

The Politics and Policies of Foreign Aid

Thilo Bodenstein
bodensteint@spp.ceu.edu

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CEU Credits: 2

This class uses the CEU e-learning platform.

Please register on the website and download schedule and reading materials.

The international system of development aid has changed significantly in recent years. New and influential donor countries, first and foremost China, have joined the policy field that was long dominated by the countries of the West. South-South cooperation has become an important pillar of the system. At the same time, the system is challenged by the current pandemic and theoretical paradigm shifts. We start with the historical roots of competing development policy approaches in order to understand the general context in which current debates and disputes are taking place. We then take a look at the central blocs of the development system - the OECD donors and China. Alongside the dominant blocs, multilateral organisations and the world of NGOs are at work. We then discuss three controversial aspects - country ownership, conditionality and the SDGs - which may be on the verge of being replaced. Finally, we venture an outlook on the future of the global development system.

Learning outcomes

Students become familiar with the history and basic structure of the international development system. They are able to recognise central challenges, identify them as public policy problems and develop solutions. Furthermore, the students learn to critically classify the policy debates with regard to their historical embedding, paradigmatic and methodological framing. They are independently able to make a methodologically and scientifically sound contribution to the conversation around good development policy.

Requirements and assessment

Students are expected to attend the course regularly, prepare the required reading, actively participate in seminar and group discussions, co-chair a session and present a research paper. At the end, students submit an essay of 3000 words. Deadline for the essay is [...]. Extensions can only be granted with a written medical certificate.

Role of co-facilitators and presenters: Each student will choose one session to cochair and present (if there is more than one student, this will be one group). The presentation should be a paper specified for each session (15 minutes). As co-moderators, the students will help shape the respective session. This includes an introductory discussion at the beginning of each session (for example, by briefly summarising the central points of the reading) on the topic and the compulsory texts, as well as the preparation of questions for the general discussion, which should last 30 minutes.

All written assignments must be submitted on the CEU e-learning platform for the course. The final grade is composed as follows:

- *Course co-moderation and presentation: 25%*
- *Perusal contribution: 15%*
- *Final essay: 60%*

Schedule

	Topic - new	Date	Time
1	Introduction	April 6	09h00-10h40
2	Development cooperation	April 6	11h00-12h40
3	DAC vs. Bandung	April 13	09h00-10h40
4	The OECD system	April 13	11h00-12h40
5	China as a new donor	April 20	09h00-10h40
6	Multilateral organisations	April 20	11h00-12h40
7	Public support for aid	April 27	09h00-10h40
8	NGOs	April 27	11h00-12h40
9	Country ownership	May 4	09h00-10h40
10	Conditionality	May 4	11h00-12h40
11	SDGs	May 11	09h00-10h40
12	Conclusion: A new global aid system?	May 11	11h00-12h40

Presentations

	Topic - new	Date	Presenter
1	Introduction	April 6	
2	Development cooperation	April 6	
3	DAC vs. Bandung	April 13	
4	The OECD system	April 13	
5	China as a new donor	April 20	
6	Multilateral organisations	April 20	
7	Public support for aid	April 27	
8	NGOs	April 27	
9	Country ownership	May 4	
10	Conditionality	May 4	
11	SDGs	May 11	
12	Conclusion: A new global aid system?	May 11	

1 Introduction

Oldekop, Johan A.; Fontana, Lorenza B.; Grugel, Jean; et al. (2016) “100 key research questions for the post-2015 development agenda.” *Development Policy Review*, 34:1, 55-82.

Markovits, D., Strange, A., and Tingley, D. (2017) “Conceptual and Historical Foundations of Foreign Aid.” Unpublished manuscript.

2 What is development cooperation?

Required reading

Klingebiel, Stephan (2014) *Development Cooperation. Challenges of the New Aid Architecture*. Palgrave Macmillan. Chs 1, 4

Recommended reading

Ferretti, Federico (2020) "Subaltern connections: Brazilian critical geographers, development and African decolonisation." *Third World Quarterly*, 41:5, 822-841.

Muhr, Thomas (2016) "Beyond 'BRICS': ten theses on South–South cooperation in the twenty-first century." *Third World Quarterly*, 37:4, 630-648

Radelet, R. (2006) 'A Primer on Foreign Aid.' Center for Global Development Working Paper 92.

Presentation

Haug, Sebastian (2020) "A Thirdspace approach to the 'Global South': insights from the margins of a popular category." *Third World Quarterly*, early access April 2020.

3 DAC vs. Bandung

Required reading

Weber, Heloise and Winanti, Poppy (2016) "The 'Bandung spirit' and solidarist internationalism." *Australian Journal of International Affairs*, 70:4, 391-406.

Riddell, R. (2008) *Does Foreign Aid Really Work?* New York: Oxford University Press. Ch. 2.

Recommended reading

Acharya, Amitav (2016) "Studying the Bandung conference from a Global IR perspective." *Australian Journal of International Affairs*, 70:4, 342-357.

De Haan, A. (2009) *How the Aid Industry Works: An Introduction to International Development*. Sterling, VA: Kumarian Press, pp. 63-89.

Morvaridi, Behrooz, Hughes, Caroline (2018) “South-South Cooperation and Neoliberal Hegemony in a Post-aid World.” *Development and Change*, 49:3, 867-892.

Phillips, Andrew (2016) “Beyond Bandung: the 1955 Asian-African Conference and its legacies for international order.” *Australian Journal of International Affairs*, 70:4, 329-341.

Riddell, R. (2008) *Does Foreign Aid Really Work?* New York: Oxford University Press. Ch. 3.

Presentation

Kilby, Patrick (2018) “DAC is dead? Implications for teaching development Studies.” *Asia Pacific Viewpoint*, 59: 2, 226–234.

4 The OECD System

Required reading

Eyben, Rosalind (2013) “Struggles in Paris: The DAC and the Purposes of Development Aid.” *European Journal of Development Research*, 25:1, 78-91.

Bodenstein, T. and Kemmerling, A. (2015) ‘A Paradox of Redistribution in International Aid? The Determinants of Poverty-Oriented Development Assistance.’ *World Development*, 76: 359-369.

Recommended reading

Kanbur, R. and Sumner, A. (2012) ‘Poor Countries or Poor People? Development Assistance in the New Geography of Global Poverty.’ *Journal of International Development*, 24:6, 686-695.

Easterly, W. and Williamson, C. (2011) ‘Rhetoric versus Reality: The Best and Worst of Aid Agency Practices.’ *World Development*, 39:11, 1930-1949.

Molenaers, Nadia (2012) “The Great Divide? Donor perceptions of budget support, eligibility and policy dialogue.” *Third World Quarterly*, 33:5, 791-806.

Chandy, Laurence and Kharas, Homi (2011) "Why can't we all just get along? The practical limits to international development cooperation." *Journal of International Development*, 23:5, 739-751.

Presentation

Delputte, Sarah; Orbie, Jan (2014) "The EU and Donor Coordination on the Ground: Perspectives from Tanzania and Zambia." *European Journal of Development Research*, 26:5, 676-691.

5 China as a new donor

Required reading

Morgan, Pippa and Zheng, Yu (2019) "Old bottle new wine? The evolution of China's aid in Africa 1956-2014." *Third World Quarterly*, 40:7, 1283-1303.

Chan, Seng In and Song, Weiqing (2020) "Telling the China Story Well: A Discursive Approach to the Analysis of Chinese Foreign Policy in the 'Belt and Road' Initiative." *Chinese Political Science Review*, 5:417-37.

Recommended reading

Anuradha Chenoy, Marina Larionova, Richard Manning, Jennifer Constantine (2016) "Looking Across BRICS: An Emerging International Development Agenda?" In: Jing Gu, Alex Shankland, Anuradha Chenoy (eds.) *The BRICS in International Development*. London: Palgrave Macmillan. pp. 207-242.

Brautigam, D. (2011) "Aid With 'Chinese Characteristics': Chinese Foreign Aid and Development Finance Meet the OECD-DAC Aid Regime." *Journal of International Development*, 23:5, 752-764.

Grimm, S. and Hackenesch, C. (2017) 'China in Africa: What Challenges for a Reforming European Union Development Policy? Illustrations from Country Cases.' *Development Policy Review*, 35:4, 549-566.

Jing Gu, Yunnan Chen, Wang Haibin (2016) "China on the Move: The 'New Silk Road' to International Development Cooperation?" In: Jing Gu, Alex Shankland, Anuradha Chenoy (eds.) *The BRICS in International Development*. London: Palgrave Macmillan. pp. 119-138.

Kragelund, P. (2008) “The Return on Non-DAC Donors to Africa: New Prospects for African Development?” *Development Policy Review*, 26:5, 555-584.

Tan-Mullins, M., Mohan, G., Power, M. (2010) “Redefining ‘Aid’ in the China-Africa Context.” *Development and Change*, 41:5, 857-881.

Woods, N. (2008) “Whose Aid? Whose Influence? China, Emerging Donors and the Silent Revolution in Development Assistance.” *International Affairs*, 84:6, 1205-1221.

He, Wenping (2020) “A Community with a Shared Future Beijing's Vision of China-Africa Relations.” *China Quarterly of International Strategic Studies*, 6:1, 37-52.

Presentation

Martuscelli, Antonio (2018) “The economics of China's engagement with Africa: What is the empirical evidence?” *Development Policy Review*, 38:2, 285-302.

6 Multilateral organisations

Required reading

Verschaeve, Joren and Orbie, Jan (2015) “The DAC is Dead, Long Live the DCF? A Comparative Analysis of the OECD Development Assistance Committee and the UN Development Cooperation Forum.” *European Journal of Development Research*, 28:4,

Baumann, Max-Otto (2021) “How earmarking has become self-perpetuating in United Nations development co-operation.” *Development Policy Review*, early access.

Recommended reading

Esteves, Paulo and Assuncao, Manaira (2014) “South-South cooperation and the international development battlefield: between the OECD and the UN.” *Third World Quarterly*, 35:10, 1775-790.

Ferry, Lauren L. et al. (2020) “Catch me if you care: International development organizations and national corruption.” *Review of International Organizations*, 15:4, 767-792.

Riddell, R. (2008) *Does Foreign Aid Really Work?* New York: Oxford University Press. Ch. 5.

Michaelowa, K., Reinsberg, B. and Schneider, C. (2017) ‘Multi-bi Aid in European Development Assistance: The Role of Capacity Constraints and Member State Politics.’ *Development Policy Review*, 35:4, 513-530.

Palagashvili, Liya; Williamson, Claudia R. (2020) “Are Aid Agencies Changing their Practices?” *Journal of International Development*, 32:5, 819-823.

Faure, R., Prizzon, A. and Rogerson, A. (2015) ‘Multilateral Development Banks: A Short Guide.’ Overseas Development Institute.

Milner, H. (2006) “Why Multilateralism?”, in: Hawkins, D., Lake, D., Nielson, D.L., Tierney, M.J. (eds.): *Delegation and Agencies in International Organizations*. Cambridge University Press, pp. 107-139.

Rodrik, D. (1995) “Why Is There Multilateral Lending?” NBER Paper 5160.

Presentation

Knutsen, Tora and Kotsadam, Andreas (2020) “The political economy of aid allocation: Aid and incumbency at the local level in Sub Saharan Africa.” *World Development*, 127: 1-9.

7 Public support for aid

Required reading

Masaki, Takaaki et al. (2021) “Aid Management, Trust, and Development Policy Influence: New Evidence from a Survey of Public Sector Officials in Low-Income and Middle-Income Countries.” *Studies in Comparative International Development*, early access.

Kobayashi, Yoshiharu (2021) “Public support for development aid during the COVID-19 pandemic.” *World Development*, 138.

Recommended reading

Kohno, Masaru (2021) “Donor competition and public support for foreign aid sanctions.” *Political Research Quarterly*, 74:1, 212-227.

Riddell, R. (2008) *Does Foreign Aid Really Work?* New York: Oxford University Press. Ch. 7.

Paxton, P. and Knack, S. (2012) ‘Individual and Country-Level Factors Affecting Support for Foreign Aid.’ *International Political Science Review*, 33:2, 171-92.

Milner, H.V. and Tingley, D. (2013) “Public Opinion and Foreign Aid: A Review Essay.” *International Interactions*, 39:3, 389-401.

Findley, Michael G et al. (2017) “Who Controls Foreign Aid? Elite versus Public Perceptions of Donor Influence in Aid-Dependent Uganda.” *International Organization*, 71: 4, 633-663.

Presentation

Bodenstein, T. and Kemmerling, A. (2017) “The European Union as a Collective Actor: Aid and Trade in African Public Opinion.” *Development Policy Review*, 35:4, 567-586.

8 NGOs

Required reading

Kinsbergen, Sara et al. (2021) “Long-Lasting, But Not Transformative. An Ex-post Sustainability Study of Development Interventions of Private Development Initiatives.” *European Journal of Development Research*, early access.

Verbrugge, Boris and Huyse, Huib (2020) “Civil society funding by OECD-DAC governments: no more politics as usual?” *Development in Practice*, 30:6, 751-762.

Recommended reading

Moloney, Kim (2020) "Post-Busan partnership in the Pacific? An analysis of donor-NGO relations." *Pacific Review*, 33:2, 278-304.

Brass, J.N., Longhofer, W., Robinson, R.S., and Schnable, A. (2018) "NGOs and international development: A review of thirty-five years of scholarship." *World Development*, 112: 136-169.

Grugel, J. (2000) "Romancing Civil Society: European NGOs in Latin America." *Journal of Inter-American Studies and World Affairs*, 42:2, 87-107.

Reith, S. (2010) "Money, Power, and Donor-NGO Partnerships." *Development in Practice*, 20:3, 446-455.

Reimann, K.D. (2006) "A View From the Top: International Politics, Norms and the Worldwide Growth of NGOs." *International Studies Quarterly*, 50:1, 45-67.

Riddell, R. (2008) *Does Foreign Aid Really Work?* New York: Oxford University Press. Ch. 16.

Salomon, L.M. (1994) "The Rise of the Nonprofit Sector." *Foreign Affairs*, 73:3, 109-122.

Townsend, J.G., Porter, G. and Mawdsley, E. (2002) "Creating Spaces of Resistance: Development NGOs and their Clients in Ghana, India and Mexico." *Antipode*, 36:5, 871-889.

Schuller, M. (2007) "Invasion or Infusion? Understanding the Role of NGOs in Contemporary Haiti." *Journal of Haitian Studies*, 13:2, 96-119.

Pierobon, Chiara (2019) "Promoting sustainable development through civil society: A case study of the EU's NSA/LA thematic programme in Kyrgyzstan." *Development Policy Review*, 37:2, 179-192.

Presentation

Walton, Grant W. (2016) "Gramsci's activists: How local civil society is shaped by the anti-corruption industry, political society and translocal encounters." *Political Geography*, 53: 10-19.

9 Country ownership

Required reading

Keijzer, Niels and Black, David (2020) “Special issue introduction Ownership in a post-aid effectiveness era: Comparative perspectives.” *Development Policy Review*, 38:1 1-12.

Swedlung, Haley J. and Lierl, Malte (2020) “The rise and fall of budget support: Ownership, bargaining and donor commitment problems in foreign aid.” *Development Policy Review*, 38:1, 50-69.

Recommended reading

Hasselskog, Malin et al. (2016) “National ownership and donor involvement: an aid paradox illustrated by the case of Rwanda.” *Third World Quarterly*, 38:8, 1816-1830.

Hasselskog, Malin (2020) “What happens to local participation when national ownership gets stronger? Initiating an exploration in Rwanda and Cambodia.” *Development Policy Review*, 38:1, 91-111.

Furness, Mark (2020) “‘Donorship’ and strategic policy-making: Germany's Middle Eastern and North African aid programme since the Arab uprisings.” *Development Policy Review*, 38:1, 70-90.

Den Heyer, Molly and Johnson, Dustin (2020) “Exploring the complexity of partnerships in development policy and practice: Upstairs and downstairs.” *Development Policy Review*, 38:1, 133-147.

Presentation

Lie, Jon Harald Sande (2019) “Local Ownership as Global Governance.” *European Journal of Development Research*, 31:4, 1107-1125.

10 Aid conditionality

Required reading

Crawford, Gordon and Kacarska, Simonida (2019) “Aid sanctions and political conditionality: continuity and change.” *Journal of International Relations and Development*, 22:1, 18-214.

Li, Xiaojun (2017) “Does Conditionality Still Work? China's Development Assistance and democracy in Africa.” *Chinese Political Science Review*, 2:2, 201-220.

Recommended reading

Bodenstein, T. and Faust, J. (2017) ‘Who Cares? European Public Opinion on Foreign Aid and Political Conditionality.’ *Journal of Common Market Studies*, 55:5, 955-973.

Collier, P., Guillaumont, P., Guillaumont, S. and Gunning, J.W. (1997) ‘Redesigning Conditionality.’ *World Development*, 25:9, 1399-1407.

Hackenesch, C. (2015) ‘It’s Domestic Politics, Stupid! EU Democracy Promotion Strategies Meet African Dominant Party Regimes.’ *World Development*, 75: 85-96.

Koch, S. (2015) ‘A Typology of Political Conditionality Beyond Aid: Conceptual Horizons Based on Lessons from the European Union.’ *World Development*, 75: 97-108.

Molenaers, N., Dellepiane, S. and Faust, J. (2015) ‘Political Conditionality and Foreign Aid.’ *World Development*, 75: 2-12.

Riddell, R. (2008) *Does Foreign Aid Really Work?* New York: Oxford University Press. Ch. 14.

Presentation

Dornan, Matthew (2017) “How new is the “new” conditionality? Recipient perspectives on aid, country ownership and policy reform.” *Development Policy Review*, 35:1, 46-63.

11 SDGs

Required reading

Eskelinen, Teppo (2021) “Interpreting the Sustainable Development Goals through the Perspectives of Utopia and Governance.” *Forum for Development Studies*, early access.

Spangenberg, Joachim H. (2017) “Hot Air or Comprehensive Progress? A Critical Assessment of the SDGs.” *Sustainable Development*, 25:4, 311-321.

Recommended reading

Engberg-Pedersen, Lars (2021) “Is the influence of neoliberalism on development norms waning? Evidence from the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development.” *Development Policy Review*, early access.

Fletcher, Robert and Rammelt, Crelis (2017) “Decoupling: A Key Fantasy of the Post-2015 Sustainable Development Agenda.” *Globalizations*, 14:3, 450-467.

Fukuda-Parr, Sakiko (2019) “Keeping Out Extreme Inequality from the SDG Agenda – The Politics of Indicators.” *Global Policy*, 10: 61-69.

Manuel Diaz-Sarachaga, Jose et al. (2018) “Is the Sustainable Development Goals (SDG) index an adequate framework to measure the progress of the 2030 Agenda?” *Sustainable Development*, 26:6, 663-671.

Sexsmith, Kathleen and McMichael, Philip (2015) “Formulating the SDGs: Reproducing or Reimagining State-Centered Development?” *Globalizations*, 12:4, 581-596.

Presentation

Jonsson, Kristina and Bexell, Magdalena (2021) “Localizing the Sustainable Development Goals: The case of Tanzania.” *Development Policy Review*, 39:2, 181-196.

12 A new global aid system?

Required reading

Barbier, Edward B.; Burgess, Joanne C. (2020) "Sustainability and development after COVID-19." *World Development*, 135.

Taggart, Jack R. (2020) "Global development governance in the 'interregnum'." Review of International Political Economy, early access.

Recommended reading

Hall, Jo (2021) "Assessing the effectiveness of development co-operation: Method matters." *Development Policy Review*, 39:2, 266-282.

Valensisi, Giovanni (2020) "COVID-19 and Global Poverty: Are LDCs Being Left Behind?" *European Journal of Development Research*, 32:5, 1535-1557.

Presentation

Patel, Kamna (2020) "Race and a decolonial turn in development studies." *Third World Quarterly*, 41:9, 1463-1475.