

## The Politics and Policies of Foreign Aid

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CEU Credits: 2

Room: [...]

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 to understand the general context in which current debates and disputes are taking place. We then 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 can recognise central challenges, identify them as public policy problems and develop solutions. Furthermore, students learn to critically assess the policy debates about 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 assignments and submit a final learning journal (2000 word). Deadline for the learning journal [...]. Extensions can only be granted with a written medical certificate.

**Class presentation:** The presentation is about the mandatory reading of each session (15 minutes). Presenters/presentation groups highlight the main take-away points of the reading and add criticism and follow-up questions, which then will be discussed in groups.

**Group work:** Each group will work on a scenario for the future of the international aid system. The focus of the scenario is chosen by the group. The groups are encouraged to work throughout the course on the final assignment, but session 10 is reserved for the groups to work on and finalise their scenarios. The groups will present their policy scenarios in the last session.

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

- *Participation and presentation: 25%*
- *Group presentation: 25%*
- *Learning journal: 50%*

**Workload:** One ECTS credit is 25 hours real work. The course is worth 4 ECTS credits, which is 100 hours. Our 12 sessions amount to 20 hours. You need 4 hours of preparation for each session, which is 48 hours. The remaining 32 hours is for preparation of class presentations and course assignments.

## Schedule

	<b>Topic - new</b>	<b>Date</b>	<b>Time</b>
1	Introduction – What is development cooperation?		
2	The origins of the Western aid system		
3	The ‘Bandung system’		
4	Bilateral aid – OECD donors		
5	Bilateral aid – China		
6	Multilateral organisations		
7	NGOs		
8	Philanthropy		
9	Conditionality		
10	Group working session		
11	SDGs		
12	Presentation of group work - scenarios		

## 1 Introduction – What is development cooperation?

### *Required*

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

### *Recommended*

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.

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

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

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

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.

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

## 2 The origins of the Western aid system

### *Required*

Riddell, R. (2008) *Does Foreign Aid Really Work?* New York: Oxford University Press. Ch. 2, 3.

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

### *Recommended*

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

### 3 The 'Bandung system'

#### *Required reading*

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

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

#### *Recommended reading*

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*

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

#### Video on the Bandung Conference

<https://www.indonesia-investments.com/id/culture/culture-columns/60th-anniversary-1st-asian-african-conference-bandung-conference-1955/item5427>

### 4 Incentivising – OECD donors

#### *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.

Brown, S. (2020) "The Rise and Fall of the Aid Effectiveness Norm". *European Journal of Development Research*, 32:4, 1230-1248.

#### *Recommended reading*

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.

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 Mutual benefit – China**

#### *Required reading*

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.

Guo, S., Sun, Y. and Demidov, P. (2020) "The Role of BRICS in International Development Assistance." *International Organisations Research Journal*, 15:2, 125-140.

#### *Recommended 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.

Gomes, G.Z. and Esteves, P. (2018) "The BRICS Effect: Impacts of South-South Cooperation in the Social Field of International Development Cooperation." *IDS Bulletin – Institute of Development Studies*, 49:3, 129-144.

Gulrajani, N. and Faure, R. (2019) "Donors in transition and the future of development cooperation: What do the data from Brazil, India, China, and South Africa reveal?" *Public Administration and Development*, 39:4-5, 231-244.

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 of Non-DAC Donors to Africa: New Prospects for African Development?" *Development Policy Review*, 26:5, 555-584.

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

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*

Kurita, M. (2021) "How Far Away from Non-interference? A Case Study of China's Development Initiative in Pakistan." *Journal of Contemporary China*, Early Access.

Cardwell, R. and Ghazalian, P.L. (2018) "The effects of aid agency independence on bilateral aid allocation decisions." *World Development*, 106: 136-148.

## **6 Norm setting - Multilateral organisations**

### *Required reading*

Sondarjee, Maïka (2021) "Change and stability at the World Bank: inclusive practices and neoliberal technocratic rationality." *Third World Quarterly*, 42:2, 348-365

Hunter, Benjamin M. and Shaffer, Jonathan D. (2021) "Human capital, risk, and the World Bank's reintermediation in global development." *Third World Quarterly*, Early access.

### *Recommended reading*

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

### *Presentation*

- Bazbauers, Adrian Robert (2019) “World Bank technical assistance: Locating and cultivating sympathetic interlocutors.” *Development Policy Review*, 37:5, 638-656.
- Mendez, A. and Houghton, D.P. (2020) “Sustainable Banking: The Role of Multilateral Development Banks as Norm Entrepreneurs.” *Sustainability*, 12:3, 1-21.

## **7 Policy delegation - 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.
- 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.



*Recommended reading*

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

*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.

## **8 Philantrocaptalism – Philanthropy and aid**

*Required reading*

- Budabin, Alexandra Cosima et al. (2017) "Celebrity-led development organisations: the legitimating function of elite engagement." *Third World Quarterly*, 38:9, 1952-1972.
- Poruthiyil, Prabhir Vishnu (2020) "Semantic dilution of inequality: a smoke-screen for philanthrocaptalism." *Critical Discourse Studies*, 17:3, 308-326

*Recommended*

- Lechterman, T.M. (2020) “The Effective Altruist's Political Problem.” *Polity*, 52:1, 88-115.
- MacKenzie, M.K. (2021) “Democratic philanthropy.” *Contemporary Political Theory*, 20:3, 568-590.
- Saunders-Hastings, E. (2018) “Plutocratic Philanthropy.” *Journal of Politics*, 80:1, 49-161.
- Taylor, L.L. (2018) “Sizzle or Fizzle? Celebrity Philanthropy Case Study Development of a Case Study Typology for Philanthropy.” *Journal of Nonprofit Education and Leadership*, 8:4, 422-445.
- Harvey, C., Gordon, J. and Maclean, M. (2021) “The Ethics of Entrepreneurial Philanthropy.” *Journal of Business Ethics*, 171:1, 33-49.
- Micinski, N.R. (2017) “The Changing Role of the Ford Foundation in International Development, 1951-2001.” *Voluntas*, 28:3, 1301-1325.
- Ponte, S. and Richey, L.A. (2014) “Buying into development? Brand Aid forms of cause-related marketing.” *Third World Quarterly*, 35:1, 65-87.

#### *Presentation*

- Appel, S. and Oreg, A. (2021) “Does effective altruism drive private cross-border aid? A qualitative study of American donors to grassroots INGOs.” *Third World Quarterly*, Early Access.

## **9 Responsibilisation - 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.
- Carrai, M.A. (2021) “Adaptive governance along Chinese-financed BRI railroad megaprojects in East Africa.” *World Development*, Early Access.
- 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.

Keijzer, N. and Black, D. (2020) "Special issue introduction Ownership in a post-aid effectiveness era: Comparative perspectives." *Development Policy Review*, 38: O1-O12.

## **10 Group work session**

Quigley, Kevin, and Mcdougald, Warren. 2020. Scenario Planning: Process, Tools and Example. MacEachen Institute for Public Policy and Governance. Dalhousie University.

Taggart, Jack R. 2022. Global Development Governance in the 'Interregnum'. *Review of International Political Economy* 29 (3): 904–27. <https://doi.org/10.1080/09692290.2020.1852948>.

## **11 Open method of coordination - Sustainable Development Goals**

#### *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.

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

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.

Weber, Heloise (2015) “Reproducing Inequalities through Development: The MDGs and the Politics of Method.” *Globalizations*, 12:4, 660-676.

*Presentation*

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

**12 Group presentation of scenarios**