Overseas Development Institute

Africa power and politics

www.institutions-africa.org

Aid effectiveness: bringing country ownership (and politics) back in

David Booth

Working Paper 336

Results of ODI research presented in preliminary form for discussion and critical comment

Working Paper 336

Aid effectiveness: bringing country ownership (and politics) back in

David Booth

August 2011

Overseas Development Institute
111 Westminster Bridge Road
London SE1 7JD
www.odi.org.uk

Notes and acknowledgements

The author is Research Fellow, Politics and Governance, and Director, Africa Power and Politics Programme, Overseas Development Institute (d.booth@odi.org.uk).

The Africa Power and Politics Programme (www.institutions-africa.org) is a consortium research programme funded by the UK Department for International Development (DFID) and Irish Aid for the benefit of developing countries. The views expressed in its publications are those of their authors and should not be attributed to DFID or Irish Aid, or any of the programme's member organisations.

This paper has had a rather complicated genesis and I have received helpful comments on various drafts, some parts of which did not make it into this version from the following, none of whom share any responsibility for the final product: Owen Barder, Mike Davies, Catherine Dom, Marta Foresti, Daniel Harris, Alan Hudson, Andrew Lawson, Simon Maxwell, Andrew Norton, Tony Killick and Sue Unsworth; commentators on informal presentations at the October Gallery and ODI, and participants in the workshop 'Unpacking Aid Effectiveness' convened by Nilima Gulrajani at the London School of Economics on 21 June 2011.

ISBN 978 1 907288 49 4
Working Paper (Print) ISSN 1759 2909
ODI Working Papers (Online) ISSN 1759 2917

Contents

Executive summary

The 2005 Paris Declaration grew out of a consensus on the importance of 'country ownership' to the success of development efforts. In other words, it came to be recognised that the effectiveness of aid depends critically on whether or not a country's leadership is really committed to development. The obvious question arising, then and now, is: how can international actors support the emergence of country-owned development efforts? Since Paris and Accra, however, attention has been focused on a subtly different question. The assumption is tacitly made that most countries already have development-oriented political leaderships.

This paper considers that assumption untenable and agrees with those arguing that ownership should be treated as a desirable outcome, not an achieved state of affairs. It then asks the corresponding question: whether external actors have any useful role in assisting the emergence of developmental country leaderships.

It offers a heavily qualified yes in two parts. First, in view of the evidence that aid as such is probably on balance bad for the institutional fabric of poor developing countries, much more attention should be given to reforming the non-aid policies of donor countries which are known to affect the economic and political systems of developing countries in negative ways.

Second, more thought should be given to the fact that country leaders typically face difficult collective-action problems in moving towards a more developmental politics. Some of the biggest challenges to improving development practice at all levels, from bottom to top, take the form of unresolved collective-action problems. Directly or indirectly, international development organisations have a useful, and perhaps indispensable, contribution to make in helping countries overcome institutional obstacles of this type.

This is what support to country ownership should chiefly be about. A radical shift is therefore needed in political and public thinking about how rich countries can assist the development of poor countries. The discussion around Busan is almost entirely avoiding these issues, but it provides a good occasion to make them more central to international policy debate.

1. Introduction

Once again the effectiveness of development cooperation is at the centre of international debate, and for good reason. The particular occasion is, of course, that the 2005 Paris Declaration on Aid Effectiveness is up for review and renewal – by an amplified array of stakeholders, meeting in a fresh political and diplomatic climate, in Busan, S. Korea, later this year. More importantly, however, the question of whether and how external grants and concessional finance make a positive contribution to the development of poor countries remains both controversial and unsettled.

The starting assumption of this paper is that aid can make a positive contribution, and may be, under a relatively common set of conditions, a necessary condition for accelerated progress in very poor countries. But it is also accepted that aid can, and often does, do harm, especially because of the way it affects incentives and institutions in recipient countries. Therefore, it matters a great deal what form aid takes and exactly how it is delivered.

This may sound like the basic premise of the Paris Declaration and therefore a fairly mainstream position. But it is not. The view I want to advance is that the Paris process was prompted and underpinned by solid, evidence-based insight about the importance of what has come to be called country ownership of development efforts. However, the clarity of the initial insight was quickly compromised as a range of less evidence-based concerns were piled on top of it. This resulted in an incoherent package of commitments, several of which do not stem from thinking through the conditions under which aid can be effective, but have other origins.

It is no doubt unrealistic to expect the Busan High Level Forum to go back to first principles, even though that would be desirable. Whatever the delegates at Busan decide, what is needed in the next period is some fresh thinking about what the ownership principle really means for the scale, content and mode of delivery of development cooperation.

This paper draws on a review of previous literature and recent research relevant to the 'country ownership' issue. While the available evidence and analysis does not settle every question, the paper argues that it points clearly enough to three things:

- Country ownership needs to be brought back to the centre of discussion, posing afresh the question of how to get a constructive relationship between aid and political commitment to development goals at country level. The current concepts of aid alignment, donor harmonisation, management for results and mutual accountability do not provide the needed answers, being responses to a different set of questions based on a false premise.

- It is clear that aid can be harmful to country-owned development understood in this way, because of the way it shields incumbent leaders from the consequences or irresponsible or short-termist actions. It is less evident that it can contribute positively, especially as long as it takes the form of financial assistance. However, in many countries leaders are responding to domestic political incentives which are strongly unfavourable to long-term thinking and the provision of the public goods that are needed for economic transformation. Those who would prefer to build legitimacy on a different basis face collective-action problems in moving forward. External agencies can, and at some levels already do, contribute to solving such problems.

- Treating country-owned development as an outcome to be constructed, rather than an established fact, suggests a different concept of the role of development cooperation. In this concept, there is less focus on financial disbursements intended to reduce poverty by bridging resource gaps, and much more on assisting the right sorts of institutional change. For donor organisations, that would mean acquiring the ability to undertake, or commission others to undertake, facilitation and brokering tasks at the macro, meso and micro levels of country reality. Needless to say, development agencies will only be able to transform themselves in this way if there is a shift in the politics and public discourse around international development in donor countries.

The paper sets out an argument in support of these propositions. Section 2 considers what is important and what is doubtfully relevant or unhelpful in the current Paris/Accra aid-effectiveness agenda. Section 3 makes the case for addressing the politics of ownership more directly, distinguishing among the possible institutional impacts of aid-funded programmes. Section 4 discusses briefly what this means for the organisation and politics aid. Section 5 concludes.

2. What's wrong with Paris?

The Paris Declaration on Aid Effectiveness (OECD, 2008a) grew out of a learning experience over several decades leading to the conclusion that development depends primarily on efforts at the country level, and that aid needs to focus on facilitating these efforts, not on trying to replace them.[1] This notion – conveyed rather inadequately by the concept of 'country-owned development programming' – is the right point of departure for thinking about how to make aid more effective. It remains one of the most solidly established propositions in the aid business, as well as an obvious lesson from the comparative history of the world.

The first question I want to pose is whether from this starting point one can rationally derive the set of prescriptions for improving donor behaviour and the quality of aid that eventually became the 'aid effectiveness agenda'. I argue that, with some limited exceptions, one cannot. The most pivotal issue is the meaning given to 'aid alignment', and I shall focus primarily on that, but there are also equivalent problems with donor harmonisation, management for results and mutual accountability.

2.1 'Aid alignment': the answer to a different question

If the proposition about country ownership as a precondition is true, the most important development issue is whether countries are governed by people for whom national development is a central objective. The most important question about aid, therefore, is whether it is helping to bring about such a state of affairs. In principle, that is what the Paris Declaration is about. However, the declaration's concept of 'aid alignment' is not an answer to that question, but to a significantly different question: how can aid *avoid weakening* country ownership *when it already exists*.

In other words, the concept makes the diplomatic assumption that recipient countries are already led by people for whom national development is a central objective. I would argue that this is not normally a valid assumption.[2] At least in the region that mostly concerns me, sub-Saharan Africa, the modal pattern is that public policies are largely driven by short-run political considerations, and these usually dictate a clientelistic mode of political legitimation, not one based on performance in the delivery of the public goods required for economic and social transformation.[3]

The concept of aid alignment came out of the negative evidence on the effects of two previously dominant modalities of aid: free-standing projects and structural-adjustment lending. In some of the literature, it is conventional to make the distinction between 'systems alignment' – or the principle that whenever possible aid should be disbursed and executed using the public financial management systems of the recipient country – and 'policy alignment'. The two dimensions stem from the critiques that were made during the 1990s of project aid and policy conditionality respectively.

---

1 The evidence base was large and diverse but was captured in the literature of the period by, among others, van de Walle and Johnson (1996), Killick (1998), World Bank (1998), Booth (2003) and Koeberle et al. (2005).

2 It is not an assumption that is made in any serious study of the political economy of the aid relationship: for example, Mosley et al. (1991), Martens et al. (2002) or Gibson et al. (2005). Of course, this approach to ownership purposely puts the accent on political drivers, and on leadership understood as a political issue (Leftwich and Wheeler, 2011), not on technocratic criteria. The Paris Declaration monitoring survey uses a World Bank assessment of the quality of countries' operational development strategies as a proxy for ownership, on the grounds that the real thing would be impossible (and controversial) to measure. Even in these narrow terms, however, most countries get a low rating and there was little improvement between 2005 and 2007 (OECD, 2008b: 27-30).

3 The tendency for political competition to give public policy-making an extremely short-term orientation, and therefore a limited ability to address the real challenges of national development, is a standard theme in political science work on the majority of sub-Saharan African countries. Two of the most telling examples of the modal pattern are treated in depth by Lewis (2007) and Mutua (2009). The much discussed recent improvements in economic growth rates and some social indicators across the region do not justify a revision of this basic diagnosis, partly for the reasons given by Amoako (2011): African economies need transformation, not just growth, and the politics of transformation are very demanding.

As a way of summing up past experience on what does not work and what is likely to do harm, this pair of alignment concepts still has some validity. It certainly indicates an area of unfinished business whose importance I would not dismiss.

Thus, there is still a good deal of large-scale project aid that carries on in apparent disregard to everything that has been written and documented about its effects on the institutional fabric of the host country. While there can be good reasons for 'projectising' certain forms of assistance, this often happens because it is politically easier to defend in the donor country than the obvious alternatives, not a defensible justification.

Similarly, donor practice in the delivery of budget support has continued to feature a good deal of *ex ante* policy conditionality in the face of all the evidence pointing to its ineffectiveness. This happens for other, but equally indefensible, donor-side reasons (Booth and Fritz, 2008: 28-31; Tavakoli and Smith, 2011). Important agencies like the European Commission appear, indeed, to be on the verge of moving into a new phase in which both policy and political conditionality are once again deemed respectable (Molenaers and Nijs, 2009; Molenaers and Renard, 2011).

However, the existing alignment concepts are only valid as guidelines on what donors should *stop* doing because they are harmful or wasteful. They help little as pointers to what they should be doing *instead* with a view to helping to build country-owned development. The most plausible affirmative advice is: whenever possible, use country systems, and thereby contribute to strengthening them. Nothing has happened, to my mind, to weaken the broad argument for using country systems when supporting the government sector, and thus for preferring disbursement modalities like general and sector budget support which facilitate use of country systems (Joint Venture on Public Financial Management, 2008; Knack and Eubank, 2009). However, the trouble with even this limited positive guideline is that it tells us nothing about what to do if it happens, as it often does, that the country systems are subverted systematically by the political leadership for non- or anti-developmental purposes, so that systems' strengthening alters the façade but not the reality.

The other positive injunction which was central to the Paris Declaration, to align aid programming with 'country policies', is even less helpful in the typical situation of low-income aid recipient countries, where the prevailing real policies are not geared to development, but to short-term political needs. In the typical situation, what this leads to is the marrying up of donor country portfolios with the contents of some policy document or other – a national poverty reduction strategy or a sector programme – which has been generated through a formal dialogue process. But it is not uncommon that the actual policies pursued by the politicians and the relevant civil service departments bear little relation to the formally agreed strategies.[4] So the effect is that aid is being aligned with the formal products of a largely aid-driven process, not with the reality of policy in the country.

There may be little direct harm in doing this. However, I think we should be concerned that the commitment of the donors to this concept of aid alignment has become an obstacle to clear thinking and better practice on what remains the most relevant question in most poor countries: how to get the developmental leadership that is currently lacking, and what role aid might possibly have in that. Because aid alignment as currently understood is only good for country ownership of development efforts when this already exists (that is, the paper policies are the same as, or close to, the real policies), the hegemony of this concept constantly reinforces the myth that most poor countries have developmental leaderships. It discourages even a posing of the question of what kind of leadership countries really need, and how they are going to get it. In some donor organisations, indeed, the alignment principle has become thoroughly confused with an understanding of national sovereignty, such that it is considered politically incorrect to visualise any active role for donors in changing country policies or 'intervening in politics'.

---

4 The case for regarding PRSPs, or even the new generation of National Plans, as a true expression of the policies which govern what the state and politicians actually do has been dead for some while (Booth, 2005; Dijkstra, 2005). For a good sectoral example, see Cooksey (2011).

2.2 Harmonisation, results and mutual accountability

If alignment does not provide answers to the big questions about country ownership, the other Paris commitments, and the monitoring arrangements that have been set up around them, do even less. Take harmonisation.

Arguably, the harmonisation commitments in the declaration are mainly about rationalising donor efforts, reducing duplication and thereby enhancing the cost-effectiveness of aid. In fact, the 'programme theory' set out by the Phase 2 Evaluation of the Paris Declaration (Wood et al., 2011) treats harmonisation primarily in this narrow way. Nevertheless, advocacy of the Paris principles generally implies that harmonisation is valuable for reasons that go well beyond removing a source of waste in aid spending.

The standard rhetoric on the subject alleges high 'transaction costs' for aid recipient officials arising from the use of multiple disbursement and monitoring arrangements. However, this is subject to at least three objections.

First, the whole transaction-cost theme in the Paris symphony is a narrow bureaucratic question, about a specific aid-management function, whereas ownership is a political question. Second, this concern provides the main rationale for systems alignment, and it is unclear what harmonisation adds to this. Finally, there is evaluation evidence about what happens when, for example in the context of a sector-wide approach programme (SWAp), donors devise arrangements for harmonising their disbursement procedures which do not rest firmly on the use of country systems. The effect can be perverse, actually multiplying transaction costs for all concerned and diverting needed attention from the improvement of country systems. This was one of the findings of an important recent evaluation study on sector budget support in Eastern and Southern Africa (Williamson and Dom, 2010).

The idea that aid harmonisation has an independent positive effect is doubtful, then. Some in fact would say that there is an inverse effect. Country aid officials frequently express the view that policy and systems alignment are definitely good for ownership but harmonisation among donors is, on the whole, bad for it. When donors 'gang up', there is less policy space for government. There is therefore less chance of clear policies' emerging from domestic decision-making processes.

I think there is some truth in this second claim in respect of the islands of effectiveness that exist in some country policy systems, places where there is a genuine prospect of locally-generated thinking about tackling obstacles to development. In big-picture terms, talk of donors ganging up is more often self-serving. Nevertheless, the existence of this counter-claim serves to make the point that there is no good theory linking harmonisation to ownership.

It is worse with 'results management'. There is every reason to be concerned about whether development assistance produces its intended results. However, if the proposition about the decisive importance of country ownership is true, results orientation is fundamentally a political question. Unless political leaders already have development as their goal, their results' orientation is hardly likely to be enhanced by improving systems for collecting and managing statistics, the main focus under this heading of the Paris Declaration.[5]

Are political systems generating leaderships that care about results in the way these are understood by the international aid community? If they are not, foisting elaborate policy monitoring and data-gathering arrangements on already weak and under-motivated country bureaucracies is not going to help. It is a recipe for wasted effort and skills. Of course, there may be actors outside government who will pick up and use results-monitoring information producing a greater focus on results by the route of enhanced domestic accountability. This, the original idea behind PRSPs and their monitoring, is still the usual fall-back position for donors thinking about results and country ownership. However, in most

---

5 This was a theme of the assessments made during the last decade of approaches to monitoring poverty reduction strategies, although insufficiently emphasised in the final analysis (see, for example, Bedi et al., 2006).

countries it is premised on wishful thinking, not close observation of political processes, and the modest place that NGO advocacy typically has within them.

From the Paris Declaration portfolio, that leaves only ‘mutual accountability’. This complicated concept implies that donor agencies and recipient governments should be accountable to each other for what they do and for the results achieved, and that both should be accountable to their respective publics. The two more radical elements contained in this idea are unfortunately highly problematic.

The notion that donors should be accountable to recipient governments suffers from the same weakness as alignment, that it assumes countries already have leaderships that in practice give priority to achieving development outcomes. That, rather than the equally valid point that donors themselves may have mixed motives, is the number one difficulty.

The plea for governments to be accountable to the citizenry in the ways they usually are in rich, advanced democracies suffers from a different sort of difficulty, that of being ideologically driven and unrealistic. What it would mean for donors to become more realistic about such things is the subject of the rest of the paper.

To conclude this section, my argument has been that the ownership principle has not been properly addressed by international thinking about aid effectiveness. We need to go back to basics and try to answer the fundamental question which has been hanging in the air since the 1990s: does aid have a role in building country ownership of development efforts, and if the answer is not entirely negative, what kinds of aid, delivered how?

3. Can aid help to build country ownership?

The hypothesis that aid could be a positive factor in the emergence of the kinds of leadership arrangements that poor countries need is contradicted by most of the evidence. However, awareness of these issues is greater than ever before, which means that past performance is not necessarily a good guide to the future. I will argue that the potential for more constructive interactions is far from exhausted, the possibilities being limited more by lack of imagination than absence of opportunities.[6]

3.1 The case against

The burden of the empirical and analytical literature on the political economy of aid relationships is that aid flows tend to have fairly powerful perverse effects, unless and until, for one reason or another, a country has already acquired a developmental leadership. The literature survey by Moss et al. (2008), for example, found strong support for the conclusion that 'a large and sustained volume of aid can have negative effects on the development of good public institutions in low income countries' (274). Moss et al. focused particularly on what history and research tell us about the aid-revenue-accountability relationship. If financial aid is a substitute for domestic taxation, it will tend to inhibit the tax-accountability relationships that were historically important in many Western countries.

Bräutigam and Knack (2004), echoing van de Walle (2001), provide a more comprehensive account of the incentives to bad or indifferent governance created by aid, drawing on a wider range of political economy concepts and more historical comparisons. According to them, the effects include a reduced willingness on the part of political leaders and officials to address the collective action problems involved in public-sector reforms, and an enhanced proclivity to anti-developmental decisions, arising from the 'moral hazard' effects of aid.[7] The analysis of the Samaritan's dilemma by Ostrom and her colleagues amplifies and endorses this view (Gibson et al., 2005).

In addition, there is a growing consensus among researchers, now reflected in guidance from the OECD DAC, that donors can do harm by promoting institutional arrangements that may be ideologically congenial to their taxpayers at home but ill-adapted to the specific context (Putzel, 2010). The principal focus so far has been on the radical harm that can be done when, for example, a fragile peace is threatened by poorly timed and otherwise ill-considered promotion of elections in countries where there is no well established political settlement (Lindemann, 2008; Di John and Putzel, 2009; Parks and Cole, 2010). However, there is also growing body of opinion in and around the World Bank and elsewhere concerning the negative development effects of using templates of international 'best practice' as the basis for aid funded institutional reform programmes (Andrews, 2010; Levy, 2010b; 2010a; Pritchett et al., 2010).

As this begins to indicate, there is evidence that aid can easily be, and indeed normally is, harmful to the kinds of institutional changes necessary for countries to assume ownership of their development efforts. Given that ownership is recognised to be critical to development results, this suggests that the objectives of development assistance would be better served if there were less of it. Instead of taking the easy, and in key respects damaging, option of disbursing large sums in poor countries, donor countries should devote effort to stopping international practices in trade and finance for which they are directly responsible or in which they are complicit. This might be politically harder and economically costly, but would be more unambiguously useful, as argued by Jonathan Glennie (2008). The case for more vigorous action on the global drivers of corruption and civil war is overwhelming (Moore et al., 2009; Brown et al., 2010). Disbursing less in-country, so that governments are forced to finance their expenditure on domestic resources fully from taxation, and spending more on under-funded global public goods, including public agricultural research, are easy to justify.

6 In this way, my argument shares some elements with widely read anti-aid books such as those of Easterly (2007) and Moyo (2009), but ends up in a different place.

7 That is, protecting the recipient from the consequences of his or her bad decisions.

I find the case for doing things other than aid compelling, and it may well be the most practical implication that it is possible to draw from the argument of this paper. I nonetheless believe it is worth pursuing a little further what is and ought to be on the agenda of aid agencies and others contributing within country arenas.

3.2 An evolving agenda

Many well intentioned people find it natural to suppose that institutional arrangements that have proven their worth in highly industrialised Northern countries cannot fail to have something important to contribute to the development of poor countries. Over the past twenty years, this basic impulse has been one of the driving forces behind the idea – now deeply entrenched in developing as well as donor countries – that the key to successful development is 'good governance'. Good governance is usually taken to mean democratic governance and other institutional 'best practices' now established in advanced market economies.

However, there is a new awareness among donors that Good Governance is not an entirely adequate framework. This reflects in part the influence of research suggesting that poor developing countries have to find their own solutions to institutional and leadership questions, and that this is context specific. Highlights on the economics side include Dani Rodrik's (2007) recognition that – after China's development breakthrough – we do not really know what are the right institutions for inducing sustained growth in very poor countries. They also include Mustaq Khan's argument that states need the freedom and the means to deploy rents and manage rent-seeking so as to to finance the costly learning processes involved in getting capitalism started (Gray and Khan, 2010).

Focusing more directly on the politics, Grindle (2007) made the classic case for thinking more about which governance reforms might be 'good enough' to get development started. Shivakumar, Moore and Unsworth have enjoined donors to pay more attention to what exists, and can be built upon, in country governance arrangements – and less to 'gap filling' to address what is judged to be missing when a country is compared with the typical OECD state (Shivakumar, 2005; Future State, 2010).

The relationship between democratisation and development has never been a simple question, but we know some basic things about it. We know for example that institutions like parliaments and elections have very different effects in different social and economic settings. This is one of the themes of the important 2009 book by Douglass North and others (North et al., 2009). More recently (2010), Jörg Faust has addressed more specifically the notion that aid effectiveness might be enhanced by being linked to democratisation – with 'ownership' being replaced by 'democratic ownership'. Faust shows that this is based on a fundamental misunderstanding of how democracy works, in the long run, to generate social benefits.

One of the implications of all this is that if donors have something to contribute to building country ownership where it doesn't exist, this contribution is unlikely to take the form of conventional democracy promotion, or the 'domestic accountability' agenda as presently conceived. If not that, what then? I propose an answer in two parts.

3.3 Getting better understanding from research

First, in the 'do no harm' spirit, there would be real gains from donors' becoming more aware not just of the risks of specific harm but also of the processes through which, in the real world, developmental leaderships have emerged in poor countries. Most of the authors cited above follow up their critique of 'gap filling' and the promotion of best practices with an appeal for greater sensitivity to context. The alternative is coming to be known as a 'best fit' approach. Until recently, this has been rather generic advice, with the implication that each country situation requires close study and there are unlikely to be any valid generalisations.

Now, however, serious attempts are being made to construct middle-range theories about development trajectories and types of political-economic regimes. This involves some relatively heavy-duty typology construction which will not be to every development practitioner's taste. It lacks the simple ideological appeal of promoting Good Governance. Nonetheless, if armed with such constructs donor staffs would be better placed than they have been to make judgements about where countries are headed and the processes which might lead them in more or less direct ways to the outcome of 'country-owned' development. This might not by itself suggest different things for donors to *do*, but it meets one of the conditions for moving in that direction.

One example of such theorising is the analysis of alternative trajectories of economic growth and governance reform sketched out by Levy (2010a). This is the product of an effort by several thinkers in the public sector reform part of the World Bank to devise ways of being more realistic, and thus being more effective and doing less harm, in supporting governance for development in the poorest countries. Levy argues that it may be worth distinguishing at least two different ways in which changes in governance interact with economic growth over the long term. In one of these, circumstances including an 'elite bargain' favouring central coordination allow cumulative improvements in state capacity, which lead to growth. In the other, of which Bangladesh is the best example, a competitive clientelism blocks improvements in state capacity but nonetheless permits fast growth based on private investment.

For the Bank and other donors that are heavily involved in public sector governance, 'clarifying which of the two trajectories better aligns with a country's circumstances can offer important pointers for the priority reform agenda' (5). In particular, it can help in deciding the balance of effort between approaches which limit themselves to working with the existing 'reform space' and more transformational approaches which seek a progressive expansion of the reform space – see the previously referenced blog site (Levy, 2010b). This seems an important step in the right direction and perhaps a sufficient one for an actor like the Bank, but for the wider community of stakeholders in the governance of poor countries, the action menu it suggests is rather limiting in two respects.

First, in regions like sub-Saharan Africa it is not clear that there are many countries that can follow the Bangladesh route. To be sure, growth has accelerated considerably in many countries despite clientelistic governance and weak state capacity, but growth is one thing and economic transformation is another (Amoako, 2011). Second, at least for domestic political actors and external agencies with more flexibility than the Bank, the action alternatives are surely more varied than Levy's spectrum of reform approaches would imply (Booth, 2011).

Another kind of typological theorising which may help to reveal ways of being both realistic and canny about governance reform is being done by researchers within the five-year Africa Power & Politics Programme (www.institutions-africa.org). Under the leadership of Tim Kelsall, this research is exploring the conditions under which a country's ruling elite come to an explicit or implicit agreement that their interests lie in enlarging the national economic pie and making choices with a view to the long term. As in Asia, and indeed in early modern Europe, successful developers in Africa are likely to be of a broadly neo-patrimonial type.[8] However, differences among neo-patrimonial states are important. A particularly relevant distinction is between regimes which acquire the will and ability to centralise management of major economic rents and adopt a long time horizon.

The examples supporting this argument include phases in the history of Côte d'Ivoire, Kenya and Malawi. APPP researchers have been examining closely the similarities and contrasts between recent experiences in Ethiopia, Ghana, Rwanda and Zimbabwe, in three of which rent management has been handled in part through holding companies belonging to the ruling political parties.[9] They have also been looking at Tanzania, where the ruling CCM might seem to enjoy a number of the preconditions for

---

8 That is, there will be a systematic blurring of the distinction between the wealth of the state and the personal wealth of the ruler or rulers, leading to some degree of institutionalised acceptance of rent-seeking on the part of the political leadership.

9 Rwanda and Zimbabwe are discussed in Booth and Golooba-Mutebi (2011) and Dawson and Kelsall (2011).

a long-horizon disciplining of rent generation and management, but somehow fails to get it together (Cooksey and Kelsall, 2011). Cases like Kenya and Nigeria today, where huge economic potential is not able to be released because ethno-regional divisions unrestrained by a national elite bargain produces a short-termist politics of the most extreme kind, need to be approached in a similar perspective (Booth, 2011, forthcoming).

This is the kind of thing that the 'country ownership' question should be about. Recognising the centrality of country ownership in development success commits us to seeking out and recognising the most likely drivers of development effort in poor countries. On current evidence, these seem most likely to be found in a leadership with a long-term development vision and some kind of machinery for managing well the rent generation and utilisation which are central to all early development processes.

This 'developmental patrimonialism' is not an alternative development model that should be promoted by donors or anyone else. Nonetheless, the kind of insights into alternative avenues of political self-interest and the logics of decision-making they entail are essential if external and domestic actors are to target their governance campaigns well. In particular, they are critical to avoiding doing harm by promoting 'best practice' initiatives that have ideological appeal but do not correspond to the real challenges a country is facing.

There are of course reasons for doubting how far better and more evidence-based analysis can take the aid business, so long as the incentives driving it remain the same (Unsworth, 2009). However, until researchers prove capable of expressing their findings in a form that is susceptible in principle to guiding donor decisions, I think this has to remain to some extent an open issue.

3.4 Enabling developmental leadership by addressing collective action problems

The argument I have just made may be accused of shifting the agenda of donor action in only a rather marginal way, retaining most of Levy's emphasis on avoiding errors by understanding better what is going on. My second suggestion has a more interventionist thrust, although it is not clear that donor organisations as presently constituted can or should be doing the job. I want to propose that it is too early to give up completely donor-financed development activism with an ownership-building focus.

Until now, the 'best fit' way of working on governance has tended to be identified with the application of the kind of political economy analysis that reveals the power structures and institutional 'rules of the game' that constrain possibilities for progressive change. The practical benefit to donors from such analysis is not insignificant. However, it tends to be restricted to inducing greater realism about what an external actor with funds and technical resources can and cannot achieve, with a rather heavy emphasis on what cannot be achieved. But 'best fit' should surely be understood as also encompassing the kind of diagnostic political economy analysis which concerns itself with identifying and seeking solutions for what are called, in the technical literature, collective-action problems.[10]

Identifying and solving collective-action obstacles to progressive change is an idea with a wide range of application to development processes, at micro, meso, macro and even international levels (for chapter and verse, see Sandler, 2004; Gibson et al., 2005). Since, by definition, collective action problems are not easily soluble by the actors directly concerned, this is in principle a field in which an external agent or third party can add significant value. The direct participants, be they the leaders of national political movements or regional-ethnic blocs, or providers and users of public services, may be locked into relationships which suit no one's long term interest but from which escape is impossible for lack of trust, awareness or institutions of cooperation.

Official aid agencies and development NGOs already have substantial experience of interventions which help to unlock logjams of this sort. Among some of them, this is linked to a concept of ownership

[10] This is a central theme of the training course on Political Economy Analysis in Action (e.g., PP and ODI, 2011) in which I am one of the facilitators with Alex Duncan and Samantha Wade of The Policy Practice.

of development as an outcome of multi-stakeholder interactions in which external agents can and do make essential contributions (Frenken and Müller, 2010; Rauch, 2011). In this literature, the ownership-as-outcome concept tends to be associated with advocacy of bottom-up, participatory change in opposition to the top-down reforms inspired by the IFIs and revolving around planning and public financial management at the centre of government. However, this unduly limits the relevance of the concept. This is not about levels or about particular sorts of development actors.[11]

To be sure, the best examples are to be found at the micro and meso levels, where the past or present experience of many development organisations and national reformers illustrate relevant possibilities. DFID and other official donors have extensive experience with projects of the type Making Markets Work for the Poor, the central technique of which has been brokering missing relationships and revealing hidden potentialities for more efficient and profitable market interactions between different economic and social players. A current project in Nigeria (www.propcom.org), for example, is revealing the continuing relevance of this type of support. That includes a genuine ability to demonstrate 'results' – for example, a large increase in the number of Nigerian farmers able to acquire Indian tractors on affordable terms thanks to renegotiated supply relationships.

In the governance of service-providing sectors, GIZ, the former GTZ, has a long and relevant track record of brokering change in multi-stakeholder environments. At more local level, SNV-Tanzania has recently developed a philosophy which understands 'best fit' as working on the often 'ritualised' informal relationships between different actors along the supply chain of particular public services. Teams are using mapping and tracking exercises to reveal neglected opportunities for redefining interactions to shared benefit, for example in the red meat value chain in the city of Mwanza (PATA, 2011 forthcoming-a; 2011 forthcoming-b).

These examples do not add up to a recipe for cultivating more developmental leaderships at the national level. However, the same core idea is certainly applicable at higher levels. Shivakumar (2005) points to how the classic idea of the 'tragedy of the commons' applies to the field of public expenditure management, for example. Some time ago, Geddes (1994) analysed the politics of public service reform in Latin America in similar terms. Episodes where external actors have helped address institutional logjams at this level have seldom been documented, but my suspicion is that this is not because they have not happened.

In large federally governed countries, there is scope for working along these lines with state-level politicians and officials. In Nigeria, for example, a programme called SPARC is working with state-level politicians to tackle the relative costs, benefits and risks associated with alternative strategies of political legitimation. Recognising the strong attractions of a purely clientelistic strategy, avenues are sought out by which an ambitious politician might be prepared to make a partial shift towards seeking legitimacy on the basis of public service delivery, thereby setting off a virtuous circle of change in which, in due course, other politicians would be compelled to redefine their strategies.[12]

The African Governance Initiative started by former prime minister Tony Blair (www.tonyblairoffice.org/africa) works with a similar philosophy in a couple of programme countries. Its technical assistance is closely targeted to releasing specific bottlenecks in performance at the centre of government, rather than supporting comprehensive reform. The programme targets areas where it can be shown that there is likely to be a worthwhile political payoff to a powerful actor, which helps to guarantee seriousness in implementation and some measure of sustainability. The fact that the AGI is not an official body and has the backing of a prominent former politician no doubt helps. However, this would not prevent more of these kinds of schemes being funded from official donor sources.

11 As noted earlier, ownership is hardly a done deal in terms of the World Bank's assessment of national development plans; it is not only in more sectoral settings where a greater multiplicity of actors are involved that ownership needs building and collective action problems may apply.

12 State Partnership for Accountability, Responsiveness and Capability (www.sparc-nigeria.com). For an illuminating discussion of equivalent issues in Indonesian districts, see Rosser et al. (2011).

Being able to answer the politician's question 'what's in it for me?' is said to be a crucial condition for success in this kind of work. This means having an extremely well grounded sense of the actors and interests in play and being able to act with some independence with respect to the donor organisation proper. That implies it is work for skilled programme staff, most probably locally recruited, not for regular advisory staffs. Indeed, official development cooperation could well adopt more frequently the model recently adopted for DFID support to economic integration in East Africa. Trade Mark East Africa (www.trademarkea.com/home/) a non-profit private entity acting at arm's length from its main funder, is already demonstrating a remarkable operational agility as a broker and facilitator in a number of areas of work.

Finally, the general formula of addressing collective action problems and facilitating shifts in legitimation strategy may be relevant even to some of the big issues of national political leadership. As mentioned earlier, countries like Kenya and Nigeria appear locked into a perilously short-termist kind of politics because of the absence of an inclusive elite bargain which would provide the major players with confidence in the long-term future. The needed bargain is not forthcoming because the moves this would require are prohibitively risky from the perspective any one actor, even though all would stand to gain greatly if they were successful. This is no doubt understood, but it is seldom discussed publicly. If there is a role for external actors in addressing the challenges of developmental leadership and 'country ownership', it surely lies in helping to articulate this type of diagnosis and – directly or by funding programmes of the right type – nudging country actors towards addressing the identified problems.

4. What would it take?

To go far down the road I am proposing would involve a revolution in aid programming. The aid effectiveness agenda has been linked historically with the view that the poorest countries, and those in Africa in particular, are primarily short of funds. The Paris commitments were accompanied in the mid-2000s by a political bidding-up of donor aid budgets in relation to donor ability to pay as measured by Gross National Income, with little attention to absorptive capacity or institutional impacts, and a growing tendency to downgrade agencies' own human resources and skills for in-country work.

All this needs to be reversed, self-evidently because countries in Africa are much less cash-strapped than they were 20 years ago, and more importantly because large volumes of country-programmable aid seem to be a negative factor in the struggle to get country-owned development. If my argument is correct, the emphasis needs to shift first of all away from aid and onto changing the non-aid policies of donor countries that help to incentivise predatory or irresponsible behaviour by country leaders. Then, the aid business proper should move sharply back to employing people, developing skills and designing programmes which take advantage of the limited by not insignificant opportunities for external, third-party actors to help country actors to solve their collective action problems. Under what conditions might this happen?

In my experience as a trainer, advisory staffs in development organisations tend to be quite open to arguments of the sort advanced here, particularly after they have acquired significant country experience. They are actively interested in research findings which point to alternative ways of doing things, even when they deviate from recognised 'best practice' and could be considered dangerously unorthodox. They typically have some sensitivity to the negative impacts of the donor presence. They want to make use of political economy analysis in programming, both as a means of reducing risk and avoiding doing harm, and as a tool for improving effectiveness. Some are open, too, to seizing opportunities to assist potentially constructive processes even if it means building relationships and alliances in informal ways (cf. Eyben, 2010).

Unfortunately, however, the development business is not led by mid-range technical specialists. It is politically led, directly (bilateral) or indirectly (multilaterals), resulting in systemic incentives which override attitudes and the acquisition of skills.

Northern politicians are inclined to accept the argument that what poor countries need is more external funding, and anyway find in aid a relatively uncomplicated way of showing that they care, for the reasons given by Glennie (2008: 105-106).[13] They also tend to have ideological difficulties with institutional reform approaches which do not comply fully with what are established as good democratic or market-economy practices in the North Atlantic region. They are normally highly averse to risks to their own reputations, and thus hesitant about selling aid as anything other than either a humanitarian obligation or national security imperative. Senior managers in development organisations not only adopt the politicians' biases in these respects, but tend to err on the side of additional caution.[14]

What, then, is to be done? I fear there is no real alternative to a long-term effort to re-educate politicians and publics in the North about how development happens or about how aid works when it does work. Northern NGOs and others who, through their campaigns and educational efforts, influence public perceptions and politicians' agendas, have a particular responsibility in this regard. They have a duty to get into a position where their need to raise funds does not drive the messages they deliver. They should regard public education as one of their main roles, and getting their messaging right as a

---

13 It costs relatively little in relation to donor national income, compared to the likely impact of trade, arms and financial regulation measures which would contribute much more to poverty reduction, and it is not opposed by powerful Northern interests as these other measures would be.

14 For a fuller account of these issues which differs from mine in some points of emphasis, see Unsworth (2009).

key obligation. There is much to be done. However, adopting what has been argued here about the need to place country ownership of development efforts back at centre-stage, and to take a more politically informed approach to this question, would be a good place to start.

5. Conclusion

It is a good time to be reconsidering the way the effectiveness of development assistance has been treated over the past decade with a view to doing better in the future. This paper has argued that the way to do this is to go back to the basic insight which became the subject of a broad international consensus at the end of the 1990s – that development works when it is country owned and not otherwise. We need fresh thinking about the implications of this insight, recognising that the core of country ownership is the orientation of the country's political leadership, not some technical device such as a good plan or functioning budget process. The crucial question is whether political incentives are working in such a way that leaders are interested in long-run national goals.

The assumption that country ownership in this sense already exists, and the only issue for international actors is how to avoid undermining it, is completely unrealistic, at least in low-income Africa. Yet this seems to be the assumption behind aid alignment and the other donor commitments under the Paris Declaration. A more coherent position would be to make full use of what is known about the likely sources of developmental leadership in poor countries, as a means of avoiding doing harm with aid and non-aid policies, and as a platform for thinking about how external actors might become constructively involved in helping country ownership to emerge.

The key to this is the recognition that one of the reasons politicians commonly do not adopt the kind of long-term perspective that development leadership requires is that they face a collective-action problem. Given the way political competition works, especially but not only in ethnically divided societies, the incentives to engage in short-term clientelistic strategies for gaining votes and seeking legitimacy are overpowering. While there may be some awareness of this state of affairs, there is little public recognition of it. There are equivalent barriers to progress at almost every level and in every sector within the typical poor developing country.

If the international community is really interested in contributing to country ownership of development efforts, there should be much more discussion of how to promote a more sophisticated approach to such issues. For the aid business, this would mean first taking a more active stance on non-aid issues in development and next a different concept of what development cooperation is about, implying the acquisition of new skills. But the agencies that we support as taxpayers are not going to be able to transform themselves in the suggested way if there is not a new climate of opinion in donor countries about how development happens and how, at the margin, aid may help.

NGOs and public intellectuals who over the past period have helped to create the public assumption that development and poverty reduction are fundamentally about resource transfers from rich people to poor people have a particular obligation to help build a new consensus about the fundamental role of institutions and leadership in successful development. That the most promising kind of external contribution to development which outsiders can make is skill- and knowledge-intensive engagement with the collective-action problems at the heart of countries' political systems is a hard message to get across. We need to find ways of doing this.

References

Amoako, K.Y. (2011) 'Transforming Africa - Start Now, We Can't Wait', *African Business* 45(377): 24-27.

Andrews, Matt (2010) 'Good Government Means Different Things in Different Countries', *Governance: An International Journal of Policy, Administration, and Institutions* 23(1): 7-35.

Bedi, Tara, Aline Coudouel, Marcus Cox, Markus Goldstein and Nigel Thornton (2006) *Beyond the Numbers: Understanding the Institutions for Monitoring Poverty Reduction Strategies.* Washington, DC: World Bank.

Booth, David (2005) 'Missing Links in the Politics of Development: Learning from the PRSP Experiment', *Nord-Süd Aktuell* 19(3/4): 239-245.

Booth, David (2011) 'More Realistic Approaches to Governance: Expanding the Spectrum of Reform' in *Governance for Development*. http://blogs.worldbank.org/governance. Washington, DC: World Bank. 15 March.

Booth, David (2011, forthcoming) 'Getting Governance Right for Development in Africa: No Time for Complacency', *Commonwealth Good Governance* 2011.

Booth, David and Verena Fritz (2008) *Good Governance, Aid Modalities and Poverty Reduction: From Better Theory to Better Practice.* Dublin: Advisory Board for Irish Aid.

Booth, David and Frederick Golooba-Mutebi (2011) *Developmental Patrimonialism? The Case of Rwanda*. Working Paper 16. London: Africa Power and Politics Programme.

Booth, David (ed.) (2003) *Fighting Poverty in Africa: Are PRSPs Making a Difference?* London: Overseas Development Institute.

Bräutigam, Deborah A. and Stephen Knack (2004) 'Foreign Aid, Institutions, and Governance in Sub-Saharan Africa', *Economic Development & Cultural Change* 52(2): 255-285.

Brown, Taylor, Sue Unsworth and Gareth Williams (2010) 'Addressing the International Drivers of Corruption at the Country Level'. Oxford and Bristol: The Policy Practice and IDL Group.

Cooksey, Brian (2011) 'Marketing Reform? The Rise and Fall of Agricultural Liberalisation in Tanzania', *Development Policy Review* 29(S1): S57-S81.

Cooksey, Brian and Tim Kelsall (2011) *The Political Economy of the Investment Climate in Tanzania*. Research Report 01. London: Africa Power and Politics Programme.

Dawson, Martin and Tim Kelsall (2011) *Anti-developmental Patrimonialism in Zimbabwe*. Working Paper 19. London: Africa Power and Politics Programme.

Di John, Jonathan and James Putzel (2009) *Political Settlements: Issues Paper*. Birmingham: Governance and Social Development Resource Centre.

Dijkstra, Geske (2005) 'The PRSP Approach and the Illusion of Improved Aid Effectiveness: Lessons from Bolivia, Honduras and Nicaragua', *Development Policy Review* 23(4): 443-464.

Easterly, William (2007) *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good.* Oxford, UK: Oxford University Press.

Eyben, Rosalind (2010) 'Hiding Relations: The Irony of "Effective Aid"', *European Journal of Development Research* Electronic prepublication, May: 1-16.

Faust, Jörg (2010) 'Policy Experiments, Democratic Ownership and Development Assistance', *Development Policy Review* 28(5): 515-534.

Frenken, Sarah and Ulrich Müller (eds.) (2010) *Ownership and Political Steering in Developing Countries: Proceedings of International Conferences in London and Berlin.* Baden-Baden: Nomos/GTZ.

Future State, Centre for the (2010) *An Upside Down View of Governance.* Brighton: Institute of Development Studies.

Geddes, Barbara (1994) *Politician's Dilemma: Building State Capacity in Latin America.* Berkeley: University of California Press.

Gibson, Clark C., Krister Andersson, Elinor Ostrom and Sujai Shivakumar (2005) *The Samaritan's Dilemma: The Political Economy of Development Aid.* Oxford: Oxford University Press.

Glennie, Jonathan (2008) *The Trouble with Aid: Why Less Could Mean More for Africa.* London: Zed Books.

Gray, Hazel and Mushtaq Khan (2010) 'Good Governance and Growth in Africa: What Can We Learn from Tanzania?' in V. Padayachee (ed.) *The Political Economy of Africa*. London: Routledge: 339-356.

Grindle, Merilee (2007) 'Good Enough Governance Revisited', *Development Policy Review* 25(5): 553-574.

Joint Venture on Public Financial Management (2008) 'Report on the Use of Country Systems in Public Financial Management', paper presented at the 3rd High Level Forum on Aid Effectiveness, Accra, Ghana (2-4 Sept).

Killick, Tony (1998) *Aid and the Political Economy of Policy Change.* London: Routledge/ODI.

Knack, Stephen and Nicholas Eubank (2009) *Aid and Trust in Country Systems*. Policy Research Working Paper 5005. Washington, DC: World Bank.

Koeberle, Stefan, Harold Bedoya, Peter Silarsky and Geor Verheyen (eds.) (2005) *Conditionality Revisited: Concepts, Experiences, and Lessons.* Washington, DC: World Bank.

Leftwich, Adrian and Chris Wheeler (2011) *Politics, Leadership and Coalitions in Development: A Research and Policy Workshop Report*. Developmental Leadership Program. www.dlprog.org.

Levy, Brian (2010a) *Development Trajectories: An Evolutionary Approach to Integrating Governance and Growth*. Economic Premise 15. Washington, DC: World Bank.

Levy, Brian (2010b) 'Moving the Governance Agenda Forward: A New Blog on Development' in *Governance for Development*. http://blogs.worldbank.org/governance. Washington, DC: World Bank. 21 Oct.

Lewis, Peter M. (2007) *Growing Apart: Oil, Politics, and Economic Change in Indonesia and Nigeria.* Ann Arbor, MI: University of Michigan Press.

Lindemann, Stefan (2008) *Do Inclusive Elite Bargains Matter? A Research Framework for Understanding the Causes of Civil War in Sub-Saharan Africa*. Discussion Paper 15. London: Crisis States Research Centre, London School of Economics.

Martens, Bertin, Uwe Mummert, Peter Murrell and Paul Seabright (2002) The Institutional Economics of Foreign Aid. Cambridge, UK: Cambridge University Press.

Molenaers, Nadia and Leen Nijs (2009) 'From the Theory of Aid Effectiveness to the Practice: The European Union's Governance Incentive Tranche', Development Policy Review 27(5): 561-580.

Molenaers, Nadia and Robrecht Renard (2011) *Budget Support and Political Conditionalities*. Policy Brief 1. Antwerp: University of Antwerp, Institute of Development Policy and Management.

Moore, Mick, Anna Schmidt and Sue Unsworth (2009) 'Assuring Our Common Future in a Globalised World: The Global Context of Conflict and State Fragility'. Brighton: Institute of Development Studies.

Mosley, Paul, Jane Harrigan and John Toye (1991) *Aid and Power: The World Bank and Policy-Based Lending.* London: Routledge.

Moss, Todd, Gunilla Pettersson and Nicolas van de Walle (2008) 'An Aid-Institutions Paradox? A Review essay on Aid Dependency and State Building in Sub-Saharan Africa' in W. Easterly (ed.) *Reinventing Foreign Aid*. Cambridge, MA: MIT Press: 255-281.

Moyo, Dambisa (2009) *Dead Aid: Why Aid is not Working and How There is Another Way for Africa.* London: Allen Lane.

Mutua, Makau (2009) *Kenya's Quest for Democracy: Taming Leviathan.* Kampala: Fountain Publishers.

North, Douglass C., John J. Wallis and Barry R. Weingast (2009) *Violence and Social Orders: A Conceptual Framework for Interpreting Recorded Human History.* Cambridge: Cambridge University Press.

OECD (2008a) *The Paris Declaration on Aid Effectiveness and the Accra Agenda for Action.* Paris: OECD.

OECD (2008b) *2008 Survey on Monitoring the Paris Declaration: Effective Aid by 2010? What Will it Take.* Paris: OECD.

Parks, Thomas and William Cole (2010) *Political Settlements: Implications for International Development Policy and Practice*. 2. Bangkok: The Asia Foundation.

PATA (2011 forthcoming-a) *What Fits Best? A Focused Approach to Local Accountability*. What Fits Best Series 1. Dar es Salaam: Public Accountability in Tanzania (PATA) Initiative (SNV/EKN/VNG).

PATA (2011 forthcoming-b) *What's Really Happening? The Importance of Specific Information and Common Understanding to Addressing Accountability and Development Issues*. PATA What Fits Best Series 2. Dar es Salaam: Public Accountability in Tanzania (PATA) Initiative (SNV/EKN/VNG).

PP and ODI (2011) 'Political Economy Analysis in Action: A Training Course for DFID Nigeria, 17-19 May, Abuja, Nigeria'. Oxford: The Policy Practice/Overseas Development Institute.

Pritchett, Lant, Michael Woolcock and Matt Andrews (2010) *Capability Traps? The Mechanisms of Persistent Implementation Failure*. Working Paper 234. Washington, DC: Center for Global Development.

Putzel, James (2010) *Do No Harm: International Support for Statebuilding.* Paris: OECD DAC Fragile State Group.

Rauch, Theo (2011) 'Multiple Ownership as a Way Out of the Two-fold Ownership Dilemma', paper presented at the 4th European Conference on African Studies, Uppsala (15-18 June).

Rodrik, Dani (2007) *One Economics, Many Recipes: Globalization, Institutions, and Economic Growth.* Princeton, NJ: Princeton University Press.

Rosser, Andrew, Ian Wilson and Priyambudi Sulistiyanto (2011) *Leaders, Elites and coalitions: The Politics of Free Public Services in Decentralised Indonesia*. Research Paper 16. Developmental Leadership Program. www.dlprog.org.

Sandler, Todd (2004) *Global Collective Action.* Cambridge, UK: Cambridge University Press.

Shivakumar, Sujai (2005) *The Constitution of Development: Crafting Capabilities for Self-Governance.* New York: Palgrave Macmillan.

Tavakoli, Heidi and Gregory Smith (2011) *Insights from Recent Evidence on Some critical Issues for Budget Support Design*. Background Note. London: Overseas Development Institute.

Unsworth, Sue (2009) 'What's Politics Got to Do With It? Why Donors Find it So Hard to Come to Terms with Politics, and Why this Matters', *Journal of International Development* 21(6): 883-894.

van de Walle, Nicolas (2001) *African Economies and the Politics of Permanent Crisis.* Cambridge: Cambridge University Press.

van de Walle, Nicolas and Timothy A. Johnston (1996) *Improving Aid to Africa.* Washington, DC: Overseas Development Council.

Williamson, Tim and Catherine Dom (2010) *Making Sector Budget Support for Service Delivery.* ODI/Mokoro Project Briefings 36-38. London: Overseas Development Institute.

Wood, B., J. Betts, F. Etta, J. Gayfer, D. Kabell, N. Ngwira, F. Sagasti and M. Samaranayake (2011) *The Evaluation of the Paris Declaration: Final Report.* Copenhagen: Danish Institute for African Studies.

World Bank (1998) *Assessing Aid: What Works, What Doesn't, and Why.* Washington, DC: World Bank.

Overseas Development Institute
111 Westminster Bridge Road
London SE1 7JD
UK

Tel: +44 (0)20 7922 0300
Fax: +44 (0)20 7922 0399
Email: publications@odi.org.uk
Website: www.odi.org.uk

ISBN 978 1 907288 49 4
Working Paper (Print) ISSN 1759 2909
ODI Working Papers (Online) ISSN 1759 2917