensen’s similarity coefficient, is also a statistic used for comparing the similarity of two samples; like the Jaccard’s coefficient, it is a proportion coefficient. Thorvald Sørensen (1948) original formula was intended to be applied to presence/absence data, and is:

\[ QS = \frac{2C}{A + B} \]

This formula is also generally expressed as:

\[ QS = \frac{2(A \cap B)}{(A \cup B) + (A \cap B)} \]

In this research, \( A \) and \( B \) are the number of nodes in samples A and B, respectively, and \( C \) is the number of nodes shared by the two samples. A and B being interviews, the coefficient in this study is calculated by cross comparing interviews within a country sample set and across countries. A table for Sørensen’s coefficient values of different nodes is available for reference in below.

The significance of this similarity index is to find with a relatively greater degree of objectivity similarity between nodes coded across countries’ interviews. In this way when building up models, system relations could be logically linked to each other in such a manner that mismatches are appropriately related to foreign aid effectiveness (McCormick et al., 1992).

This correlation coefficient measures the relationship or strength of linear dependence between two variables. Pearson’s correlation coefficient is typically symbolized by \( r \), Pearson’s \( \rho \) or simply \( \rho \) (Greek letter rho). Its readings are between +1 and −1 inclusive; wherein 1 is a positive or direct association implying that \( Y \) increases as \( X \) increases. 0 is a neutral association and implies that there is no association or linear correlation between the variables. −1 is a negative or inverse association implying that
Y decreases as X increases. It is cautious to not assume causation by way of correlation as other factors might be at play (Ferguson et al., 2010).

Pearson's equation for population correlation coefficient between two variables is defined as the covariance of the two variables divided by the product of their standard deviations (Székely and Rizzo, 2009):

$$\rho_{XY} = \frac{\text{cov}(X,Y)}{\sigma_X \sigma_Y} = \frac{E[(X - \mu_X)(Y - \mu_Y)]}{\sigma_X \sigma_Y}$$

Substituting estimates of the covariances and variances based on a sample gives the sample correlation coefficient, commonly symbolized as “r”:

$$r = \frac{\sum_{i=1}^{n} (X_i - \bar{X})(Y_i - \bar{Y})}{\sqrt{\sum_{i=1}^{n} (X_i - \bar{X})^2} \sqrt{\sum_{i=1}^{n} (Y_i - \bar{Y})^2}}$$

An equivalent expression presents the correlation coefficient as the mean of the products of the standard scores. Based on a sample of paired data \((X_i, Y_i)\), the sample Pearson correlation coefficient is rendered as:

$$r = \frac{1}{n-1} \sum_{i=1}^{n} \left( \frac{X_i - \bar{X}}{S_X} \right) \left( \frac{Y_i - \bar{Y}}{S_Y} \right)$$

Where $$\frac{X_i - \bar{X}}{S_X}$$, $$\bar{X}$$ and $$S_X$$ are the standard score, sample mean, and sample standard deviation, respectively. In general this formula is tedious and we will let the computer do all this work (Wilcox, 2005).

A table in below wherein the correlation coefficient values are computed by permutations of various nodes identified in the study and which similarity had been determined. As mentioned earlier, the value of the correlation determines whether the relation between variables is positive or negative. Cohen (1988) warns that all such
criteria are somewhat arbitrary and should not be followed too rigorously. In simple terms, interpretation of correlation coefficient readings relates to context and objectives. A reading of 0.8 for instance may be very low if a physical principle is investigated using high-tech instruments, yet it might be considered very high in social sciences where there may be a greater contribution from complex factors (Ferguson et al., 2010).

As already implied earlier above, the conventional dictate that "correlation does not imply causation" means that correlation cannot be strictly used to infer a causal relationship between the variables (Aldrich, 1995). However, this dictate does not mean that correlation is no indication of potential causal relations. Moreover, the causes underpinning correlation, if any at all, might prove to be indirect and unknown, and high correlations also overlap with identity relations, where no evident causal process exists. Accordingly, establishing a correlation between two variables is not a causa sine qua non to establish a cause and effect relationship – whatever its direction (Székely et al., 2007). In simple terms, a correlation can be considered as evidence for a possible causal relationship, but cannot determine the nature of the said causal relationship (Székely and Rizzo, 2009).

**Jaccard’s coefficient Table: Words’ similarity**

<table>
<thead>
<tr>
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<th>Source B</th>
<th>Jaccard’s coefficient</th>
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</thead>
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Table 25: Interviews ‘words’ similarity, Jaccard’s coefficient
## Jaccard’s coefficient Table: Nodes’ similarity

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<th>Jaccard’s coefficient</th>
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<td>Aid or Profiteering</td>
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<td>Aid or Profiteering</td>
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Nodes\\Tree Nodes\\Mismatches\Donor-Recipient
Conflicting Interests

Nodes\\Tree Nodes\\Aid effectiveness\Aid
Fungibility

0.789474

Table 26: Nodes clustered by coding similarity, Jaccard’s coefficient

Sørensen's coefficient Table: Words’ similarity
Node A
Nodes\\Free Nodes\\Recipient's Vision,
Planning and Objectives
Nodes\\Free Nodes\\Principal vs. Agent
Relationship
Nodes\\Free Nodes\\Recipient's Internal
Conflicting Interests
Nodes\\Free Nodes\\Donor-Recipient Aid
Shared Objectives
Nodes\\Free Nodes\\Recipient's Exclusion
Nodes\\Free Nodes\\Donor-Recipient Equality
of Status
Nodes\\Free Nodes\\Aid Re-definition
Nodes\\Free Nodes\\Donor-Recipient Equality
of Status
Nodes\\Free Nodes\\Recipient's Exclusion
Nodes\\Free Nodes\\Aid as Illusion,
Profiteering Artifice
Nodes\\Free Nodes\\Donor-Recipient Aid
Shared Objectives
Nodes\\Free Nodes\\Donor-Recipient Dialogue
Quality
Nodes\\Free Nodes\\Donor-Recipient Equality
of Status
Nodes\\Free Nodes\\Aid, Corruption and
Injustice
Nodes\\Free Nodes\\Aid and Public
Management
Nodes\\Free Nodes\\Aid and Public
Management
Nodes\\Free Nodes\\Recipient's Internal
Conflicting Interests
Nodes\\Free Nodes\\Aid and Public
Management
Nodes\\Free Nodes\\Recipient's Vision,
Planning and Objectives
Nodes\\Free Nodes\\Aid and Public
Management
Nodes\\Free Nodes\\Recipient's Vision,
Planning and Objectives
Nodes\\Free Nodes\\Donor-Recipient Aid
Shared Objectives
Nodes\\Free Nodes\\Aid Unwanted
Nodes\\Free Nodes\\Donor-Recipient
Conflicting Policies
Nodes\\Free Nodes\\Aid Re-definition
Nodes\\Free Nodes\\Principal vs. Agent
Relationship
Nodes\\Free Nodes\\Aid Fungibility
Nodes\\Free Nodes\\Donor-Recipient Aid
Shared Objectives
Nodes\\Free Nodes\\Recipient's Vision,
Planning and Objectives
Nodes\\Free Nodes\\Donor-Recipient
Conflicting Policies
Nodes\\Free Nodes\\Aid, Corruption and
Injustice
Nodes\\Free Nodes\\Donor-Recipient
Conflicting Policies

Node B
Nodes\\Free Nodes\\Aid and Public
Management
Nodes\\Free Nodes\\Donor-Recipient Equality of
Status
Nodes\\Free Nodes\\Recipient's Vision, Planning
and Objectives
Nodes\\Free Nodes\\Donor-Recipient Dialogue
Quality
Nodes\\Free Nodes\\Donor-Recipient Equality of
Status
Nodes\\Free Nodes\\Donor-Recipient Dialogue
Quality
Nodes\\Free Nodes\\Aid Utility or Utilization
Nodes\\Free Nodes\\Donor-Recipient Aid Shared
Objectives
Nodes\\Free Nodes\\Principal vs. Agent
Relationship
Nodes\\Free Nodes\\Donor-Recipient Conflicting
Interests
Nodes\\Free Nodes\\Donor-Recipient Conflicting
Interests
Nodes\\Free Nodes\\Donor-Recipient Conflicting
Interests
Nodes\\Free Nodes\\Donor-Recipient Conflicting
Interests
Nodes\\Free Nodes\\Aid Re-definition

Sørensen's
coefficient
0.711649
0.691007
0.673724
0.661858
0.644684
0.619214
0.598244
0.59348
0.586797
0.58401
0.581501
0.579461
0.575546
0.572825

Nodes\\Free Nodes\\Aid Re-definition

0.568323

Nodes\\Free Nodes\\Aid, Corruption and
Injustice
Nodes\\Free Nodes\\Aid and Public
Management
Nodes\\Free Nodes\\Donor-Recipient Dialogue
Quality
Nodes\\Free Nodes\\Donor-Recipient Dialogue
Quality
Nodes\\Free Nodes\\Donor-Recipient Conflicting
Interests
Nodes\\Free Nodes\\Aid, Corruption and
Injustice
Nodes\\Free Nodes\\Recipient's Vision, Planning
and Objectives
Nodes\\Free Nodes\\Aid as Illusion, Profiteering
Artifice
Nodes\\Free Nodes\\Donor-Recipient Conflicting
Interests
Nodes\\Free Nodes\\Aid as Illusion, Profiteering
Artifice
Nodes\\Free Nodes\\Donor-Recipient Aid Shared
Objectives
Nodes\\Free Nodes\\Aid, Corruption and
Injustice
Nodes\\Free Nodes\\Aid Re-definition

0.548439

Nodes\\Free Nodes\\Donor-Recipient Conflicting
Interests
Nodes\\Free Nodes\\Donor-Recipient Aid Shared
Objectives
Nodes\\Free Nodes\\Donor-Recipient Conflicting
Interests
Nodes\\Free Nodes\\Aid Absorption vs.
Disbursal

0.522138

0.546819
0.545592
0.543353
0.543101
0.531394
0.530756
0.529595
0.528198
0.525253
0.524357
0.523842
0.522159

0.522003
0.519751
0.517966

339


### Table 27: Nodes clustered by word similarity, Sørensen's coefficient

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<th>Nodes</th>
<th>Pearson correlation coefficient</th>
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### Pearson Coefficient table: words’ similarity

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<th>Node A</th>
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<th>Pearson correlation coefficient</th>
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Table 28: Nodes clustered by word similarity, Pearson Coefficient