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Revisiting the Roles of Development Aid: Resonated between Researchers and Practitioners

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KOICA
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Table of Contents

I. Introduction	1
II. Roles of Development Aid	4
III. Methodology	14
IV. Have the Roles of Aid Been Revised? Interpretations from the Field	17
V. Discussion and Concluding Remarks	24
References	26
Appendix	30

List of Figures

Figure 1. Response results of the short-answer question	17
Figure 2. Overall pattern of survey result (average)	18
Figure 3. Overall patterns of survey result for each question (total number of responses)	19
Figure 4. Overall pattern of survey result by organisation group (average)	20
Figure 5. Overall pattern of survey result by region (average)	22
Figure 6. Overall pattern of survey responses by length of work experience (average)	23

Revisiting the Roles of Development Aid: Resonated between Researchers and Practitioners

I. Introduction

Recently, the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) has attempted to redefine official development assistance (ODA) and statistical methodology by reflecting the changing dynamics of the aid landscape and its substantial results in increasing the amount of non-traditional aid flows. On one hand, DAC member states tend to emphasise ‘development cooperation based on inclusive partnership,’ which implies engagement of other actors rather than state actors with non-aid flows, such as private flows from businesses, especially since the fourth OECD DAC High Level Forum (HLF) in Busan in 2011. The seminal series of the HLFs were commenced by the OECD DAC in Rome in 2003 in order to support achieving the Millennium Development Goals (MDGs) by doubling aid volume as well as maximising aid delivery efficiency and quality. The Busan HLF was the final meeting of the series, which succeeded the second (Paris in 2005) and the third (Accra in 2008) HLFs. While the previous three HLFs covered the issue of aid effectiveness, the final HLF in Busan expanded the agenda from aid effectiveness to effective development cooperation. On the other hand, recent efforts to revisit the ODA definition stem from the fact that other sources of development finance, such as private philanthropy and remittances, tend to outpace ODA flows. While ODA accounted for about 50 percent of net external flows to developing countries in the 1960s, it is now only about 20 percent. Furthermore, while the total ODA amount from DAC member states counts for around USD 130 billion per year, remittances represent over USD 345 billion and foreign direct investment (FDI) has recorded about USD 414 billion (Tomasi, 2013: 1).

Nevertheless, these non-traditional aid mechanisms are not included in the current ODA reporting system of the OECD DAC, and thereby, there has been a demand for modernising the definition of ODA and the OECD Creditor Reporting System (CRS) (see OECD, 2014). Originally, the OECD defined ODA as: ‘those flows to countries and territories on the DAC list of ODA recipients and to multilateral development institutions which are provided by official agencies, including state and local governments or by their executive agencies’ by reflecting its role in supporting ‘the promotion of the economic development and welfare of developing countries as its main objective’ (OECD, 2013b: 13). However, the terminology, as well as what to measure as development finance, is in need of change as the traditional definition does not reflect the changing environment of development financing flows, such as market-like financial instrument (Tomasi, 2013). To this extent, the definition of ODA needs to be altered by reflecting the role of aid in catalysing other flows and mobilising additional development resources, such as private financing and market-like financial instruments (OECD, 2013a).

Then, does this mean that the role of aid has changed? Is it no longer limited to ‘supporting the promotion of the economic development and welfare of developing countries as its main objective’ as stated in the OECD DAC definition? Then, what will be the main roles of aid in the coming years? Will donors overhaul the role of aid? Or, will aid be no longer significant in the international development cooperation considering that the number of recipient countries is decreasing? Will it be needed only in the least developed countries? Will private financing flows substitute official aid flows? Then, will aid wither away? There is no single study which addresses all of these interrelated questions, but a few studies have attempted to compare whether researchers analysis can be supported by aid practitioners in terms of the roles of aid in the contemporary era. Hence, this study aims to fill the gap that exists between researches and practices. In doing so, this research conducted a preliminary study and developed a hypothesis that aid will be necessary as there are still needs for assistance in many areas but in a wider spectrum.

With this in mind, the study attempts to redefine the roles of aid by conducting a literature review of existing studies which are related to the roles of ODA. However, as only a few studies directly address or discuss the role of ODA, this study has explored studies that directly and indirectly imply the roles of ODA in their arguments. That is, as the ODA role can be referred to as how to interpret the effectiveness of aid, the role of aid can therefore be judged by the extent to what is expected as results or outcomes of its delivery. Drawn on the literature review, this paper proposes nine categories of ODA roles in theory which underpin that the roles of aid have evolved from a simple to a more dynamic approach. This, in turn, is attested by using the survey method. The survey, which was responded by practitioners at the country level, was intended to look at whether the suggested segmentation of ODA roles is commensurate with what scholars discuss in theory. However, as one role cannot simply be deemed more significant than another, the paper has used the Likert scale method in the survey exercise. Here, it is noteworthy that the term ‘aid’ can be understood in various forms of aid sources (Riddell, 2007). Thus, in this study, the definition of ‘aid’ is limited to ODA, and does not include other forms of aid, such as military aid or emergency relief.

II. Roles of Development Aid

There are diverse approaches to explain the roles of development aid. As mentioned at the beginning of the study, scholars do not directly express the roles of aid in their analyses; instead, they rather tend to imply them in the context. For example, a majority of the relevant literature, especially for those written by economists in development discourse, seem to relate the role of aid to the economic growth in developing countries. In recent analyses of the aid regime, the tendency has been revised so that more studies seek the roles of aid in agendas such as social development, mobilising private finance, climate finance, or achieving global goals. As mentioned previously, this paper analyses the following nine categories as the roles of aid.

Role of aid in economic growth

As the former OECD DAC Chair Brian Atwood stated, the primary role of ODA can be found in ‘development’ in terms of inclusive growth and poverty reduction (Atwood, 2012). In this, ODA has provided for economic growth in many developing countries. The legacy of aid and economic growth nexus can be found in earlier studies. In the 1960s, the two gap theory by Chenery and Strout, which was provided to justify ODA’s role in filling the gaps of savings and foreign exchange in developing countries, was one of the founding thoughts for aid role in economic growth. At the same time, Harrod-Domar’s capital coefficient theory also sought the role of aid in economic growth. These approaches have converted into debates on aid effectiveness by discussing aid results and economic growth.

In recent studies, most of the quantitative analyses on aid effectiveness have been done in relation between aid and economic growth. For example, the economist Easterly (2006, 2008) criticises ineffective results of aid in terms of bringing economic development in developing countries. The logic behind can be found in the conventional belief that the role of aid is in economic development. Similarly, as the leading feature of the big push theory, Sachs

(2005) argues that we need sufficient aid intervention to developing countries in terms of volume to achieve poverty reduction. According to Sachs, the role of aid is to support interventions for solving complex problems limiting economic growth in developing countries. Similarly, Collier (2007) implies that the role of aid can be understood in its supportive mechanism for economic growth. According to Collier, developing countries can realise economic growth more rapidly with aid support. Aid can also assist in sustaining the current economic statuses of developing countries. In addition to the analysis of Burnside and Dollar (2000), scholars in development economics discourse, for instance, Lessman and Markwardt (2012), Mekasha and Tarp (2013), and many others, all seek outcomes of aid execution in economic development. However, there are researchers who question whether the primary role of aid is for economic growth; for example, about 60 percent of bilateral ODA is allocated to social and human sectors, such as education, health, and water and sanitation (Barder, 2011: 1). The following will discuss this issue in more detail.

Human and social development in developing countries

According to Barder (2011), the general understanding that development aid is provided for poverty reduction while humanitarian aid is designed to alleviate nationally emergent situations in developing countries is inaccurate. Aid is effective for bringing about economic development in the long term along with social and human development, but it is not designed to bring short-term or mid-term effects on economic growth. At the same time, with regard to its volume and duration, it is difficult to evidently show cross-country effects of aid in terms of economic development. This however does not mean that its role in economic growth is denied, but rather, it is necessary to focus on other roles which can lead long-term economic development. In other words, while traditional arguments on aid and poverty reduction tend to focus the nexus with economic development in quantitative scales, a more recent approach is found in human and social development in terms of quality in poverty reduction. The MDGs are one of the appropriate examples: except Goals 1 and 8, the rest of the goals address human and

social development. This shift from a quantitative to qualitative approach in the social development aspect can be found in the late 1990s coupled with globalisation (Toye, 1993). As such, since the birth of the MDGs, academics have provided their analyses on aid and social sector development. For example, Esser and Bench (2011) analyse how non-traditional aid contributed to the health sector of developing countries in comparison with ODA support. It is noteworthy, however, that there is more than a dichotomy approach to understanding the economic and social roles of ODA, as discussed in the following sections.

Achieving global goals in developing countries

Researchers who employ the MDG proxy in their analyses tend to discuss the role of aid in line with the MDGs (for example, Addison, Mavrotas and McGillivray, 2005a; Martins, 2010). As Goal 8 (Global Partnership) advocates increasing the volume of ODA from donor countries to 0.7 percent per GNI, it has been officially suggested that ODA can contribute to reaching Goal 8 target as well as economic and social development targets embedded in other Goals. However, it is criticised that the problems of ODA, such as aid volatility, can work as obstacles for MDG achievement, even though ODA has a positive effect on achieving the MDGs. While ODA can contribute to reaching the MDGs in low income countries (LICs), it might not have the same level of effect in other thresholds, such as fragile states (Martins, 2010). With this in mind, it is implied that the role of ODA can be found in its contributing role in achieving the MDGs. Currently, the development of new global goals which will commence from 2015 are under development by addressing new global agendas, such as climate change, inequality, and peace and security. Furthermore, the recent global discussion on establishing the new global goals has highlighted the need for effective financing for development, including ODA.

Supporting fragile states

About 15 percent of the population living in developing countries are in

fragile states and one-third of the world's poor are living in fragile states, but only 25 percent of development assistance has been allocated to these countries. The population living in fragile states can involve mass migration with increased violence as well as repositories of disease (Newbrander, 2007: 5-6), and as the fragile states will not meet the MDG targets by 2015 (IDPS, 2010), this can have a negative effect on the world economy and security. Reflecting these concerns, the international development community have speculated the importance of placing the label 'fragile' on some recipient countries of development assistance, especially during the OECD DAC HLFs. In the third OECD DAC HLF in 2008, the importance of a differentiated approach to fragile states was highlighted. Moreover, it was stated that 'at country level, donors and developing countries will work and agree on a set of realistic peace- and state-building objectives that address the root causes of conflict and fragility' in the Accra Agenda for Action (AAA) of the third HLF. Based on the initiative discussed during the third HLF in Accra, the g7+ member countries established the New Deal for Engagement in Fragile States (New Deal), which provides aid effectiveness principles in fragile and conflict-affected states along with broader aid effectiveness principles of transparency, aid predictability, capacity building, and the use of country systems. They also established Peacebuilding and Statebuilding Goals in fragile and conflict-affected situations. The New Deal was officially adopted by the international community during the fourth HLF in Busan, in 2011.

On the other hand, the guidelines of the OECD Fragile States Group in 2005 emphasised the importance of security sector reform as a result of 9/11 security concerns; however, later suggestions led by the International Network on Conflict and Fragility (INCAF) enlarged the scope of focus from security to include peace and state building. According to INCAF's guidelines, donors are recommended to improve aid practice in line with the ten Principles for Good International Engagement in Fragile States and Situations, which was introduced in 2007. The Principles were designed in order to enhance positive impact and reduce unintentional harms caused by donor engagement in fragile situations, and were introduced to complement

the decisions made by the OECD DAC HLFs, such as the Paris Declaration and the AAA, and to attain the MDGs. INCAF has also included the International Dialogue on Peacebuilding and Statebuilding, which was established during the third OECD DAC HLF, into its work streams. It is thus apparent that aid has a critical role in fragile states.

Supporting middle income countries (MICs)

The conventional theory suggests that middle income countries (MICs) require less or no aid (for example, Collier, 2007). Accordingly, once a country reaches the MIC level, ODA flows tend to decrease quickly, and the country also begins to provide aid to other developing countries. In this process, expectations for the role of MICs in developing countries drawn upon relatively horizontal partnerships, especially in the form of South-South cooperation, are gained. The more aid MICs provide to other countries, the less aid is allocated to MICs. However, it has been pointed out recently that MICs are still in need of ODA. For example, during the first High Level Meeting on monitoring the implementation progress of the Busan Global Partnership in Mexico in 2014, the Economic Commission for Latin America and the Caribbean (ECLAC) representative strongly argued that the current categorisation of developing countries against income per capita threshold is not appropriate for reflecting the shifting distribution of the world poor. The geography of population living below the poverty line is different now compared to that of in the 1990s. An increasing number of countries have acquired economic growth and reached the level of MIC. However, as growth exacerbated inequality within nations, the poor live in MICs and even in the upper MICs (emerging economies) are on an upsurge (Tomasi, 2014). Drawn upon this logic, MICs still need aid support, for instance, to achieve the MDGs. In other words, aid still has an impact in terms of global public goods in MICs. It is also necessary for MICs to be supported by ODA as they do not maintain a stable MIC level, and thus, MICs can still negatively influence neighbouring countries. For example, 25 developing countries dropped from MIC status to LIC level between 1978 and 2003, and countries like Georgia, Indonesia, Honduras, Yemen, and Cameroon are

constantly shifting categories between LIC, lower MIC (LMIC), and MIC (Glennie, 2011). In light of this, aid still has an important role in MICs in overcoming the so-called MIC trap and graduating to the MIC level.

Improving the lives of people in developing countries

In the above section, it was inferred that the current income per capita threshold-based categorisation of countries is growing increasingly controversial. The poverty focus can differ by the measurement, as Herbert (2012) claims, and determinants for aid allocation should not come from country poverty statistics but from the people poverty index. Statistically, three-quarters of the poor are located in MICs, which is a ‘startling change’ compared to that of seven percent in 1990 (Sumner, 2010: 1). The poor living in MICs are now called the ‘new bottom billion’ in comparison with Collier (2007)’s ‘bottom billion’ which counts poor countries at the global level. Notably, two-thirds of the world’s poor are concentrated in five countries: India (33 percent), China (13 percent), Nigeria (seven percent), Bangladesh (six percent), and the Democratic Republic of Congo (five percent) (World Bank, 2014: 4). Similarly, as the MDGs are targeted with country-based measurements, they are limited to consider the lives of the poor at a grassroots level. Hence, it is a tendency to focus on individual beneficiaries of aid in developing countries. This partially stems from the critics who argue that domestic inequality has risen coupled with economic growth. While sole emphasis on economic growth has been associated with inequality in countries and the increasing number of people living in extreme poverty in MICs is resulting in a new bottom billion in the sense of inequality (Solheim, 2013), the role of aid has expanded to address quality matters as well as equal development for the poor. In this sense, the UN High Level Panel of Eminent Persons on the Post-2015 Development Agenda (HLP) provided five priority challenges for change, and the first was to ‘leave no one behind’ in order to emphasise that ‘everyone’ should be included in the new global agenda without experiencing exclusion or inequality. At the same time, echoing Barder (2011)’s argument mentioned above, the role of ODA in social development can be more precisely

discussed in improving the lives of people in development countries in terms of the quality of life of individuals. Aid itself does not promote economic growth but rather provides basic services to people.

Mobilising private flows

As mentioned at the beginning of the study, non-ODA flows were already provided before the OECD DAC's initiative of redefining ODA and statistical methodology. According to the OECD DAC, the conception of innovative development finance is 'comprising mechanisms of raising funds or stimulating actions in support of international development that go beyond traditional spending approaches by either the official or private sectors,' while the World Bank adopts assistance from emerging donors and local currency bonds issued by the multilateral development banks as innovative development finance (Vanheukelom, Migliorisi, Cangas, Keijzer and Spierings, 2012: 18). This trend is expanding quickly especially in MICs (Dadi, Castro, Gamarra and Migliorisi, 2011), and therefore, the role of aid in catalysing private flows will be explicitly important in the future, particularly as the number of MICs is expected to increase. The contemporary discourse on innovative development finance began from the Monterrey Consensus of 2002 by discussing non-ODA elements for financing for development, such as pooling private and public revenue streams like public-private partnerships (PPPs), new revenue streams like taxes, charges and fees, new incentives like financial guarantees, corporate social responsibility or other rewards (Vanheukelom et al., 2012). According to OECD DAC statistics, 26 percent of aid has been invested for mobilising private flows (OECD, 2005: 23). However, the analysis shows that it needs to be more strategic in order to contribute to sustainable development. At the same time, it is required to enhance the enabling environment for pooling private investment in developing countries, where the role of ODA can be found. The logic behind private finance enabling environment has been embedded in the Busan Global Partnership indicators as a form of inclusive partnership. Since the Busan HLF, the issue of mobilising private investment by using ODA has more actively been discussed in the international aid

regime.

Whilst only a few scholarly analyses, apart from a narrower approach to FDI, have been conducted in regard with innovative development finance (for example, Addison et al., 2005b), policy researches have discussed the allocation and portfolio of private flows (for instance, Ratha, Mohapatra and Plaza, 2008). In the latter case, albeit limitedly, studies attempted to consider how to mobilise private finance incorporating traditional aid flows, and most of their suggestions are expanding PPP mechanisms. In comparison, international organisations like the OECD, UN and World Bank have analysed how to promote innovating development finance by using ODA as leverage (Vanheulekom et al., 2012). Yet, while ODA has a broad role in mobilising and catalysing private finance, it also has a role of facilitating FDI in a narrower sense. In other words, ODA has a nexus with FDI as donor countries promote FDI in recipient countries when providing aid. For example, one of the ODA objectives of the United States (US) is to promote FDI in developing countries (Kimura and Todo, 2010). According to the OECD, aid has positive effect on the enabling environment for investment, including FDI (OECD, 2004, cited in Kimura and Todo, 2010: 482). However, it is noteworthy that not all scholars agree to this as a role of ODA as they look at it as an indirect effect of ODA, not a direct influence of aid to FDI (for instance, Selaya and Sunesen, 2012), and this is related to the conventional controversy of aid for trade discussion.

Mobilising domestic tax revenue in developing countries

While the global financial crisis exacerbated donor support to recipient countries, it also resulted in aid volatility. Given this, it has been pointed out that domestic revenue mobilisation (DRM) would be critical for economic growth and poverty reduction in developing countries. DRM can strengthen recipient countries' ownership along with less dependency on aid. DRM can be defined as, 'the savings and investments generated by household, domestic firms, and governments' (Culper and Bhushan, 2008: 1). Amongst these sources of domestic resources, financial flows from governments refer

to those from the public sector throughout tax and revenue generation, and the role of ODA can be found in the context of this ‘tax revenue.’ Generally, developing countries, especially LICs, lack the capacity for collecting domestic tax, and therefore, donors provide aid in order to improve their taxation systems. However, despite donors’ efforts for tax system reform in developing countries, recipient governments continue to struggle to collect taxes from taxpayers as they tend to fail in providing quality public services (Bhusahn and Samy, 2010). Therefore, developing countries governments tend to heavily rely on trade taxes (Clist and Morrissey, 2011; Culpeper and Bhushan, 2010). Trade-related taxes, however, have been decreasing recently in such countries due to obstacles like tariffs. Given this, it is expected for donors to influence trade liberalisation and tariff reduction when they provide aid (Culpeper and Bhushan, 2010).

Supporting climate change adaptation (CCA) and mitigation

As the majority of victims of climate change are in poor countries due to its aggravating effects on poverty, food security, and vulnerability, climate change has received growing attention in the recent global environment agenda. Given this, it is estimated that climate change adaptation (CCA) and mitigation costs in these countries are significantly high (Addison, Arndt and Tarp, 2011), and thus, ODA is expected to play a crucial role in supporting CCA and mitigation in developing countries. Aid money can help countries to minimise conflicts occurring between development priorities and climate change priorities (Ayers and Huq, 2008), and ODA can be used to leverage private investments as it will play an important role in terms of future energy suppliers. In other words, aid, especially the guarantee mechanism of loan-type aid, can loosen the obstacles for investment to leverage more private flows for climate change mitigation (Brown and Jacobs, 2011). This can be understood as a form of PPP mechanism as in a wider context. However, there are critics that aid is ineffective in confronting climate change, such as reducing carbon emission, whereas it can have positive effect in improving energy efficiency, such as lowering the level of energy

intensity of GDP or CCA in developing countries (Kretschmer, Hübner and Nunnenkamp, 2013). At the same time, while aid can play a more critical role in CCA, it is necessary for donors to give more emphasis on environmental governance in recipient countries (Larsen and Mamosso, 2013), and further on incorporation CCA and mitigation into issues like infrastructure investments and livelihood strategies (Addison et al., 2011).

III. Methodology

In order to attest this research's hypothesis that aid is necessary as there are still needs for assistance in many areas but in a wider spectrum, this study has employed a survey method by examining what aid practitioners think about the roles of aid in comparison with what theoretical research shows. Before conducting the actual survey, a pilot survey was executed to look at whether the suggested nine categories of the roles of aid are appropriate or further revisions of these categories are necessary. The pilot survey questionnaire was distributed to 25 aid workers in four Asian developing countries (Cambodia, Myanmar, Indonesia and Vietnam) in January 2014 for two weeks. The main survey was conducted in 22 developing countries in February 2014 for two weeks, with 86 respondents. While the pilot survey was conducted by the author, the questionnaire was distributed to 44 country offices of the Korea International Cooperation Agency (KOICA). Each KOICA office was informed to distribute the questionnaire to recipient government officers who are in charge of aid activities as well as practitioners in other aid agencies in each country. However, only 22 KOICA offices have supported the survey, and the countries which provided survey responses are: Algeria, Azerbaijan, Bangladesh, Cambodia, Cameroon, Colombia, East Timor, Ecuador, Haiti, Iraq, Kenya, Mongolia, Mozambique, Myanmar, Nepal, Palestine, Paraguay, Philippines, Senegal, Tunisia, Uganda and Uzbekistan. Seven out of the 22 countries are located in the African region, two are in Central Asia, two are in the Middle East, seven are in the Asia Pacific region, and four are in the Latin American region.

While the piloted questionnaire was introduced with nine categories of the roles of aid through the multiple choice method, this was changed to the Likert scale method in accordance with suggestions by pilot survey respondents. The Likert scale imposed in the main survey questionnaire ranged from 1 (lowest) to 5 (highest). While nine questions were listed by reflecting nine categories, a short-answer question was provided in the questionnaire which asked if respondents think aid will wither away or not, and why. This question was intended to look at whether practitioners have

views different from the hypothesis of the paper drawn by existing literature. The survey also requested the name of the organisation of where the participants work and the length of employment at the organisation, in terms of years.

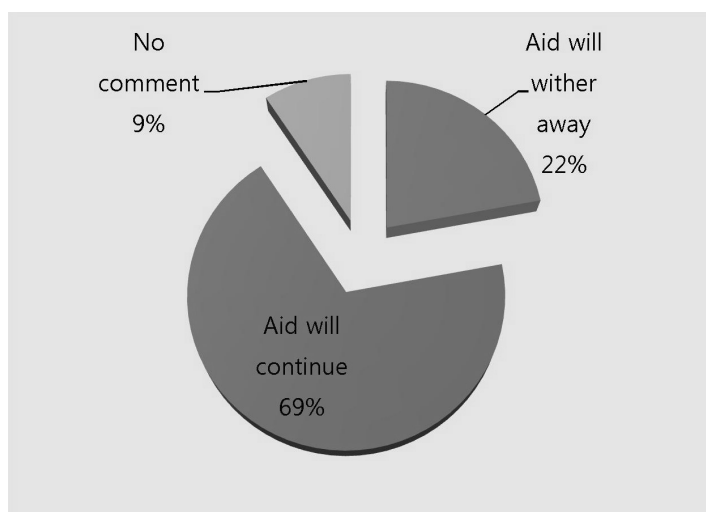
The nine questions stated in the survey form have been slightly revised from the original categories. For example, the ‘role of aid in economic growth’ has been extended ‘poverty reduction, economic growth, or economic development in developing countries.’ As Addison et al. (2005) noted, aid has a positive impact on economic growth, and this implies that aid also has a positive impact on poverty reduction. This raises the question of whether economic growth can bring poverty reduction. However, this paper does not conclude that economic growth brings poverty reduction but rather emphasises that economic growth has shown positive influence on poverty reduction, as mentioned above. In this account, the role of aid for economic growth and poverty reduction has been categorised as one pillar. At the same time, the role of aid in ‘achieving global goals in developing countries’ has been modified into ‘supporting achieving MDGs and Post-2015 global goals in developing countries’ as we approach the periodical target for MDGs achievement and expect to be led to a new set of global goals. For the roles of ODA in ‘supporting fragile states’ and ‘supporting MICs,’ this study merged both categories into one as ‘overcoming the development trap in the MICs, or addressing the causes of fragility in post-conflict and fragile states’ because there would be an embedded bias for both questions as government officials from fragile states would well likely give more attention to fragile states issues while those from MICs would tend to react vice versa. From the pilot survey, Indonesia and Vietnam government officials answered that aid is important in the development of MICs, but they did not consider the role of aid to be significant in fragile states. As such, we can easily predict that the responses of fragile states officials to the survey would be the other way around. To this extent, this study provides a country classification between fragile states and the MICs as one category so that it can minimise expected biases against survey responses.

In the case of ‘mobilising private flows,’ this study has divided it into two pillars, ‘mobilising private flows’ (in general) and ‘mobilising trade and FDI,’ as some aid workers tend to distinguish between general private flows and FDI, including trade, as observed from anecdotal discussion with survey participants. Finally, ‘supporting climate change adaptation and mitigation’ is also now in the context of ‘support for adaptation to climate change, environmental governance, green growth, or reducing energy and carbon emission in developing countries’ in order to include various approaches towards the environment issues in the aid regime. Thus, the final form of the questionnaire consists of nine questions, but is slightly different from original categorisation of the roles of ODA provided in the previous chapter of the study. The finalised list of questions provided in the main survey questionnaire is provided in Annex.

IV. Have the Roles of Aid Been Revised? Interpretations from the Field

While this study has hypothesised that aid will be still necessary in the future, 59 respondents out of 88 (69 percent) answered that aid will continue. On the other hand, 19 respondents (22 percent) expressed that aid will wither away while eight respondents (9 percent) did not provide any comments on this question. Figure 1 summarises these results.

Figure 1. Response results of the short-answer question



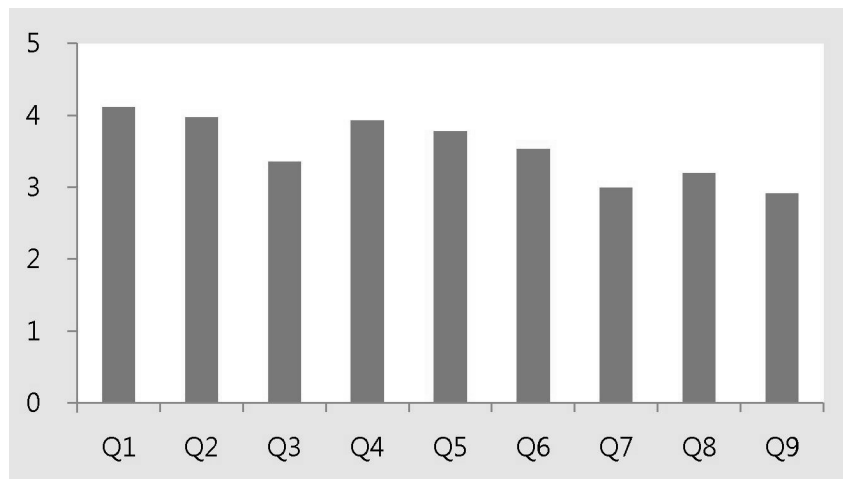
Source: author's own compilation

The respondents who answered that aid will remain important can be divided into two groups. One group explained that aid will continuously play its important role for development of countries, but modalities and types will be tailored and revised. Some of the respondents discussed that aid may gradually decrease in the very long term, but not entirely disappear. In this case, the role of aid in mobilising and leveraging private resources will increase. Others in this group have contended that the role of aid in the

future will not be found in the context of financing terms. According to them, it will heavily focus on capacity development and policy context. In comparison, the other group argues that aid will continue simply due to humanitarian reasons. Respondents who think that aid will cease in the future argue that other external flows, such as FDI or private financing tools, will substitute ODA. They tend to claim that the number of developing countries will minimise, and therefore, ODA will no longer be provided. According to them, developing countries will begin to benefit from the results of ODA efforts, and finally, they will not need aid anymore.

Turning to the second part of the questionnaire, which asked the participants what they think the roles of aid are on the basis of the Likert scale, aid workers at the field level tended to agree with the roles of aid in all of the nine suggested categories as the averages of responses for all categories were above 3 (see Figure 2).

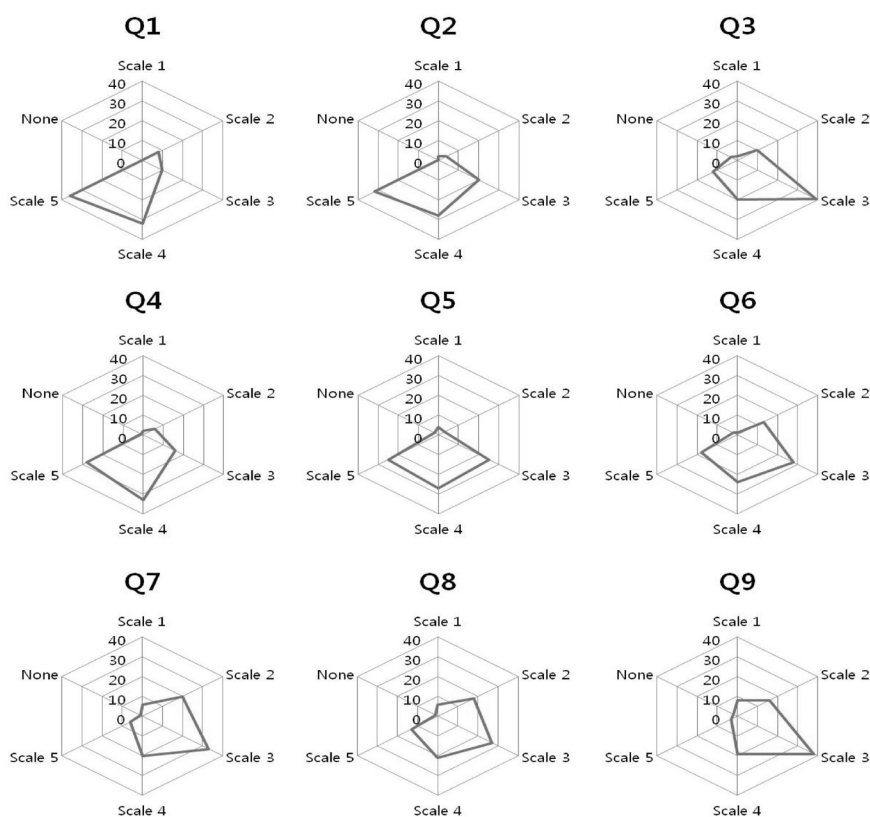
Figure 2. Overall pattern of survey result (average)



Source: author's own compilation

Even though it is not highly significant, it delivers a meaningful result in the context that responses are drawn by a positive curve. It can be found that practitioners think the roles of aid in both mobilising private flows and mobilising domestic tax revenue in developing countries are least important, whereas they highlight aid role in achieving the MDGs and the Post-2105 Development Goals. At the same time, their response results demonstrate that both economic development and social development in developing countries are almost equally important in the context of the roles of ODA. In order to validate the overall pattern of survey results by average, Figure 3 shows how many respondents answered at which scale for each question.

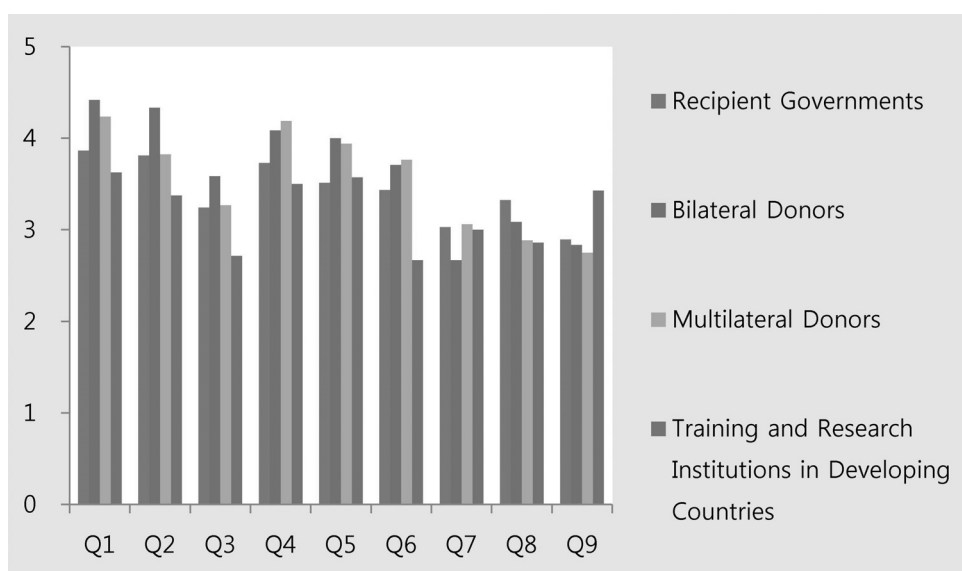
Figure 3. Overall patterns of survey result for each question (total number of responses)



Source: author's own compilation

As shown in Figure 4, the results illustrate that the respondents have a different approach to the roles of aid in accordance with their organisational background as evident in the overall pattern of survey responses by organisation group in terms of recipient governments, bilateral donors, multilateral donors, and other training and research institutions in developing countries. 37 respondents belong to the recipient government group, whereas 24 and 16 participants work for bilateral and multilateral donor agencies, respectively. The rest of the respondents are positioned in other training and research institutions in developing countries.

Figure 4. Overall pattern of survey result by organisation group (average)



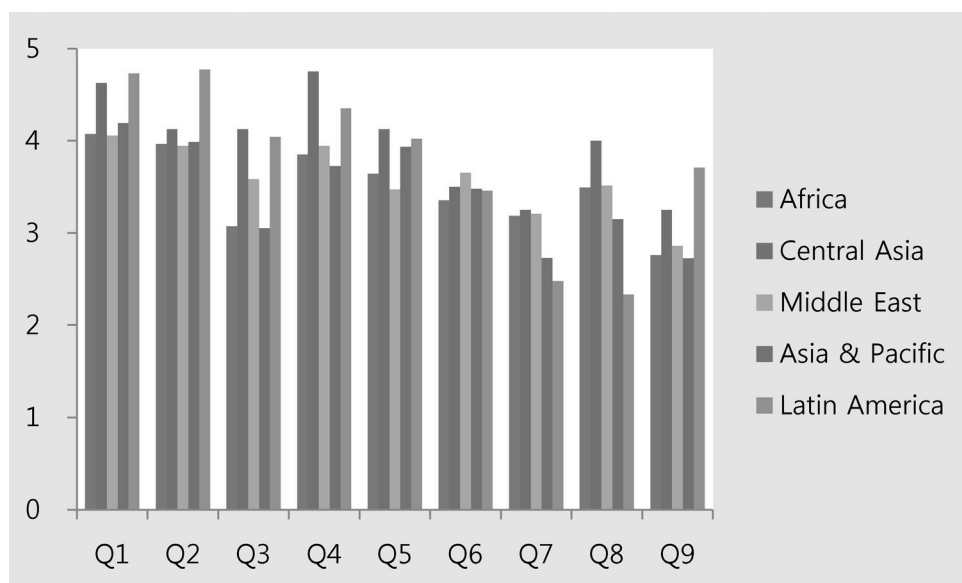
Source: author's own compilation

While donors gave higher scores to most of the questions, recipients tended to give lower marks. At the same time, both donor groups seem to think that aid roles are more important in categories related to questions 1, 2, 4, 5 and 6, whereas officials who deal with ODA agenda in recipient

governments tend to think aid has played more significant roles in the categories in questions 1, 2, 4, 5, 6 and 8. Yet, the pattern between respondents in donors and recipient government groups are not significantly different, whereas participants who belong to the training and research institutions in developing countries show slightly different views. For example, while other three groups responded that ODA role in mobilising tax revenue in developing countries is one of the lowest concerns, employees in training and research institutions in developing countries consider it as the most important role of ODA. While overall trends of the responses show aid workers generally agree with the nine categories of the roles of ODA, respondents at training and research institutions in developing countries do not strongly agree with the roles of aid in recent agenda in development cooperation discourse, such as supporting MICs or fragile states, supporting CCA, and mobilising private flows, including FDI. On the other hand, aid practitioners at multilateral organisations do not seem to agree that aid has critical roles in mobilising trade and FDI as well as mobilising domestic tax revenue in developing countries, whilst those from bilateral organisations provided their opinion that aid roles in mobilising private flows and domestic tax revenue are relatively less important as their scores were recorded below 3. In comparison, officials from recipient governments answered above 3 to the questions for all of the nine categories, on average.

When looking at the trends of responses by region (see Figure 5), the discrepancy between each group is at the highest in comparison with overall trends or trends by organisation group. For instance, aid workers from Latin America gave the highest scores to questions 1 and 2, while those from Central Asia took questions 1 and 4 as the most important categories as the roles of ODA. In terms of numerical average, respondents from the African region tended to mark lower scores for most of the questions. Interestingly, respondents who belong to both the African and Asia Pacific regions tend to give lowest weight to the role of aid in MICs or in fragile states. 27 participants are from the African region, five are from Central Asia, 13 are from the Middle East, 33 are from the Asia Pacific region, and ten are from the Latin American region.

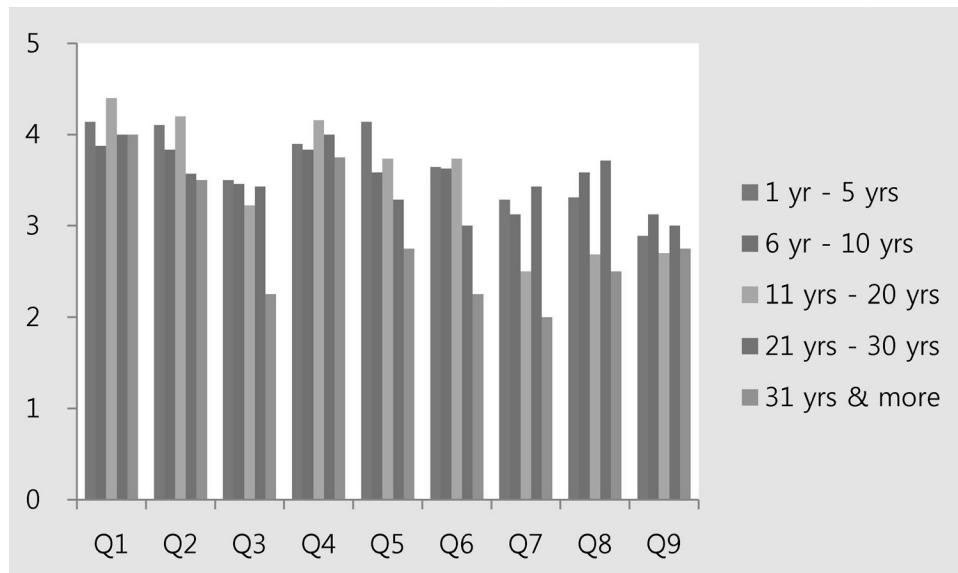
Figure 5. Overall pattern of survey result by region (average)



Source: author's own compilation

At last, in terms of the length of work experience in their organisations (see Figure 6), participants who have more than 31 years experience tended to give the lowest scores for most of the questions. Especially their responses to questions 3, 5, 6 and 7 were significantly lower than others. Interestingly, opinions on the roles of aid varied from work experience in terms of the period at the current organisation. Among the respondents, 29 have worked at their organisations for between one year and five years, whilst 24 respondents have experience within their current work from six years to ten years. While 20 respondents have work experience between 11 years and 20 years, seven respondents have worked in their current organisations for between 21 years and 30 years. Only four respondents have more than 30 years work experience at their work. Two respondents out of 88 have not provided their work duration at the organisation.

Figure 6. Overall pattern of survey responses by length of work experience (average)



Source: author's own compilation

V. Discussion and Concluding Remarks

This study analysed how existing literature has developed the roles of development aid. Drawn by literature review, the study has provided a hypothesis that aid will continue as there still are needs for assistance in many areas but in a wider spectrum. Based on the hypothesis, this research has conducted a survey in order to look at whether aid practitioners are consummate with researchers explaining the roles of aid. The survey questionnaire was designed in two pillars: the short-answer questions and the Likert scale questions.

Even though it is somewhat vague whether researchers argue that aid will wither away or not, the findings illustrate that aid practitioners tend to agree that aid will remain important in developing countries. However, the context of its means and roles will differ from what they are now. For example, while the aid regime used to emphasis its role in economic growth in the past, it now has been expanded to nine variables. This view is similar to those of scholarly studies and aid practitioners. While the overall tendency shows that aid practitioners give more attention to the roles of aid in: 1) supporting achieving MDGs and Post-2015 global goals, 2) poverty reduction, economic growth, or economic development, and 3) human and social development, they have less interest in roles such as supporting MICs or fragile states, mobilising private flows, and mobilising domestic tax revenue, which are hotly debated in the international development cooperation discussions and research. In other words, aid practitioners' conceptions and views at the country level are not fully integrated with the contemporary discussions in the international development cooperation community.

As demonstrated in the paper, participants at the fourth HLF in Busan in 2011 highlighted the need for private flows and the role of aid as leveraging them. At the same time, during the Mexico High Level Meeting in 2014, aid role in MICs was hotly discussed. However, it turned out that the majority of aid workers at the country level still believe in the conventional roles of

ODA. Yet, interestingly, the aforementioned three categories are well presented in the discussion of the Post-2015 Development Framework. For instance, as the MDGs have provided a wrong impression that economic growth is not as important as social development since the MDGs barely deal with the issue of economic development (Sumner and Tiwari, 2010), the basic framework for the Post-2015 Development Goals is introduced on the basis of four balanced values of inclusive economic development, inclusive social development, environmental sustainability, and peace and security. As a result, the findings of this study imply that there can be a time lag between global discussions and field-level practitioners. That is, while it seems that the agendas such as mobilising private finance and CCA are not prevailed yet at the country level, it is apparent that most aid workers at the field level agree that aid has roles that extend beyond purely an economic role; thus, it will be continuously provided, but in a tailored framework.

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Annex: Survey Questionnaire

Your organisation's name	
Your current position at your organisation	
Your length of employment at your organisation	___ year(s)

To what extent do you think the role(s) of ODA is(are)?

Supporting achieving MDGs and Post-2015 global goals in developing countries	1 2 3 4 5
Poverty reduction, economic growth, or economic development in developing countries	1 2 3 4 5
Overcoming the development trap the middle-income countries (MICs), or addressing the causes of fragility in post-conflict and fragile states	1 2 3 4 5
Human and social development in developing countries	1 2 3 4 5
Improving the lives of people in developing countries	1 2 3 4 5
Support for adaptation to climate change, environmental governance, green growth, or reducing energy and carbon emission in developing countries	1 2 3 4 5
Mobilising private flows	1 2 3 4 5
Mobilisation of trade and foreign direct investment (FDI) in developing countries	1 2 3 4 5
Mobilising domestic tax revenue in developing countries	1 2 3 4 5

Do you think ODA will wither away in the future? Why?

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Resonated between Researchers and Practitioners

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