

Bringing Realism to Paris in Busan

THE PARIS DECLARATION ON AID EFFECTIVENESS

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Center for Strategic and International Studies
1800 K Street, NW, Washington, DC 20006
Tel: (202) 887-0200
Fax: (202) 775-3199
Web: www.csis.org



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BRINGING REALISM TO PARIS IN BUSAN

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Gerald F. Hyman

Between November 29 and December 1, 2011, the major donors and most recipients of foreign assistance together with various multilateral organizations, nongovernmental organizations (NGOs), consultants, and others will gather in Busan, South Korea, for the Fourth High Level Forum on Aid Effectiveness. The first forum in 2003 met in Rome and agreed to codify a set of principles to improve aid effectiveness. The second, in 2005, produced the Paris Declaration on Aid Effectiveness, signed up to by over one hundred ministers of donor and recipient countries as well as representatives of multilateral organizations.¹ The third forum, in 2008, “reviewed progress” on implementation, found it wanting, and generated the Accra Agenda for Action,² which recommitted the parties to the Paris Declaration and concentrated on recommendations to strengthen its implementation.

Hopefully, the Busan meeting will assess the Paris Declaration itself, not just its implementation. If so, it should expose substantial weaknesses in the declaration, and recommend major explications and modifications. However, if this fourth forum does not revise the basic tenets of the Paris Declaration, in particular making them more realistic, the declaration will almost certainly become a dead letter: gathering perhaps formalistic allegiance by donors, continuing demands by recipients for actual compliance, ritual high forums in various capitals bemoaning lack of compliance and making additional recommendations for implementation, but no practical effect on the delivery of aid or its procedures, let alone its effectiveness.

Paris Declaration

All five basic principles of the Paris Declaration³ need to be revisited even though all of them are procedural or relational and none gets to the more important, fundamental question of what makes for development as a substantive matter. Ownership and alignment need to be delimited, circumscribed, and differentiated in their application, if they remain at all. Their reciprocals,

¹ Organisation for Economic Co-operation and Development (OECD), “The Paris Declaration on Aid Effectiveness and the Accra Agenda for Action: 2005/2008,” <http://www.oecd.org/dataoecd/11/41/34428351.pdf>.

² Ibid.

³ The Paris Declaration includes 5 principles, 56 commitments, and numerous indicators.

managing for results and mutual accountability, need to be made more central. Harmonization needs commitment. In general, the actual motivations, expectations, limitations, and capacities of both the donors and the recipients or “hosts” need to be incorporated into the partnerships envisioned by the declaration. Otherwise these “partnerships” reset on illusions or delusions that have not been, and will not be, the basis for improved aid effectiveness or even its existence.

The Paris Declaration is the result of disappointment. Over what are now decades, both donors and recipients have continued to be disappointed that the large amounts of aid have not brought the improved standards of living, especially as a result of economic growth, that both donors and recipients have been expecting. Notwithstanding the amounts, far too little progress was being made in creating better lives—indeed, in some regions or sub-regions quite the opposite, far too much regression. Clearly something has been wrong. Unfortunately, donors and recipients were often dissatisfied for different and sometimes incompatible reasons. The recipients felt strongly that the donors were too intrusive and mutually inconsistent to boot, that the amounts of assistance were simply too low and erratic, and that the number of meetings, reporting requirements, and conflicting behavior among the donors made the costs too high and the benefits too low. The donors felt that the recipients were probably right as far as it went, but their complaints did not explain the deficient results. Moreover, both parties were dissatisfied about the theory of development informing the substance of assistance itself.

A by-now large literature has explored the disappointment from the substantive, theoretical perspective. William Easterly summarized a sequence of “panaceas that failed.”⁴ First, it was thought, poverty was the result of, well, simply too little money. Poor countries didn’t have enough capital to finance their growth, so aid filled the gap between inadequate savings and the need for investment, specifically for capital investment. Then the problem was human capital not machinery, so there was aid for education. Then it was population growth, so there was aid for birth control because the growth of population exceeded the gains in the productive sector. Then policy dialogue with aid for promises of policy reform, then debt forgiveness. And so on. None of these panaceas worked as predicted, in part because, although each was part of the problem, none provided the remedy and none resulted in the kind of aid effectiveness each one seemed to promise. The latest idea—not as a panacea perhaps or even as a theory of development, but as a way of improving at least the effectiveness of aid itself—is the partnership paradigm of the Paris Declaration. The problem with aid, the key to its ineffectiveness, was the top-down nature of the aid relation between donors and recipients. It was the donors who decided on these panaceas and designed their aid packages accordingly, never mind the views of the recipients. Take it or leave it. The Paris Declaration was designed to remedy that problem and, with it, the ineffectiveness of foreign aid.

⁴ William Easterly, *The Elusive Quest for Growth: Economists’ Adventures and Misadventures in the Tropics* (Cambridge, MA: MIT Press, 2001), section II, chapters 2–7.

Partnerships

The construction of partnership is presumably the central departure from the “traditional modes” of assistance in which donors analyze the development context and problems then design assistance programs to address them. The outside-in approach is “neo-colonialist” in the view of recipients. It leaches them of their sovereignty, not to say dignity, as the donors have consistently decided what to do and how to do it. The recipients are reduced to mendicants, presumably thankful for the donors’ handouts. That is what makes aid ineffective.

Instead, recipients are the masters of their own countries and should be treated accordingly. Donors ought to be their partners, indeed their junior partners. Sovereign countries ought to chart their own policies and futures. The role of the donors is to support them—align the donor programs with their domestic development strategies—in exchange for “mutual accountability” for “managing for (the presumably positive) results.” So reciprocity, the hallmark of partnership, underlies the core of the Paris Declaration: ownership by the recipients (or “partner countries,” as the declaration calls them with utmost political correctness), alignment by the donors (less politically correct, of course, but they are just the donors), mutual accountability, and managing for results by all of the partners.

Ownership and Alignment

The drafters of the Paris Declaration used economic vocabulary: ownership and buy-in to describe the partnership. Countries craft and then “own” the development plan. Donors “buy into” it, literally—and preferably with cash (as in budget support) or, less preferably, with technical assistance and projects. The “deal” (or “compact,” to use the equivalent term of the U.S. Millennium Challenge Corporation) between the partners is put together by the international aid bureaucracy of the Development Assistance Committee (DAC)⁵ of the Organisation for Economic Co-operation and Development (OECD) or directly by the parties themselves.

The primary *ownership* commitments by the partner countries are to “exercise leadership in developing and implementing their national development strategies through broad consultative processes” (14). Then they are to “translate” the strategies into “prioritised results-oriented operational programmes” and “take the lead in coordinating aid at all levels” in dialogue with the donors and the participation of civil society and the private sector (14).⁶ The ownership

⁵ The members of the DAC are Australia, Austria, Belgium, Canada, Denmark, European Union, Finland, France, Germany, Greece, Ireland, Italy, Japan, Korea, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom, and the United States. OECD Development Co-operation Directorate (DCD-DAC), http://www.oecd.org/linklist/0,2678,en_2649_33721_1797105_1_1_1_1,00.html.

⁶ The numbers in parentheses are the numbered paragraphs or items in the Paris Declaration. The quotations come from those paragraphs or items.

commitment of the donors is to “respect partner country leadership and help strengthen capacity to exercise it” (15).

Much of the burden of *alignment* falls on the donors. They commit to:

1. “respect country leadership and help strengthen their capacity to exercise it” (15);
2. “be guided by development strategies and priorities established by partner countries” (5) and “base their overall support—country strategies, policy dialogues and development co-operation programmes—on partners’ national development strategies and periodic reviews of progress in implementing these strategies”; and to “link funding to a single framework of conditions and/or a manageable set of indicators derived from the national development strategy...[and] from a common streamlined framework...” (16) (39)⁷;
3. align their analytic and financial support with partners’ capacity development objectives and strategies, make effective use of existing capacities, and harmonize support for capacity development accordingly (24);
4. use a country’s own institutions, systems, and procedures and rely on its transparent government budget and accounting mechanisms “to the maximum extent possible” (21, 26) “where they provide assurance that aid will be used for agreed purposes...” (17);
5. provide reliable indicative commitments of aid over a multiyear framework and disburse aid in a timely and predictable fashion according to agreed schedules (26); and
6. “progressively rely on partner countries for procurement when the country has implemented mutually agreed standards and processes” and “adopt harmonized approaches” when they do not (30).

Partner countries do commit to frameworks that provide reliable assessments of the performance, transparency, and accountability of their country systems and procedures (especially financial management systems); reforms to ensure that they are effective, accountable, and transparent (20, 25); and a variety of capacity development programs (24, 25). They also commit to intensify efforts to mobilize domestic resources, strengthen fiscal sustainability, and create an enabling environment for public and private investments; publish timely, transparent, and reliable reporting on budget

⁷ The possibly overly optimistic assumptions are first that there has been progress and second that the progress is along lines measured by accompanying indicators. Perhaps the Paris Declaration is not an appropriate place for a detailed discussion of either one, but the following high-level forums did not provide substantial additional details either, and definitely there have been partner countries without much progress let alone indicators. Busan could provide an opportunity at least for setting up a working group for these commitments.

execution; and “take leadership of the public financial management reform process” (25). Finally, they commit to “take leadership and implement the procurement reform process” (29).⁸

The basic assumption, the central delusion really, for both ownership and alignment is that there exists a core, coherent country that is reasonably well and representatively governed; that through its government it has sound development policies and a workable development plan consistent with those policies; that it is equitable domestically and not a self-serving capture of additional resources for personal or communal gain; that the primary role of the donors is to accept that plan and support it (“buy into it”) as if it were their own; and that only then would they be partners, mutually accountable for its implementation and the positive development results it would bring. All of these assumptions are leaps of faith, really. The parties to the declaration seem to take at face value that recipient countries are like Chile or Ghana.⁹

Unfortunately, too few developing countries are like Ghana, let alone Poland or Chile. It is not merely that both adopted pro-growth, pro-development policies, like free markets, civil liberties, and political as well as economic competition. It is that, in part as a result, they enjoy domestic peace, and have low corruption rates and good growth. No doubt, donors would be happy to partner with such countries. Regrettably, the vast majority of aid-recipient countries are not like that.

A perusal of Transparency International’s Corruption Perceptions Index reveals that virtually all of the aid-recipient countries are bright or dark red, which is to say the most corrupt countries.¹⁰ A

⁸ The Paris Declaration provides no further details about “the public financial reform process” or “the procurement reform process.” It seems to assume that both such processes are being implemented in each partner country. The Busan forum could usefully examine these assumptions, but not just by asking the partner countries whether the processes have been or are being implemented—which is what the recent DAC review, undertaken in great measure to inform the Busan forum, seems to have done. See OECD, “Aid Effectiveness 2005–10: Progress in Implementing the Paris Declaration,” September 2011, http://www.oecd.org/document/1/0,3746,en_2649_3236398_48725569_1_1_1_1,00.html (hereafter, the DAC Review). Even then, the review concludes that “an improvement in the quality of their public financial management systems” has still resulted only in “moderate or mixed progress.” DAC Review, 16.

⁹ “The long-term vision for international engagement in fragile states is to build legitimate, effective and resilient state and other country institutions” (37). Regrettably, the Paris Declaration is short on prescriptions for the short term or medium term in countries that do not have legitimate, effective, and resilient state and other country institutions. So many recipient countries, fragile and less fragile alike, do not. Rather, the Paris Declaration most frequently treats the recipient countries as a single category, as if they were legitimate, effective, and resilient states. To be useful, the Paris Declaration needs to deal with the present realities, not just the long-term visions, and certainly not to confuse the two.

¹⁰ For the 2010 results, see Transparency International’s “Corruption Perceptions Index 2010 Results,” showing the ranking of countries from “very clean” to “highly corrupt,” http://www.transparency.org/policy_research/surveys_indices/cpi/2010/results. Critics have noted that the index is based on perceptions and may be inaccurate about reality, especially since the respondents include foreigners. Transparency International has answered those criticisms, some say inadequately. Nevertheless, the index has the

very few, including Ghana, are orange. None are yellow or gold, which is the color of most of the DAC donor countries and of Poland and Chile as well. One can argue about causality between wealth and corruption, but not very convincingly. The fact is that virtually all of the poor, recipient countries are corrupt or deeply corrupt. And entirely apart from theory about the relation between corruption and development, let alone wealth, donors are not happy about the amount of their aid being siphoned off by corruption or, at best, about the amount of their aid replacing country resources that are siphoned off—hence the Paris Declaration commitments about financial management.

Similarly, a glance at the Freedom House rankings of political rights and civil liberties indicates that most aid recipients are “not free,” although some two dozen or so recipient countries are “partly free” and some, including Ghana and Benin in West Africa and several in southern Africa and in South America, are fully “free.”¹¹

More problematic, a quick examination of the 2011 Fund for Peace map and table of failed and failing states displays almost exactly the same array. The aid recipients are overwhelmingly brown, orange, red, or purple rather than gold, yellow, or green.¹² Depending on where they are along the brown-purple spectrum, they are in danger of state failure or well into it. Perhaps more alarming are the responses of governments in these countries to the threats of conflict. Too many respond to conflict or its threats entirely by resort to the army or police. Too few are disposed to addressing the underlying causes of conflict, in part because many of them represent one side of the conflict. Even worse, when conflicts are in some way resolved, too many governments choose retribution rather than reconciliation. Sri Lanka is the poster child. Since the Tamil Tigers were decisively defeated in their campaign of terror, the Sinhalese-dominated government has pursued almost precisely the same policies of exclusion that gave rise—and some legitimacy—to the Tamil insurrection in the first place. Rwanda, Indonesia, and Colombia are exceptions to that pattern, but, for example, Yemen, Kenya, Ivory Coast, Pakistan, and Iraq are not.¹³

undisputed value of longevity, so it allows year-to-year comparisons. Moreover, with the possible quibbles about minor distinctions in ranking, there are no real doubts about the general findings.

¹¹ Freedom House, “Freedom in the World 2011 Survey Release,” <http://www.freedomhouse.org/template.cfm?page=594>.

¹² Fund for Peace, “Failed States Index for 2011,” <http://www.fundforpeace.org/global/?q=fsi-grid2011>.

¹³ The DAC and its members do note that fragile states pose a special problem. See, for example, *Principles for Good International Engagement in Fragile States and Situations* (OECD 2009), <http://www.usip.org/publications/principles-good-international-engagement-fragile-states-situations-oecd>; and *Monitoring the Principles for Good International Engagement in Fragile States and Situations* (OECD 2010), <http://www.oecd.org/dataoecd/18/16/44651689.pdf>. But by maintaining or implying that the Paris Declaration applies to “sustainable development countries” and not fragile ones, the donors and recipients alike (and the DAC itself) do not sufficiently note that most of the countries receiving aid are fragile. This creates close to a null set of the countries to which the Paris Declaration would actually apply if these distinctions were controlling. The Paris Declaration itself makes no such distinction between fragile countries

There is no point in looking at economic performance and ratings. By definition, the recipient countries are poor. Otherwise they would not be aid recipients.¹⁴ Happily, the story of economic growth may be somewhat more optimistic, including in Africa where growth rates have been improving. They start from a low level, of course, so relatively small increments of growth have greater impact on rates than in larger, more robust economies. However, a good portion of the growth may be in the extraction of natural resources, and many of these countries continue to receive aid because the distribution of receipts from those resources has not been used to spur growth or has been siphoned off by a small elite, leaving huge areas of deep poverty. Nevertheless, the turnaround in economic performance is encouraging. Unfortunately, with the exception of China, foreign aid from this “developing world” to the poorer neighbors has been paltry.¹⁵ The overwhelming amount of aid still comes from the same traditional donors, not from the new, “rising” countries.

In short, many, perhaps most, aid recipients are not countries in which a competent central government has likely developed a coherent development plan for the country, let alone one it is

and sustainable development countries. Rather, it purports to apply to all donor and recipient countries and their relations. At the least, given their respective numbers, the supposed exception of fragility threatens to overwhelm the presumed general rule of stability and sustainable development. That was surely not the intention of the countries endorsing the Paris Declaration or of its framers. However, if that were the intent, then the Busan forum could well use the opportunity to frame a set of principles and commitments that would apply to the far more numerous fragile countries receiving aid and that would, in effect, take the place of the Paris Declaration and the fewer sustainable development countries to which it presumably would apply.

¹⁴ It is true that some middle-income countries do receive donor support, usually for some foreign policy reason or special process, like accession to the European Union. However, these are the exceptions.

¹⁵ A recent meeting of the 54 members of the African Union called to raise funds for the relief of famine on the Horn was attended by a total of three African governments: Ethiopia, Equatorial Guinea, and Djibouti. While the United States pledged over \$500 million for famine relief, the EU pledged \$28 million, individual European countries pledged a total of \$630 million, and the countries of Africa together pledged \$50 million exclusive of the African Development Bank, which pledged an additional \$300 million over two years. Egypt pledged \$6 million, while Algeria and Angola, both dripping in oil, pledged \$10 million and \$5 million, respectively. The remaining 51 countries of Africa, including some with now substantial income from oil, gas, and other natural resources, together pledged less than \$30 million for what António Guterres, the UN high commissioner for refugees, called “the most dramatic humanitarian problem in today’s world,” right on their doorstep. “African Union Pledges Nearly \$380 Million to Help Famine-hit Families in the Horn of Africa,” *Washington Post*, August 25, 2011. The forum in Busan might want also to consider the broader question of who is providing aid, how the burden of aid donations is currently distributed, and what the policies are of donor countries both inside and outside of the DAC. The meaning of “partnership” will surely need to include the appropriate allocation of burdens among the partners.

implementing evenhandedly throughout the country and that donors can confidently buy into as a part owner.¹⁶

Second, in its emphasis on, if not single-minded devotion to, ownership, alignment, and partnership, the Paris Declaration ignores almost entirely the need for policy change in many partner countries, even when they resist it. It is by now abundantly clear what kinds of policies are necessary for development. Ultimately, the effectiveness of aid will not be measured by its procedures, let alone the relationships between donors and recipients, but by whether there is...development. Almost always that will require changes in domestic policies and relations. They will produce winners and losers. Among the losers may well be colleagues, clients, and relatives of the members of the recipient governments. The developmentally successful countries will make developmentally contributory policy changes, even when they hurt politically. The donors will, rightfully, press for those policies.¹⁷ They will not simply “buy into” recipient country political and

¹⁶ The Third High Level Forum acknowledged that problem to some extent, and the recent DAC Review notes that “[m]ore partner countries have sound national development strategies in place....” DAC Review, 20. But unfortunately the DAC Review does not put any kind of number or even rough proportion on how many do and do not have a “sound national strategy in place,” nor does it explain on what basis or whose judgment the “soundness” has been made.

¹⁷ The U.S. Millennium Challenge Corporation (MCC) does provide something of a model for the Paris Declaration ownership and alignment commitments by donors. Its “compacts” are negotiated directly with the recipient country based on a concrete proposal drafted by the government of the proposed recipient, or “compact country.” Indeed, for some time the MCC was so insistent on compact ownership that it forbade any assistance to the country (at least any funded by the U.S. government) even in formulating the proposal. However, only a small, select number of countries were invited to submit a proposal, an invitation that was based on the country’s already having “made the right policy choices” and on its prior *excellent performance* on three general criteria: policies in ruling justly, economic freedom, and investing in people. (Millennium Challenge Corporation, *Report on the Criteria and Methodology for Determining the Eligibility of Candidate Countries for Millennium Challenge Account Assistance for Fiscal Year 2011*, September 2010, p. 1, <https://www.mcc.gov/documents/reports/report-2010001039502-selection-criteria-and-methodology.pdf>.) The MCC recently made some modest revisions to the indicators by which those three criteria are evaluated, attempting to balance “improvements” with “the need to provide countries with a stable set of criteria to meet.” (Millennium Challenge Corporation, *Report on the Criteria and Methodology for Determining the Eligibility of Candidate Countries for Millennium Challenge Account Assistance in Fiscal Year 2012*, September 2011, p. 4, <https://www.mcc.gov/documents/reports/report-2011001066201-fy12-selection-criteria.pdf>.) Moreover, the proposed MCC invitation and the compact proposal itself are submitted to the MCC’s board of directors—chaired by the secretary of state and including the USAID administrator, the secretary of the treasury, and the U.S. trade representative—and the board has rejected both staff recommendations for invitations as well as compact proposals. So the MCC compact countries are not average recipient countries. They are precisely the opposite: above average. The co-ownership relation is extended only to countries with coherent, capable governments with a record of performance. Furthermore, they have *records of performance* that *excel* on the three criteria or, in later years (when the criteria were unfortunately diluted), countries that were “above average” on these three criteria when compared to others in their income class. (The MCC

economic arrangements for the sake of a good “partnership” that clearly will not result in developmentally effective outcomes. Yet with a few exceptions, the Paris Declaration is virtually silent about the *content* of the development strategy that the donors are supposedly committed to support and with which they are supposed to align their aid. The exceptions are: mention of “strengthening partner countries’ national development strategies” (3); “enhancing donors’ and partner countries’ respective accountability to their citizens and parliaments for their development policies, strategies and performance” (3 iii); and “agreed purposes” (17). Instead, “[d]onors commit to base their overall support...on partners’ national development strategies and periodic reviews of programs in implementing those strategies” (16). Certainly, the Paris Declaration emphasizes process and relationships, not substance and consequences.

Third, the Paris Declaration, the product of discussions among donor and recipient governments, perhaps naturally—but erroneously—conflates two dissimilar concepts: “country” and “government.” It uses the word “country” but means “government.” They are quite different.¹⁸ Countries, after all, do not produce development plans, nor do they align their assistance. It is the

considers only countries in one of two income classes: low income and lower-middle income, with only 25 percent of the MCC’s resources to be invested in compacts for the lower-middle-income countries. See the Millennium Challenge Corporation’s “Country Scorecards,” <http://www.mcc.gov/pages/selection/scorecards>. The country scorecards consolidate an individual country’s scores for each of the seventeen policy indicators MCC uses to determine eligibility for its assistance programs.) At least in their category, these countries are the *crème de la crème*, or at least are supposed to be, not the ordinary assistance countries, whose assistance programs are the responsibility of U.S. government departments and agencies, like USAID, not independent corporations.

¹⁸ The Accra forum did begin to deal with that problem, recognizing the need for broad participation in formulating and implementing donor-supported development plans. The recent DAC review of progress in implementing the Paris Declaration notes that among the commitments with “moderate or mixed progress” since Accra, “while non-state actors are more involved in the design of national development strategies in developing countries, there are still challenges to providing an enabling environment for civil societies in some others” (DAC Review, 16). Although the DAC Review based on a survey of seventy-eight “countries” provides little discussion of the methodology, the context and various public discussions of the DAC Review make clear that the surveys on which it was based were completed by governments or, as the DAC Review puts it, “partner country authorities” (DAC Review, 18). “The Accra Agenda for Action sets out priorities for the implementation of the Paris Declaration, and also accords greater recognition to the role played by a broader set of stakeholders in development” (DAC Review, 18). But relatively little systematic attention is paid to that claim or problem—which, again, the Busan forum might usefully address, since of course the recipient country governments are less than enthusiastic about the inclusion of other stakeholders. Moreover, it is one thing to say that there remain “challenges to providing an enabling *environment* for civil society activities” (16, *emphasis original*), and yet another to include the views of non-state actors in the progress review itself: many would almost certainly not be as sanguine about the progress of recipient countries as is the recipient government in its self-evaluation. Since the DAC Review is based on surveys completed by the recipient governments, these are in effect self-assessments, which of course are inherently infused with at least some conflict-of-interest problems. See DAC Review, 18 ff.

government, not the country, whose financial management capacity needs to be strengthened or, reciprocally as a donor, provides technical assistance to strengthen it. Of course, it is not possible to negotiate an assistance package with an entire country, something of an abstraction at the least; if the government is actually fairly representative, the government is and should be a proxy for the country. In that case, government speaks legitimately on behalf of the country and does so with the consent not just of the donors (who do not really matter in the end) but, critically, of its own population, even those who do not agree with it. Acknowledging the distinction to some extent, however grudgingly, the partner countries promised to do better by “broadening ownership,” with progress “moderate or mixed.”¹⁹

But in what reasonable sense can it be said that the governments of Haiti, Syria, Yemen, or Congo are like Ghana or Chile as truly representative of their respective countries, let alone speak for them or develop national development strategies on their account? They do not. However many (indeed most) such governments receive income and subsidies—“rents,” as economists rightly call them—including development assistance, whether cash, budget support, or technical assistance, in their name and on their account. In these countries, the assistance is often directed to patronage networks, some small, some very large, including whole ethnic groups, communities, even regions. Likely, there is some document called a development plan. Who and what it represents is uncertain at best. Much more certain, and ascertainable, is where the rents go. Most citizens can easily direct even the casual donor agency to the neighborhood in which the actual beneficiaries live and the cars they drive. True, the spoils are shared among the kin and crony groups, but in far too many cases, the receipts are not primarily going to good, broad-based development.

The problem is aggravated by the Paris Declaration commitments to using “country systems” for channeling donor resources. Among the many shortcomings in implementation identified in Accra, especially by the partner countries, is the continued use of donor-country mechanisms, contractors, and NGOs rather than those of the recipients. Particularly galling to the recipients was the failure to use partner country government agencies themselves. Indeed, the partner countries have been complaining loudly that the donors have been investing in local NGOs and channeling assistance through them rather than the governments. That, they say, undermines the state by creating private-sector, donor-financed alternatives for the provision of public goods. Naturally, they argue, their own legitimacy is diluted when citizens appeal to private actors and receive goods and services from them rather than from the state.²⁰ The donors, properly chastened, promised at

¹⁹ “Evidence on the commitments to broaden ownership—including on the participation of non-state stakeholders in aid and development process—is at best partial.” DAC Review, 20.

²⁰ Some donors have pursued a kind of diluted ownership and alignment policy by increasingly channeling their aid through the NGOs, universities, and companies of the recipient countries rather than those of the donor countries. In parallel with their partner country governments, these domestic NGOs, universities, and companies have complained loudly that donor aid is implemented by international organizations, not those of the recipient countries. At best, they have been treated indefinitely as students or sub-agents of the donor entities. It is demeaning, they argue, but also counter-productive to development. They are, by now, 30-year-

Accra to do better. And so they should, but, as the Paris Declaration puts it, “to the maximum extent possible”²¹ and only when the country has “implemented agreed standards and processes”²² and, it should have added, only when the development plan makes sense.

Surely it is within the rights, even responsibilities, of the donors to inquire about the real nature and disposition of the plans and the receipts, both in theory and in practice. The donors, after all, are not charitable foundations distributing voluntary contributions. They are distributing the taxes of their own citizens, and are accountable for them. And even if they were charities, enough has been learned about the necessity to monitor charitable contributions to require some due diligence by the donors other than just to “sign onto” the “country’s” development plan.²³

Yet the Paris Declaration makes no distinctions at all. It treats all recipients equivalently, regardless of their character, their plans, or their procedures, except perhaps that some have less “capacity” than others and need help in building it. As if capacity rather than performance, intention, commitment, and policy implementation were the primary issues and as if the major problem besetting development in most recipient countries is their insufficient capacity rather than their political, social, or economic arrangements and the policies they pursue. In some countries, like South Sudan, lack of capacity may be a major impediment (it remains to be seen even there), but not in all. And again surely it is legitimate for the donors to make some distinctions and act accordingly. Quite apart from its policies and their development implications, who actually does own the development plan? Who are its real beneficiaries? With whom and with what, in fact, would the donors really be aligning? And with what social, political, and economic implications? The answers to those questions are a prerequisite for well-grounded assistance, even apart from whether the recipient policies are well-conceived or decently implemented and whether, even on just those technical reasons, donors should support them. The Paris Declaration and the Accra Agenda for Action presume well-designed and reasonably well-executed plans by the responsible, coherent, well-meaning partner countries, that is, their governments. The Busan high forum ought to clarify and qualify the bases of “country” ownership.

old students, still in the second grade, still practicing penmanship and learning multiplication tables. Naturally, their donor-country counterparts tell a different story, both about the substance of the complaints and also about their own reporting and accountability requirements. In some ways, governments and implementers have parallel narratives, on both the donor and the recipient side.

²¹ For using country systems and procedures and avoiding donor-imposed “dedicated structures” for aid-financed project and program management and implementation (21), for reliance on transparent partner budget and accounting mechanisms (26), and for alignment behind government-led strategies (39).

²² For diagnoses and monitoring (28) and, importantly, for procurement (30).

²³ The recent DAC Review does note “...an improvement in the quality of their public financial systems” (20), but does not specify the extent of the improvement or the number of partner countries with such improvements, and of course does not name the countries with improvements, lest the others be identified by their omission. The donor and partner countries are working on common financial accounting standards and procedures that would provide confidence about the use of funds, and that would be a step forward if only by eliminating a source of mutual recrimination.

It ought as well to clarify and qualify judgments about the substance of the country's development plan and the conditions under which donors can reasonably be asked to align their resources with it or commit to doing so. The Paris Declaration commits the donors to align their assistance with the country development plan (i.e., fund a part of it), to use the country's own systems and procedures "to the maximum extent possible" for channeling their assistance, and to provide reliable commitments of stable future flows of assistance; and it does all this with few qualifications. The partner countries are asked, with donor support, to strengthen their development *capacity*, especially public financial management *capacity*, and to strengthen their national procurement systems. The donors "commit to progressively rely on partner country systems for procurement when the country has implemented "mutually agreed standards and processes" (one of the few instances of qualification in the Paris Declaration). Agreed standards and processes are—or should be—key to the partnerships, as is the mutuality in ratifying the standards, the processes, and the policies, along with their implementation. So are the words "to the maximum extent possible."

The commitments to ownership and alignment make implicit assumptions about the nature of the countries, their governments, their development plans, and their results. Those assumptions are most problematic in precisely the countries receiving aid, precisely the opposite kinds of countries from the donors themselves. So if and when the donors project their own character onto the partner countries, they suspend disbelief. Doing so is problematic enough for the donors. It is also problematic for the recipient countries, many of whose governments have clear records of diverting public resources, including aid, for private or semi-private gains. The argument by the World Bank that withholding funds would "hurt the poor twice" is not very convincing if the resources are diverted and never reach the poor. It is doubly unconvincing when the donors are asked to channel their resources through "country systems." It is as if Londoners were asked to help poor Oliver Twist by funding Fagin. Oliver will never receive the aid while Fagin takes the goodies. The Busan forum can clarify these commitments and their implications. If it leaves them standing, it risks further irrelevance of the declaration, especially as donor funds dwindle and their publics expect greater accountability.

The Paris Declaration and the development literature in general are unfortunately suffused with the word "capacity" when it is performance that should be the target and the standard. What difference does capacity make if performance is absent? Indeed, the desire to continue working on capacity is the development industry's equivalent of tenure: a ticket to life-time employment. There is no end to the amount of capacity contractors and grantees can promise to provide. And there is always room for more capacity. The perfect match. Like a dam, keep providing more and more potential energy without worrying too much about the amount of water or electricity actually produced and delivered. Indeed, when the amount of actual, delivered energy is insufficient, the easy answer is building a higher dam without worrying too much about the turbines, the maintenance, or the performance of the staff. No doubt, many development professionals will say that "capacity" means "performance." Perhaps so. But not always. Using the right word in the right context would be a useful reform the Busan forum could provide for the Paris Declaration. Indeed, it would be a useful service for the development literature more broadly. Ultimately, most donors would be only too

happy to use country systems that work and on which they could fairly rely when there is performance. And most would be very willing to invest in capacity-building where they believe that it is really capacity, not political will, that is deficient.

Mutual Accountability and Managing for Results

Mutual accountability and managing for results are the reciprocals, so to speak, of ownership and alignment. They shift the onus from the donors primarily to some more balanced responsibilities between donors and recipients. Indeed, the Paris Declaration calls for “mutual” accountability, which ought to be the hallmark of true partnership, and for results—performance—which are the standards for accountability. Results are what both should be accountable for. Increasingly, executive and legislative branches in the donor governments are calling for just that from their development agencies: show us the results. Donor development agencies are promising results to themselves as well, not only in response to their legislative and executive colleagues, but because their mission is to produce development results. Results will increasingly be the test for providing additional donor funding, especially the predictable flow called for by the Paris Declaration: Donor countries commit “to intensify our efforts to provide...the increased aid flows as promised at Monterrey...” (6).

Yet the Paris Declaration dilutes the call for results, in terms both of emphasis and content. It is true that “partner countries and donors jointly commit to work together to establish mutually agreed frameworks that provide reliable assessments of performance, transparency and accountability of country systems” (19). It is also true that “the partner countries commit to strengthen the linkages between their national development strategies and their “budget processes” and also to “endeavor to establish results-oriented reporting and assessment frameworks that monitor progress against their strategies” (44). Not clear, however, is why the linkages should be between the development strategies and the budget processes, rather than between the development strategies and development performance. Nor is it clear why the partner and donor countries commit only to “work together” to establish reliable assessments of performance, let alone why partner countries should commit just to “endeavor” to establish the results-oriented reporting against their strategies; however, donors under the Paris Declaration mostly commit to actually doing things, not just endeavoring to do them. Nor, finally, is it clear why, if the idea is to manage for results, the partner countries should not be achieving results against development performance. The donors commit to “link country programming and resources to results” and align them with partner country “performance assessment frameworks” to the extent they even exist. Optimistically, it means that the donors commit to linking their resources to partner performance, but that is not clear.

The Paris Declaration is perhaps understandably silent about the implications of poor results. If the results are disappointing, what effects does that have on the donor or recipient commitments or on the management of the assistance? If the donors are aligning their resources with country development plans and using country systems to implement them, and if the plans or the systems

prove inadequate, what recourse does either party have under the Paris Declaration even with the best of intentions? And what if there are differences in the respective donor and partner assessments of either the management of the resources or the results? Almost all of the donor legislatures and certainly their publics and opposition parties will look critically at the continued commitment of their public funds in countries that are conspicuously failing to achieve results, to say nothing of reports (for example, by inspector generals or other oversight bodies) of assistance losses to corruption and mismanagement. Once again, the Busan forum has the opportunity to clarify all of this, but failure to do so is likely to decrease rather than increase the probability of compliance with the Paris Declaration commitments.

Harmonization

Of the five groups of commitments, harmonization is at once the least problematic but also the least consequential. It commits mostly the donors to work together more cooperatively and effectively. In one sense, it is a principle of taxation. The partner countries have long complained about the little coherence or “harmonization” between the donors themselves, leaving the recipient governments scrambling to meet the different, often conflicting, donor objectives, requirements, expectations, reporting provisions, and visiting delegations of the various donors. Worse yet, the donor plans, however various, were designed independently without reference to the plans of one another or, worse, of the host country giving rise to the Paris Declaration commitments of ownership and alignment. At Paris, the donor countries agreed at least to try to minimize this “tax” on the limited resources of partner country. They agreed to “implement, where feasible” common planning, funding, disbursement, monitoring, and reporting and “to reduce the number of separate, duplicative, missions to the field and diagnostic reviews and promote joint training to share lessons learned and build a community of practice (32).

Potentially more important, the donor countries also committed to “make full use of their respective comparative advantage[s]...by delegating...authority to lead donors for the execution of programmes, activities and tasks” (35). Conversely, partner countries committed to providing their “clear views on the donors’ comparative advantage” and how to achieve donor complementarity...” (34). Were the donors to comply, it would mean a division of labor between them, as they themselves recognize (33). Instead of overlapping and wasteful duplication, the resulting savings would presumably be used to support other projects in the partner country. That would require that donors recognize one another’s comparative strengths, weaknesses, advantages, and disadvantages, and admit to their own relative weaknesses as well as strengths—unfortunately an unlikely set of admissions.²⁴ Shifting that burden to the partner countries²⁵ puts the recipients in an

²⁴ The donor countries and the multilaterals have their own conceits about strengths and weaknesses. It is not so easy to admit that another country is relatively stronger. Moreover they have their own internal interests, within the donor governments and within their own NGO and contractor communities. The bureaucratic stakes within the donor governments and the economic stakes for their implementing communities are

awkward position, so they are at best reluctant to identify weaknesses and disadvantages among their respective patrons. The partner countries also run the risk that a more unified donor effort would come to some deleterious collective conclusions about aid effectiveness in the partner country and that, no longer played off against one another, the donors might come to the table with a united position, including commitments to “harmonized” policies, procedures, implementation, and results.

As it stands, the donor countries are remiss in harmonizing their assessments and evaluations to reduce the burden on the partner countries. They are all but non-compliant in recognizing their comparative strengths and weaknesses, let alone in dividing responsibilities among one another. The reasons for that are several but not persuasive. The Busan forum could usefully try to rectify the donors’ deficiencies in dividing their labor, whatever the underlying causes.

None of this is to suggest that development is a lost cause, even in the countries of what Paul Collier has called the “bottom billion.”²⁶ It does more than just suggest, however, that a realistic rather than fanciful understanding of the countries and their development problems is required both as a road to developmental results and as an approach by recipients, donors, and the development industry (especially the latter two), including the DAC.²⁷ In an environment of serious economic challenges

substantial. A donor that has created, say, a unit on HIV/AIDS and a large HIV/AIDS international program has both an internal staff (often with tenure and certainly with an interest in the subject and their jobs) as well, often, a group of NGOs and contractors with stakes in HIV/AIDS programs. So recognizing the relatively greater strength of another donor and then leaving the field has bureaucratic and economic implications. The pressures are similar in the private sector, but market forces impose consequences on weaker competitors, consequences to which governments are relatively insulated if not immune.

²⁵ “Partner countries commit to provide clear view on donors’ comparative advantage and on how to achieve donor complementarity at country or sector level” (34).

²⁶ Paul Collier, *The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done about It* (New York: Oxford University Press, 2007).

²⁷ Unfortunately, too much of the Paris Declaration approach addresses the provisions surrounding aid and aid effectiveness and too little about development and development effectiveness. That more effective aid will lead to development is an unstated or understated, and at best uncertain, assumption. [See, for example, Dambisa Moyo, *Dead Aid: Why Aid Is Not Working and How There Is a Better Way for Africa* (New York: Farrar, Straus and Giroux, 2009).] Nevertheless, the Paris Declaration process tends to conflate the two in its discussions of “the impact of aid,” meaning the delivery more than the developmental impact of aid. The recent DAC Review, for example, refers to “...deep reforms going beyond aid management” (DAC Review, 15, 20), but it does not explicate what those deep reforms are, how extensive they are, or how they related to development. That linkage is presumably the objective of the joint commitments by donors and recipients to mutual accountability and managing for results, which are the subjects of Chapter 6 of the DAC Review. That chapter makes the connection between aid and development: “The Paris Declaration calls for stronger management for development results, committing developing countries and donors to work together to manage aid for the achievement of development results...” (85) and notes that “[a]ccountability for results is an objective in its own right—citizens and parliaments are fully entitled to know how public responses are being used but it is also a way of establishing incentives...in achieving development results” (85). The chapter

for the donors themselves and consequently tight budgets, development assistance is virtually certain to decrease. Domestic claims will prevail over foreign aid, with perhaps the notable exception of the United Kingdom under Prime Minister David Cameron. Poor returns on what are now euphemistically called “development investments” will just provide additional ammunition for cutting aid even if the expectations of returns are themselves unrealistic. Donors, predominantly democratic, are fiduciaries for their publics, particularly when spending public funds, and will feel the heat. Utopian declarations are unlikely to survive, at least in practice. The Paris Declaration could become an empty gesture of political correctness rather than a guide to actual standards of practice or the real use of resources. Indeed, without modification, it runs some risk of being abandoned altogether in practice if not in theory.

China and Other Rising Powers

An entirely different and much more fundamental challenge for the DAC than the Paris Declaration, and one that will shadow Busan, albeit not formally, is the growth in aid provided by the “rising powers,” particularly China. Except for the Republic of Korea, none of the major rising powers—China, India, Mexico, or Brazil—are members of the DAC.²⁸ No doubt, the foreign aid of every donor is affected by its national interests and foreign policy. But with that qualification—which applies to DAC members as well—it seems likely that, to the extent that they will be donors, India, Brazil, South Korea, Turkey, perhaps soon Mexico, and Indonesia will pursue aid policies roughly like those of the DAC countries, whether they are members or not.

The more uncertain question is China. The growing literature on China’s foreign aid is divided about intentions and consequent modalities. Uncertain, at best, is whether China will join other donors and share their approaches. One indication is that China is not a member of and apparently has no intention of joining the DAC. However, China is, formally, a country “adhering” to the Paris Declaration.²⁹ A second and more telling indication is China’s actual approach. Unlike the DAC donors who concentrate on development strategies, whether their own or those of the partner countries pursuant to the Paris Declaration, China has emphasized specific, tangible projects like

notes that there has been “encouraging progress in promoting management for development results,” but “more than half of the countries now have a score of C suggesting that there is scope for further progress” (86, 87), which is something of an understatement to say the least. It also notes that while “an increasing number of countries have established mutual accountability mechanisms or are in the process of doing so...[and] while there has been progress on national-level mutual accountability since 2008, progress falls short of the Paris Declaration target...[and] further progress is needed on mutual accountability” (90, 91).

²⁸ Mexico is a member of the OECD but not the DAC. South Korea has been increasing its assistance and intends to play a more major assistance role in the future.

²⁹ OECD Development Co-operation Directorate (DCD-DAC), “Countries, Territories and Organisations Adhering to the Paris Declaration and AAA,” http://www.oecd.org/document/22/0,3746,en_2649_3236398_36074966_1_1_1_1,00.html. The Paris Declaration is not a treaty, so no country formally “ratified” it. It is a “declaration” by the countries that “endorsed” it and are “adherents” to it.

roads, bridges, rail lines, schools, hospitals, export zones, interest-free (or virtually free) loans, projects-for-resources swaps, and the like, many of which hearken back to a period in which the DAC donors did the same. Perhaps they should return to that approach, at least in a proportion similar to China's. These projects are tangible, much appreciated (unlike technical assistance) by the local population (at least until the projects deteriorate for lack of maintenance), and eliminate most of the problems of elaborate development strategies, co-ownership, alignment, and the rest of the Paris Declaration superstructure. It doesn't take much discussion about owning a development plan or aligning with one to agree on building a road, school, or hospital. The donor gets a lot of accolades and (given the uncertain quality of many indicators) possibly as much development.

A third indicator is what the government of China says about itself and its foreign aid policy in its recent white paper on foreign aid.³⁰ What China says about itself may not be completely dispositive since, like most governments, it wants to put a certain face on its policies, a face that may not fully disclose all the elements of its policies or practices. Indeed, alongside the white paper's affirmations about the altruism of China's aid, it is of more than passing interest that the white paper confirms that China's aid must serve mutual interests and that it is designed and administered by the Ministry of Commerce not, as in the DAC countries, by the foreign ministry let alone an independent development ministry or agency. Still, the white paper is revealing. It stresses two important points from the perspective of the Paris Declaration. First is that China "remains a developing country with a low per-capita income and a large poverty-stricken population," a poor, developing country of the South, like the recipients of its aid, and (implicitly) not like the donor countries of the DAC of which China is not a member. So the white paper asserts a kind of affinity or equality with the recipients rather than a donor-recipient relation. It notes that, notwithstanding its "own poverty, poor foundation and uneven development... China has been providing aid to the best of its ability to other developing countries with economic difficulties, and fulfilling its due international obligations." Moreover, "China has been doing its best to provide foreign aid, to help recipient countries to strengthen their self-development capacity, enrich and improve their peoples' livelihood, and promote their economic growth and social progress." "China's foreign aid falls into the category of South-South cooperation and is mutual help between developing countries." Second, it emphasizes that China provides assistance "adhering to equality and mutual benefit, stressing substantial results, and...without imposing any *political* conditions on recipient countries....and no strings attached" (emphasis added). Clearly, in both respects China wants to distinguish itself from other donors, like the DAC/OECD countries.

Nevertheless, and without a full exegesis of the white paper, China provides a similar menu of aid, although not necessarily in the same proportions or modalities as the DAC countries: grants,

³⁰ China's Information Office of the State Council, white paper on China's foreign aid, April 2011, http://news.xinhuanet.com/english2010/china/2011-04/21/c_13839683.htm; "White Paper: China's Foreign Aid," *China Daily*, April 22, 2011, http://www.chinadaily.com.cn/opinion/2011-04/22/content_12374296.htm.

interest-free loans, and concessional loans. “China offers foreign aid in eight forms: complete projects (i.e., turn-key operations), goods and materials, technical cooperation, human resource development cooperation, medical teams sent abroad, emergency humanitarian aid, volunteer programs in foreign countries, and debt relief.” Its recipients are “mainly low-income developing countries” with “comparatively even coverage” geographically to (as of 2009) 161 countries and 30 international and regional organizations. “China’s foreign aid projects are oriented to agriculture, industry, economic infrastructure, public facilities, education, medicine and health care...and climate change,” a menu not dissimilar from the countries of the DAC. The white paper notes also China’s “international cooperation in foreign aid,” mostly through UN organizations and forums, although it does mention that China sent a delegation to participate in the High Level Forum on Aid Effectiveness, the only mention of the any mechanism related to the DAC or the OECD.

In some ways, then, China differs less than some DAC countries may argue, but it seems unlikely to join the DAC if only because that would affect its self-image as a member of the South rather than of the OECD. Moreover, the clear connection between its foreign aid and its appetite for resources (manifested, for example, in its pride in swaps of infrastructural assistance for raw materials) and its insistence that it will not intrude at all on the “sovereignty” of its beneficiaries, probably limits its cooperation with the DAC and certainly affects the modalities of interaction with the recipients of its aid. Still, there are references in the white paper to “improv[ing] the pertinence and effectiveness of foreign aid” and “learning from its errors.” Moreover, “Basic features of China’s foreign aid policy are...unremittingly helping countries build up their self-development capacity. Practice has proved that a country’s development depends mainly on its own strength.” And, in that regard, the white paper refers to China’s “shift from the planned economy to the socialist *market* economy” (emphasis added). So perhaps the gap will not be so great in the future. At the very least, given China’s growing foreign aid and the likely reductions in aid flows from the DAC countries, China will play a much larger relative role in the future, a matter that the Busan forum might also usefully consider, especially if the other rising countries follow China’s lead rather than the DAC’s.

Conclusion

The Fourth High Level Forum in Busan faces four challenges, each deeper and broader than the next. The first is the one it has set for itself: how is implementation of the Paris Declaration going and how could it be improved?

The second challenge is not on the agenda at all but should be: whether the Paris Declaration is viable as it stands and therefore whether the shortcomings in implementation can be remedied by yet another Accra-like set of recriminations against the donors and a collective recommitment to work harder. The Paris Declaration, and even more the Accra Agenda for Action, put the onus on aid ineffectiveness disproportionately on one side of the partnership: the donors. So the majority of the commitments for improvement, certainly the more difficult ones, were made by the donors. It is, to say the least, debatable whether it is primarily donor practices that constitute the main reason for the ineffectiveness of aid to achieve development results. Still, even within that framework, the

basic tenets of the Paris Declaration, including all five of its basic principles, should be revisited. However well-intentioned and however directed toward better relations between donors and recipients, the tenets are not viable without substantial modification as a map for greater aid effectiveness in achieving developmental results. To the extent that the fundamentals of the Paris Declaration are not viable and realistic, the Busan forum will be chasing a chimera in trying to ascertain why, since Accra, its implementation continues to founder. Why have ownership and alignment not fared any better? What about managing for results and mutual accountability, let alone harmonization? Where have there been meaningful accomplishments in these areas, and how and why? And why not? Instead, ownership and alignment should be defined, circumscribed, delimited, and differentiated in their application if they remain at all. Conversely, their reciprocals, managing for results and mutual accountability, need to be strengthened. In general the motivations, objectives, expectations, and limitations of both the donors and the recipients need to be incorporated into the partnerships envisioned by the declaration, lest they rest on illusions that have not been and will not be the basis for the improved effectiveness of aid or even its very existence.

Third, also not on the agenda, is the approach of new donors to foreign aid and whether, how, and under what conditions they might be incorporated into the DAC and its frameworks, procedures, and approaches. A part of the third challenge may well relate to the second: what can the DAC learn from other, non-DAC donors, and how should those lessons be incorporated into the DAC's standards and approaches, including the Paris Declaration. Almost certainly the third challenge is beyond the scope of the Busan meetings, but it should not be, if only in corridor conversations and as a prelude to a serious introspection by the DAC in some other process or convocation.

Finally, the fourth challenge is perhaps the most important, although not necessarily for the Busan forum: what is the future of donor assistance in a time of austerity? Among the DAC members, the United Kingdom stands alone in retaining its assistance budget notwithstanding deep cuts elsewhere. However, both Europe and the United States are likely to reduce their assistance budgets, perhaps quite substantially, due to their needs for budget discipline. Japan, of course, has major infrastructure and reconstruction needs. South Korea may increase its assistance, and China has already done so. Turkey may do so as well. With the possible exception of China, however, these increases are unlikely to compensate for the decreases in foreign aid from the DAC donors. And, as noted, China is not a member of the DAC. But under the Paris Declaration, "Donors commit to provide reliable indicative commitments of aid over a multi-year framework and disburse aid in a timely and predictable fashion according to agreed schedules (26)...and to intensify our efforts to provide...the increased flows as promised at Monterrey..." (6). Harmonization, deficient for various reasons, may become an operating necessity and therefore a more central principle.

If the Busan forum limits its discussion only to the first challenge, it risks enfeebling not just the Paris Declaration, but the DAC itself. No doubt there are other forums in which these more basic questions can be raised, but a high-level forum brings together donors and recipients at their highest and most public levels. It provides an opportunity for serious discussion and possibly for

hard decisions, whether at Busan or subsequently. At the very least, these other challenges—including honestly determining (devoid of the often driving influence of political correctness) what seems to be working and not working, where, and why—ought to be part of the informal discussions. They are more fundamental, and ultimately more consequential, than yet another self-flagellating discussion on the insufficient implementation of the current Paris Declaration, a discussion which cannot achieve its purposes in light of the inherent deficiencies of the Paris Declaration, the growth of foreign aid outside the DAC and its declarations, and the likely reductions in foreign aid that will engender a serious discussion of priorities and standards for the amount that will remain.

About the Author

Gerald F. (“Jerry”) Hyman is both a senior adviser and president of the Hills Program on Governance at CSIS. He provides assistance to the Hills-affiliated network of centers in Asia, Latin America, and Africa, manages the Hills Program in the United States, and conducts his own research on democracy and governance. He is also a member of the Advisory Council to the Center for International Media Assistance of the National Endowment for Democracy. He served with the U.S. Agency for International Development (USAID) from 1990 to 2007 and was director of its Office of Democracy and Governance from 2002 to 2007. Prior to joining USAID, he practiced law in Washington, D.C., with Covington & Burling.

Between 1970 and 1982, Hyman taught courses on anthropology, social theory, modernization, economic development, American Indians, and Southeast Asia in the Departments of Sociology and Anthropology at Smith College in Northampton, Massachusetts. He holds a B.A. in philosophy and a Ph.D. in anthropology from the University of Chicago and a J.D. from the University of Virginia. He is the author of *A Cabinet-level Development Agency: Right Problem, Wrong Solution* (CSIS, January 2009), *Foreign Policy and Development: Structure, Process, Policy, and the Drip-by-Drip Erosion of USAID* (CSIS, October 2010), and *The First Quadrennial Diplomacy and Development Review: A Noble Effort* (CSIS, October 2011).



1800 K Street, NW | Washington, DC 20006
Tel: (202) 887-0200 | Fax: (202) 775-3199
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