The Potential of Development Cooperation of Emerging Donors China, India and Brazil as a Successful Approach to Aid Provision in Sub-Sahara Africa

Illustrated by the case study of Prosavana
Introduction

The traditional global aid architecture is facing a legitimacy crisis. For a long time, foreign aid from the global North was seen as an essential instrument in reducing poverty and meet development goals in the global South. An established group of donor countries provided for the bulk of development assistance to less developed countries and decided on its terms and standards through the norm setting body of the Development Assistance Committee (DAC) as part of the multilateral Organization for Economic Cooperation and Development (OECD). Today, several developments call this framework into question. Not only has aid failed to prove its effectiveness despite many efforts to improve its methods, the recent financial crisis has also sharpened the discourse of national interest and value for aid money in western societies. In the same time the DAC approach is in need of severe readjustment, strong economic growth in southern countries such as China, India and Brazil has introduced new donors in the field of development assistance. As the aid from these countries is increasing rapidly, it becomes evident that both their discourse as well as behaviour differs greatly from that of the traditional donors, leaving some to claim the emergence of an alternative framework of development assistance (Manning 2006, Woods 2007).

After initial concerns and suspicion from the traditional donors’ side on the consequences of such a competitive model of development assistance (Naim 2007), recent years have seen more and more praise for the South-South approach within media and academic circles. In a blog post last year in the Guardian Abed and Nwanze (president of IFAD) claimed that the potential of South-South cooperation has become increasingly evident and mention that emerging donors who could bring ‘enormous hope and opportunity for close to a billion people living in poverty’ (July 2012). Similarly, multilateral institutions have issued paper series called ‘South-South Opportunities’ (The World Bank 2010) or ‘Boosting South-South Cooperation in the context of aid effectiveness’ (OECD Task-Team on South-South Cooperation 2010), suggesting that there is much to gain for international development cooperation in this area. But although these positive sounds on the southern model urge us to celebrate its potential within the field of development assistance, when taking a closer look, most of these claims seem to arise without putting the components of this new model through a critical screening. This brings up the question if this positive image is sustainable when put under scrutiny in both theory and reality.

In light of the above, this thesis would like to further explore the idea that there could be a new and promising southern model of development cooperation on the rise. It wishes to
provide on the one hand a research based on images brought forward in literature of these new donors, and on the other hand a critical analysis of this assumed model. What could its potential be and what positive signs are already showing in the field? In other words, could such a ‘southern’ development assistance model have an advantage over the traditional approach? Because it is important to put these questions into the broader climate of the global development assistance, the stance of the thesis will be further elaborated at the end of the first chapter.

To make proving an answer to the above questions workable, throughout the thesis the focus will be on the group of new development partners who pose the greatest competition to the current DAC model, those which Zimmermann and Smith (2011) refer to as ‘South–South Development Cooperation’ (SSDC) providers. These include countries such as Brazil, Chile, China, Egypt, India, Mexico, South Africa, Thailand and Venezuela, but exclude new members of the European Union, other advanced countries, such as Russia, and Arab donors, who have their own logic of aid provision. Because the scope of this thesis is too narrow to allow an in-to-depth investigation of all of the countries belonging to this group, it will focus on the three biggest donor countries: China, India and Brazil to represent the southern model. These countries distribute the largest amounts of aid among the South-South providers and have recently been subject of several characterization studies as development partners. Moreover, they have all shown to put forward a ‘development investment logic’ in their aid programmes, according to Saidi and Wolf (2011, 7). From hereon, the term CIB-model and southern model will be used interchangeably.

Additionally, Sub-Sahara Africa will provide for the geographical focus of the thesis. In this region, the change in the foreign aid landscape has become most visible and fed the debate on emerging donors. Moreover, Kragelund (2011) has specifically mentioned China, India and Brazil to stand out in their growing economic and political influence in Africa.

Resulting from these demarcations the overall research question of this thesis is as follows:

What are the potential areas of advantage for the development cooperation approach from the emerging donors China, India and Brazil (CIB) in Sub Sahara Africa?

In order to reach an outcome to this question, the thesis is divided into four chapters that all contribute to the eventual conclusion. Chapter one will firstly provide for context in order to frame the debate between North and South and offers an account of the coming-into
being of the current DAC-system, the history and revival of the CIB donors the current issues at play in the debate on emerging donors. Here the stance of this thesis and its methodology will be further explained. Chapter two will subsequently attempt to define both the models by reviewing the associated aid processes and trends and categorize some of their key principles, development focus and modalities. After laying out this basis, chapter three will the components of this southern model through a critical analysis to find its possible advantages. The final chapter concludes with a case study in order to analyse to which extent these advantages can be found in practice by looking at an agricultural cooperation project between Brazil and Mozambique.
Chapter 1 - Background and Methodology

Introduction

Despite being a heavily debated topic in terms of its efficiency and role within international relations, the concept of foreign aid is a widely accepted international norm and subject of official national policy-making in many nations. On a global level, a multilateral architecture of aid governance has evolved under guidance of the DAC. It is in this context that the current debate on the new donors is taking place, contrasting North-South with South-South development cooperation and traditional (DAC) donors with emerging (CIB) donors. Before taking any stance in this debate, it is essential to elaborate on how this contraposition came into place both in reality as well as in literature. In order to do so, the first two sections of this chapter start with a short overview of collective history and aid agenda of the traditional and emerging donors and continue with a description of the two ‘donor groups’. To complete sketching the current climate of global development assistance, the following section then turns to the on-going debate on the emerging donors and gives a general overview of the different opinions and scholars involved. Finally, the stance of this thesis in the debate will be clarified and its research methodology will be laid out in the last part.

1.1 The traditional donors

1.1.1 The traditional aid agenda

Even though development assistance existed long before the 1940’s, aid in its contemporary form is usually cited to have emerged in the aftermath of the Second World War. Some hold that the Marshall plan inspired the idea of foreign aid, but others argue that it was primarily through moral considerations expressed in international fora that aid became a definitive part of national policies of countries in the global ‘North’, a term representing the richer countries of North America, Europe, Japan, Australia and New Zealand, (Ridell 2007). Since then, the agendas informing the design of aid policies and programmes of traditional donors have taken shape in the space between aid’s political origins and stimuli and the economic solutions provided by the dominant views held within the academic field of International Development (Rowlands 2011, 4). Political purposes have ranged between self-interest and altruism. Especially during the Cold War era, aid was openly used as an instrument serving interest of geopolitical nature and influence was maintained in former colonies through financial transfers. However, as we will come to see in chapter two, official
statements have mostly referred to an ideological interest of alleviating human suffering as the main goal of aid (Lancaster 2007).

Until the 1980s, aid was mostly bilateral and intended to promote the conditions for economic growth, rather than raise the standards of living of the poor. Informed by the views within International Development Theory, in the 1940s to 1960s, Keynesian economic theory prevailed in development programmes. By transferring resources to remove savings or current account gaps, traditional donors urged governments in developing nations to set in motion processes of industrialization and modernization with the help of western technology and capital (Lancaster 2009, 28). In 1960, the aid relationship between developed and developing countries was formalized through the establishment of the predecessor to DAC, the Development Assistance Group, within the Organization of Economic Cooperation and Development (OECD), which had the mandate to improve development assistance through enhanced methods of delivering aid and defining the terms and conditions of aid.

During the 1970’s, government-focused policies came under pressure following the oil price shocks and the end of the gold standard. The economic recession and high debt levels of many developing countries urged for a new paradigm to give directions to stabilize the economies of these countries. In the 1980’s-1990’s neoliberal reforms came to dominate the implementation of aid under the Washington Consensus. Under this ideology, aid was meant to stimulate market led solutions instead of government investments in order to create economic growth. Here, again, poverty reduction was a mere result of the intended growth and not the main goal (Mawdsley 2012, 34). But in the 1990’s, continuous critiques on the neoliberal methods came to a high point. The Structural Adjustment Programs (SAPs) had proven to be a failure in many cases, causing poverty levels to rise instead of fall in the absence of social services that had resulted from prescribed budget cuts in this area (Easterly 2007).

In the new millennium, two new lines of reform set out to reinvent the aid approach of the traditional donors: the ‘new aid agenda’ and the ‘Paris agenda on effectiveness’, including a renewed attention for poverty reduction and a focus to make aid’s methods more efficient and effective. Both of these agendas will be dealt with later on in the thesis to explain the components of and critiques on the DAC model.
1.1.2 The DAC donors

Since the DAC was created in the 1960’s to coordinate and promote aid from the donor community, it has functioned as the main multilateral mechanism to give shape and direction to the desire of many western countries to address the development agenda collectively. Today, it operates as a site for the construction and dissemination of transnational research and policy ideas across a wide range of contemporary issues in aid provision and works closely together with other multilateral development institutions such as the UNDP, the World Bank and the International Monetary Fund (Eyben 2012, Mahon and McBride 2009). The DAC currently has 24 members including countries including the USA, Japan, Australia and most western European States, who together account for about $125bn a year in aid flows (OECD 2013a). See figure 1 below for an overview of the latest available data of 2012 and figure 2 for the growth rates of ODA from 1990-2009 showing bilateral and multilateral flows.
Figure 1. Net Official Development from DAC countries in 2012 (Preliminary data for 2012)

(Source: OECD (2013a))

Figure 1.2 Gross ODA provided by DAC member countries, 1990-2009
Although figure 1.2 shows a steady increase in aid numbers from 1997 onwards, the recent crisis has forced many western governments to cut back on aid spending, resulting for the first time in many years in a decline of ODA (by almost 3%) in 2011, added by a following drop in 2012, announced recently (OECD 2013a). African countries form the biggest beneficiaries of DAC aid, receiving 44.8% of the total in 2010-2011 (OECD 2011b).

The DAC donors as a group serve as a useful subject of comparison with the emerging donors for this thesis as they represent a long established normative and academic community. As Rowlands (2008, 4) argues, the DAC is ‘instrumental in defining terms and concepts in development assistance, identifying “best” practices, and providing a framework within which bilateral donors can interact with a higher degree of synergy than if they had been left to their own devices’. For its members, the research, programme reviews and declaratory statements of the DAC thus provide for points of reference for norms on development assistance. Few of these rules enforcement mechanisms or sanctions but depend on informal practices, expectations, and public opinion for their enforcement (Brautigam 2010, 11). Illustrative of this and the most important is the definition of “official development assistance” (ODA), wherein military or commercially driven aid is specifically excluded and a concessionality of at least 25% in terms of grant element is required (OECD Glossary of Statistical terms).

But although the DAC is widely seen as a community of shared values, the unity of its members should not be over-stated. The DAC is often referred to as a western organization, but it deserves mentioning that Japan and South-Korea (since 2011) bring a different cultural background into the group. Also, methods and modalities vary across members. For example, as the biggest provider in absolute terms, the US, only disburses 12% of their aid through
multilateral agencies, compared to 73% of Italy (OECD 2012, 6). Similarly, some countries tie much of their aid (Greece 60%), others hardly tie anything (OECD 2012, 6).

1.2 The emerging donors

As non-DAC donors, China, India and Brazil stand out as providers of development cooperation not only because of the large sums of development financing involved since recently but also because they differ the most from the DAC donors. The root of their differing philosophies lies in their shared history as providers of South-South cooperation. The following sections will go further into this concept and will thereafter continue to give an account of the (re)-emergence of CIB’s engagement in development cooperation, providing a short overview of each donor separately.

1.2.2 The Surge of South-South Development Cooperation

Just as the developed nations became termed ‘North’ in foreign aid literature, the developing nations became the ‘South’. Contrary to what current terminology might suggest, many southern countries that are now called ‘emerging donors’ started programs of official economic cooperation and mutual assistance as most of the DAC members in the 1950s and 60s. Where traditional donors have always clearly differentiated between of ‘foreign aid’ and other forms of economic engagement, the history of aid provision of southern countries has mostly been debated as part of South-South Cooperation (SSC). This concept refers to a much broader framework, including aid, trade, investment and technology transfer and has its roots in the Bandung Conference in 1955. The leaders of 29 developing countries joined there to recognize the promotion of collective self-reliance of the south as essential (Bandung declaration, 1955). In the decades that followed several southern aid institutions and bilateral aid programmes emerged between southern countries, notably the Non-Aligned Movement (NAM) in 1967. But despite a huge growth of South-South linkages during the 1970s, aid between southern countries started to decline again in the 1980s when many of these states came to cope with high levels of debt and inflation. As a result, the OECD countries came to dominate global development assistance in the 1990s, providing for more than 95% of all aid flows (Manning 2006). Nevertheless, SSC remained a “cherished goal of developing’ countries foreign policies” (Chatuvedi et al 2012, 17).

The end of the millennium came with renewed opportunities for SSC. Direct channels of interaction between the emerging giants and poor countries, such as trade, foreign direct
investment and aid have been intensifying since then. Between 1990 and 2008 world trade expanded almost four-fold, but South-South trade multiplied more than ten times (OECD 2010). Additionally, a gradual decline in North to South flows during the second half of the 00’s, created further space for southern countries to increasingly make themselves heard internationally. The World Bank recently noted that after decades of consolidation, “it seems that the discourse of South–South cooperation has achieved a certain level of maturity and the minimum financial and human resources required to promote meaningful change” (World Bank 2010, 15). The rapidly increasing funds that CIB emerging economies now have made available for development cooperation can be seen as coherent with the recent surge of the South.

1.2.3 The CIB-donors

When compared to DAC-donors, aid flows coming from China, India and Brazil are still a fraction of total ODA by DAC donors, reaching US$125.7 billion last year (OECD/DAC data base). An estimation made by Smith and Zimmerman with help of data from different sources (table 1.1) shows that China almost reached $2 bn in 2009 and that India and Brazil came close to providing half a billion per annum (Smith and Zimmerman 2011, 724). To place these numbers in perspective: China would provide roughly as much aid as Switzerland, India comes closest to Greece and Brazils numbers are similar to those of New Zealand (based on 2011 OECD Stats).

<table>
<thead>
<tr>
<th>Country</th>
<th>Amount</th>
<th>Year</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>362</td>
<td>2009</td>
<td>IPEA and ABC, Brazil.</td>
</tr>
<tr>
<td>China</td>
<td>1,947</td>
<td>2009</td>
<td>Fiscal yearbook, Ministry of Finance, China.</td>
</tr>
<tr>
<td>India</td>
<td>488</td>
<td>2009/2010</td>
<td>Annual reports, Ministry of Foreign Affairs, India.</td>
</tr>
</tbody>
</table>

(Source: Smith and Zimmerman 2011, 724)

However, due to lack of complete data and disagreement on what count as aid flows and what does not, it is hard to give an accurate account of the current funds of emerging donors. Calculations by others show that the above numbers are far from fixed. Providing for a range in which the numbers might lie, Walz and Ramachandran (2011, 6) have estimated Chinese aid numbers to lie between $1.5 billion and $25.1 billion. The higher estimate would make China the second largest provider of ODA after the United States. Estimates for Brazil
and India also vary widely, from a low of $356 million to a high of $4 billion for the former and $488 million to $2,171 billion for the latter (Walz and Ramachandran 2011, 7). These ranges are the result of the fact that the CIB countries have no standard system for reporting ODA, like the DAC donors. Lacking any definitions of which activities fall under development assistance and what under investment or trade makes it very hard to compare the amounts DAC and CIB donors spend on development cooperation.

Chapter two will go further into the issue of defining aid. For now, it suffices to state that despite the lack of accurate data on CIB donors, all numbers leave no doubt that they are quickly on their way to becoming noteworthy forces in the landscape of aid provision, notably in Africa (Kragelund 2011). At first glance, increasing aid funds seem to be the only thing they have in common. They have not established aid institutions among themselves that could match the DAC on any level and differ in size, economic growth rate and political power. Still, a growing body of recent literature discussing them as a group suggests their commonalities might go than just their growing aid funds and shared South-South history (Saidi and Wolf, Kragelund, Chaturverdi etc.). All note the CIB donors are far from homogenous, but also put forward that they are united by their status as emerging economies and political powers in their region, not to mention their dual position as both recipients and donors. Still, only these facts and an explicit rejection of the traditional approach to aid by all three do not suffice as a basis for a comprehensive ‘southern approach’. But, as we will see in chapter two, shared emphasis on solidarity and mutual benefit in discourse take shape in their aid modalities in a way that is significantly different from the DAC-approach.

**China**

China’s history as a donor can be traced at least sixty years back. Since then, the country has been involved in about two thousand aid projects in more than two hundred low-income countries (Six 2012, 134). These projects have mainly revolved around infrastructure and energy, including among others building railways, highways and power plants (Brautigam 2008, 12-13). Under Mao, aid was mostly directed to support ‘fraternal’ countries in their socialist construction, their struggle towards independence and the development of their own national economies (Zhou 1964). This changed in the 1970s when aid became less ideologically informed but reformed to be more efficient and small-scaled. The recent increase of Chinese aid funds, especially to Africa is attributed by many scholars to China’s own growth which has fostered not only its wish to play a bigger role as global power but also
its quest to secure its necessary energy resources (Kragelund 2008, 572). In terms of geographical distribution of Chinese aid, in 2011, 45.7% of aid funds was directed to Africa, 32.8% to Asia, 12.7% to Latin America and The Caribbean, and 4% to Oceania (Mohan 2012, 10).

**India**

India development assistance can be traced back to late 1940s, when for the first time scholarships were provided to foreign students. Other initiatives soon followed, aiming to promote cultural economic and political relationships with countries in Asia and Africa (Chatuverdi 2012, 172). Interest in aid became lost in the 1980s and 1990s, but in the last decade an accumulation of foreign exchange reserves resulted in a nationalist revival and with it came the desire for a bigger role globally (idem, 169). In June 2003, India launched the ‘India Development Initiative’, intended to promote India’s economic interests abroad. The initiative included, among others, a re-orientation of aid policy by refusing some of the aid from current donors and freeing an aid budget of their own to foster techno-economic and intellectual cooperation with other developing nations. In the last decade, these policies have allowed India to enlarge and diversify its financial mechanisms to strengthen India’s strategic partnerships with countries overseas, particularly those in sub-Saharan Africa. India’s aid to Africa has grown at an enormous rate of 22% annually since 1998–99 (Quadir 2013, 327). What is perhaps even more important is India’s recent emergence as a financer to Africa. In 2007, sub-Saharan Africa received 64% of Export loans from India’s Import Bank (EXIM), making the region the largest recipient of such bank loans (Chaturverdi 2008, 163 Also, in the Africa Summit in 2008, India promised to more than double the amount offered in credit lines from US$2.15 billion to US$5.4 billion over the next five years. Some authors have linked India growing presence to its intention to compete with China for its economic and political interests in the region (Rampa and Bilal 2012, 5 and Taylor 2012, 787).

**Brazil**

According to the Economist (2010), Brazil’s recent engagement in development is strongly linked to its search towards international recognition as a global power. Brazil’s history as a donor country began in the late 1960s, but it did not really establish itself as a donor until 1978 when the country officially introduced the technical cooperation scheme. (Vaz and Inoue 2007). Roughly a decade later, the Agencia Brasileria de Cooperacao (Brazilian Cooperation...
Agency) (ABC) was set up in order to coordinate Brazil’s technical cooperation. Programmes of cooperation and lines of development credit remained focused however focused on the Latin American continent until the new millennium. When Lula da Silva took presidency in 2003, he made the aim of improving links with Africa a vital part of his policy, underscoring the importance of “South–South” relations (ADBG 2011). Table 1.3 shows the heavy increase in resources channelled to Africa since 2005. Today, three-quarters of Brazilian assistance is channelled to the Lusophone African countries, and almost all of them come in the form of technical assistance (Cabral and Weinstock 2010). Mozambique is the biggest beneficiary of Brazilian aid at the moment. The development cooperation project of Prosavana, is currently being implemented here and will serve as a case-study in chapter 4.

Table 1.3 Resources channelled by ABC to technical cooperation across world regions, 2006-2009 (million US$)

Recent literature on the topic of emerging donors supports the idea that development actors can currently be divided into two camps by increasingly showing a mentioning of non DAC-donors in contrast to DAC-donors, of South-South versus North-South Development Cooperation and of ‘emerging’ versus ‘traditional’ donors. This growing body of work suggests that South-South Development Cooperation can be viewed as a coherent approach to development aid (ECOSOC 2006, Kragelund 2008 and 2010, Chatuverdi 2012). This has resulted in a lively debate on emerging donors is taking place within media and academic circles. Discussions have mainly revolved around the questions of what they represent, what
their approach will mean for the development of those countries they partner with and what their effect will be on the current (DAC dominated) aid agenda.

The last of this questions stand in connection with one of the circumstances complicating the current debate. The return of the southern donors in the field of development assistance comes at a time when the DAC is dealing with the issue of aid effectiveness. Through the Paris declaration on aid effectiveness in 2005 and the Accra Agenda for Action in 2008 DAC members and several other signatory countries and organizations came to an international agreement through which they committed to harmonize and align their aid activities meant to transform global aid provision towards a coordinated and results-based process. The reforms under this agenda came as a response to increasing critiques on the existing modalities of traditional development assistance as primary instruments for economic development. Additionally, high levels of fragmentation and complexity of aid had made coordination extremely difficult (Eyben 2012). Although as of yet, DAC donors have made little progress towards the implementation of commitments made in the Paris declaration and Accra Agenda, the new donors have only increased awareness among traditional donors that new mechanism of coordination and information sharing are required (OECD 2011c and Walz and Ramachadran 2012, 8). But since emerging economies do not see themselves as donors, they have not participated in aid effectiveness debates (only as recipients) and do not seem inclined to commit to its standards. An important question within the debate on emerging donors has therefore revolved around the question whether or not the new donors will commit to DAC-standards in the near future (Kim and Lightfooth 2011). According to Walz and Rachadamran (2012, 121) southern donors lack the incentive to join the DAC due to the fact that they might lose their advantage if they do. By joining the DAC, they would have to heavily adjust some elements of their approach and potentially harm the relationship with developing countries that often see them as a welcome alternative to traditional donors (Walz and Ramachandran 2012, 12). Fear exists in the traditional community that if international consensus on the effectiveness agenda is lost, the incentive to commit to its principles will lose its force, causing the quantity and quality of aid to decrease (Chatuverdi 2012, 101). Despite many efforts of DAC donors to coax emerging donors into committing to current agreements through dialogue and cooperation, the answer to this question found in literature is an almost unilateral ‘no’ (Woods 2008, Kragelund 2010, Walz and Ramachandran 2012). Many point to the need to change the international aid forum and invite the emerging donors to a renewed debate on the matter, rather than try to get them to commit to the current agenda. Here, opinions differ on what the emerging donors might bring to the discussion-table. Chin
and Quadir (2012) predict an upcoming ‘tug-of-war’ between established and emerging powers over aid policy, which will be mediated through international institutions. Others are more optimistic and see space for a new and inclusive international aid governance structure (Manning 2006).

These contrasting views are to a large extent in consistency with the opinions on the approach of the emerging donors. On the one side of the spectrum, writers believe the new donors are actively undermining the current norms and standards and warn about the disastrous impact they could have. In their essay, Paulo and Reisen summarize the main concerns uttered by sceptics including the possibility of violation of corporate and national governance standards (‘race to the bottom’), free riding on debt relief, unfair company competition and the scramble for extraction rights and resource curse (2010, 539). This last concern is most explicitly pronounced by Moses Naim, editor of Foreign Policy magazine, who has called some of their aid “toxic” (2007, 95). He argues that emerging donors like China “have begun to undermine development policy through their activist aid programs” and seek only “money, access to raw materials, and international politics” without regard to environmental considerations or the long-term well-being of host country populations (Naim 2007, 95). Others have expressed their concerns about the ‘dual position’ of the new donors as developing countries on the one hand and development partners in their external relations on the other. Today there exist around a dozen emerging donors—including Brazil, China and India—that continue to receive development aid. Many of these countries face severe development challenges and contain large numbers of poor people. Six observes that the decision of an aid recipient to devote money to supporting development overseas can be perceived as betraying a lack of seriousness about their own development needs (Six 2009, 1114).

On the other end of the debate, increasing critiques on the aid policies of the DAC-members have led some to celebrate the emergence of a new model of development aid. Dambisa Moyo, for example praises the new donors’ approach as a welcome alternative after years of failure from the traditional aid framework. According to Moyo, for the first time, African governments are not treated as inferiors but are taken seriously by emerging aid donors to engage in development cooperation as partners. In an interview with The Globe and Mail, Moyo responds to a question regarding her view that China has done more for African development than all Western agencies: “Western pity (in development aid) is a terrible burden. It’s hard to raise a teenager to be a teacher or engineer when the whole world’s telling him he can’t do it” (Wente 2009).
Taking a more moderate yet positive position in the debate, a growing body of studies has started to characterize the southern donors as a group and explore the possible benefits of their alternative aid practice. Woods (2008) for example, argues that emerging donors are introducing competitive pressures into the existing system, forcing traditional donors to improve their methods. Similarly, Kaplinsky and Farookin (2009) see the emerging trend of South-South cooperation as a significant opportunity for achieving development objectives such as the MDG’s. Rampa and Bilal (2011) emphasize that one of the advantages of the new wave of partnerships is the growing amount of donors to choose from for Africa. They hold that the new donors have proven themselves to possess advantages in certain thematic areas of aid and could improve the effectiveness of its overall provision (Rampa and Bilal 2011). Finally, Peter Kragelund, who has written several studies on the emerging donors since 2008, holds in a recent study that the new donors are able to provide Africa with more policy autonomy than the old donors (2012).

The above writers are just some examples of the growing body of work discussing the southern approach as a coherent and promising approach in the field of development cooperation. Overall, some important aspects of the debate can be noted. The debate seems to be carried out mostly on a theoretical and in many cases hypothetical level. Kim and Lightfoot have characterized the debate on the emerging donors as a debate, ‘pitched at an abstract level of morals, intentions and modalities’ (2011, 716). As of yet, there is hardly any empirical research available on the emerging donors and studies on their approach seem to be based mostly on anecdotal evidence and opinions of those operating inside and outside of the aid system (Kragelund 2011). This means that all of the studies are portraying an idea of a southern approach of which it is unclear to which extent it exists in reality.

Secondly, Mawdsley (2012, 45) points out the connection between the traditional notion of foreign aid being under attack and the growing legitimacy and inclination towards the new emerging model. Although she states that it is important to continue to research its possible benefits, she also urges to bring some nuance into the debate before pronouncing a paradigm shift in the field of global development assistance. Uncritically praising the new model could be dangerous since it tends to hide some of the lesser aspects of this its methods (Mawdsley 2012, 46).

1.4 Thesis stance and methodology
In the view of this thesis, missing in the debate on the emerging donors is a structured and comprehensive portrait of the southern model for development, but more importantly, a thorough analysis of its components. If this new model possess advantages over the current model, it is important to lay them bare, by critically investigating this model both on a theoretical and ground level. This thesis argues that, should the ‘southern model’ have any advantages over the traditional model, it should be able to answer to some of its most ardent critics in a satisfying manner, but also, its advantages should come to light in the projects that were designed and implemented after its methods.

In light of the above, this thesis aims to complement the existing body of work on the topic of the emerging donors in Sub Sahara Africa in two ways. First of all, it wishes to explore the theoretical implication of the presumed southern model by looking at China, India and Brazil. What are its advantages over the old model through the eyes of critics? Can it resist some of the traditional model’s (longstanding) critiques? Secondly, it hopes to discover to which extent the model’s advantages exist in reality by testing the found them in a case study. Its goal is described more precisely through the following three questions:

1. How can the southern model for be defined, as presented by the donors themselves and as understood within international literature?

2. How does this approach answer to the most ardent critiques of the traditional model and what are its found advantages in this area?

3. To which extent do these advantages come to light in reality of its project implementation?

Together these questions will provide an answer to the overall research question. In order to come to a conclusion on the matter, the thesis will perform its analysis in three steps relating to the three questions portraying above. First it will construct a model of northern (DAC) and southern (CIB) development assistance by use of several characterization studies on both donors groups and separate donors. For this purpose, it will scrutinize the discourse of the DAC and CIB donors and the construct of their approaches in academic circles and make use of available data on development assistance of recent years. The second part of the analysis then sets out to explore to what extent the critiques in the current debate on (traditional) foreign aid apply to the CIB model. The body of critical work on foreign aid that has been created in the last decade is grouped together in three separate strands guiding the analysis of
the southern model. By making use of the common characteristics of both models found, combined with a thorough reading of the same documents used in step one, this part will perceive the model through a critical lens in order to come to its theoretical advantages (and downfalls) compared to the DAC approach. The third and final step of the analysis will turn the focus away from theory and test these thus far in practice by taking a specific case study of a southern donor at work: Brazil and the Prosavana project in Mozambique.
Chapter 2 – Defining the models

Introduction

The rising interest of the emerging CIB-economies in aid provision is increasingly drawing attention to the differences in their approach compared to that of the traditional DAC-donors. One of the more obvious differences is that South-South cooperation involves two countries classified as low or middle-income countries that are at similar stages of economic development, whereas North-South aid programmes are often between actors with large differences in per capita income. However, in order to determine whether the claim of the existence of a more successful southern approach is justified, a more in-to-depth investigation of both approaches is necessary. In order to make a clear distinction between the two groups, this chapter aims to construct a comprehensive model of traditional (DAC) and southern (CIB) development assistance. For this purpose, it will make use of available data on development assistance of recent years, the discourse of the DAC and CIB donors and existing characterizations of their approaches in academic circles. Needless to say, the two frameworks resulting from this analysis should be understood as abstract models that cannot be found in a pure form in reality as the field of development co-operation is complex and incorporates many dimensions and disciplines.

Although there is no universal definition of what a ‘model of development assistance’ should entail, literature points to three components on which aid is based: the motivation or the principles underlying aid provision, development theories informing implementation strategy and the modalities characteristic to its actual practice (Kim and Lightfoot 2011, Mawdsley 2012). Principles refer to the symbolic and ideational claims of development cooperation and give meaning to the act of aid provision and the relation with the recipient. Theories of development in their turn inform what the aid provider perceives as the primary developmental needs of the poor countries and determines the sector of priority in creating this development. Finally, these principles and theories eventually translate into the actual implementation of aid, concerning issues such as the types of finance, disbursement patterns and conditions of aid.

The following section are thus structured around the three categories: principles, areas of focus and modalities. Each section will end with a table that provides for a clear overview of the components of the models. These components will provide for the basis of chapter 3, concerned with applying the critiques of the traditional model to the CIB model. They will
guide the investigation to which extent the southern approach has an advantage over the northern model, by looking at its potential to meet some of the long-standing and more recent critiques on the northern model. Recognizing the importance of understanding diversity among the emerging countries, the chapter will pay particular attention to country-specific coordination features when it comes to the CIB donors.

2.1 Principles of development cooperation

In his book *The twenty years’ crisis*, E.H. Carr classically argued that all policy is made up of the two cardinal elements of politics: power and morality (Carr 1929). This is no less true for foreign aid or development cooperation programmes. Many studies on donor’s motivation for assistance programs have fuelled the idea that the norms and principles mentioned by development actors only exist as to mask ‘real’ motivations of geopolitical and commercial interest. But taking self-interest as the prime driver of aid would be too much of a simplification. Development cooperation is to a large extent influenced by certain norms and principles to which the actors involved state to adhere (Mawdsley 2012, 43). This section sets out to lay bare these philosophical underpinnings put forward in discourse by donor groups, constructing the symbolic claims of their aid.

One of the biggest differences between the DAC and CIB donors is their expressed motivation behind the development cooperation they provide. In the case of the traditional concept of aid, by the western social commitment to altruism has always been stated to drive North-South flows. Lumsdaine (1993) is one of the scholars who has provided the most elaborate rationale explaining the broad support in western countries for aid. He argues that foreign aid was largely a product of humanitarian values, which found support in the internal political arrangements and religious and ethical traditions of the western countries (Lumsdaine 1993, 115). Similarly, within the DAC, the wide-shared belief that the rich countries have a moral obligation to help the less fortunate nations is regarded as one of the primary of norms laying at the basis of aid provision (Lancaster 2009, 25). The target of 0.7% is a good example of the ways in which this obligation has become symbolized: even though there are no more than a handful countries who actually reach the target, it constitutes an

---

2 In 1970, the 0.7% ODA/GNI target was first agreed and has been repeatedly re-endorsed at the highest level at international aid and development conferences: - in 2005, the 15 countries that were members of the European Union by 2004 agreed to reach the target by 2015. - the 0.7% target served as a reference for 2005 political commitments to increase ODA from the EU, the G8 Gleneagles Summit and the UN World Summit (OECD)
expression of the international will to provide a certain amount resources to the poorer countries. Even though the current ODA definition only requires a minimum grant element of 25%, in the dominant discourse in western societies most foreign aid is commonly perceived as a gift, rather than an economic exchange or redistribution of wealth (Hattori 2001). Similar to charity given to the poor in the domestic sphere, rich ‘donors’ are giving resources to poor ‘recipients’. Dane Rowlands (2008, 5) warns not to underestimate how powerful the western altruistic ideal actually is, stating that the morality behind ODA is being heavily guarded by the bilateral donor agencies themselves and that not even ‘the biggest sceptics’ seem to call into question the good intentions of aid workers and donors agency personnel.

The CIB donors take a completely different discourse and state that, rather than altruism, principles of brotherhood and solidarity underlie their motivation for development assistance (Saidi and Wolf, 2011 23). This discourse is part of the long-standing South-South discourse which has its roots in the Bandung Conference in 1955 and the Non-aligned Movement created in 1967 (Chandy and Kharas 2011, 743). On both occasions, southern leaders pronounced the idea that South-South Cooperation was needed to ensure a more effective participation in global affairs. More importantly they believed it was necessary to offer an alternative to the western dominated global system, that they believed maintained a power imbalance to the advantage of the developed countries (ECOSOC 2006, 12). One of the most active of southern institutions today is the G77, formed in 1964 at the first ministerial meeting of the UNCTAD. The G77, comprising 132 member states, has seen it as it’s goal to champion North-South cooperation as a key strategy to boost standards of living and economic fortunes in the global south. The following statement of the G77 ministerial meeting in 2007 illustrates the southern approach to development assistance perfectly: ‘Financial contributions from other developing countries should not be seen as Official Development Assistance from these countries to other countries of the South. These are merely expressions of solidarity and cooperation born out of shared experiences and sympathies’ (G77 2007).

As a direct result of their different motivation, CIB donors take a different language when describing their engagement in development cooperation. China’s foreign aid principles articulated by premier Zhou Enlai stand example for this rhetoric. In 1964, Zhou laid out eight principles which essentially aimed to promote growth and self-reliance of developing nations through quick and high quality cooperation with emphasis on equality, mutual benefit and respect for sovereignty (Zhou, 1964). To date, the Chinese government still refers to these guidelines as the basis for their development cooperation. Rather than the donor-recipient
relationship that has historically been put forward by western, traditional donors, they state to wish to engage in an equal horizontal partnership that portrays mutual respect for each other’s sovereignty. They insist on being called ‘partners’ and not ‘donors’ and reject the idea that in development cooperation interests of actors always diverge (Quadir 2013, 330). In other words, they believe it is possible to create a win-win situation in development cooperation, in which both parties benefit from the engagement. Resulting from these ideas, non-interference, equality between donor and recipient and mutual benefit are the most prominent principles that permeate the political discourses of China, India and Brazil.

Although all emerging donors emphasize mutual benefit in development cooperation, they diverge in discourse to the extent in which they actively promote their self-interest. China takes the clearest position by rejecting the notion of ‘aid’ in the first place and placing high value upon the responsibility of the domestic government in developing its country (Mwaze and Yang 2012, 5). According to official accounts of China’s approach to development cooperation China’s strategy is ‘one of humanitarian and development aid plus influence without interference, in contrast to the West’s coercive approach of sanctions plus military intervention” (Qian and Wu 2007, 1). India is less explicit but makes no secret of using aid as a diplomatic tool “to develop stronger bonds of friendship and economic cooperation with the countries in India’s extended neighbourhood and with the countries in Africa and Latin America” (Ministry of External Affairs 2008, 1). In a study on India’s motives for foreign aid, Jerve and Selbervik go even further by stating that ‘neither in the literature nor in interviews for this study did we come across references to explicit altruistic arguments for India’s development assistance’ (2009). Brazil seems to move closest to the more altruistic DAC ideal by claiming it’s historical-cultural affinity with Africa gives them the responsibility them to engage in development cooperation (Chichiva et al, 2013, 3). But where Brazil used to be cautious about economic motives under president Lula da Silva, President Rousseff is revealing a more pragmatic attitude by proclaiming the use of development cooperation as a tool for business transactions (Cabral et al 2011, 3). Against this background, it becomes possible to deduct the following principles that are portrayed in table 2.1. The next section will go into further detail on the areas of focus of both donor groups.

<table>
<thead>
<tr>
<th>Table 2.1.Principles of DAC-donors and Southern donors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Indicators</strong></td>
</tr>
<tr>
<td><strong>Principles</strong></td>
</tr>
<tr>
<td><strong>Relationship</strong></td>
</tr>
</tbody>
</table>
2.2 Development focus

When providing aid or engaging in cooperation towards development, both donor groups base their policies on the perceptions of how to create economic growth or reduce poverty. These convictions influence the design of their development programmes and projects to a great extent and will be dealt with in this section. First, it will discuss what both models consider to be the needs of the developing nation they offer their support to and how they shape their strategies accordingly. After that, it will provide an overview of the priority sectors that follow from these views.

Development strategies

Within the traditional donor community, two significant shifts in development theory in the late 1990’s resulted in what became known as the ‘new aid agenda’. The components of this agenda determine to a large extent the strategies of development assistance of the traditional donors today. The first change that arose entailed a renewed attention for poverty reduction in developed nations in literature, resulting from the recognition that the international community had to “assist some of the neediest states in the provision of basic public goods” (Saidi and Wolf 2011, 6). Secondly, the World Bank report by Burnside and Dollar (1998) entitled Assessing aid: what works, what doesn’t and why, representing a turn-around in focus towards political governance. It was put forward that that aid would not serve its purpose of creating growth in the absence of democratic and incorrupt governments in the recipient country, termed ‘good governance’. Based on this agenda, the current strategy of the traditional donors today includes an overall focus on poverty reduction while creating an enabling and stable governance environment. In this outlook, improving the basic standards of living has become the primary goal and not per se to foster the recipient’s economic growth. This means that human rights principles play a huge role in DAC programmes and projects and have since manifested itself as both a goal and condition of aid (Carbone 2010, 15). Another result of the new aid agenda was that DAC donors started to take a sector wide approach and provide general budget support to the governments of developing nations. By doing so, they hoped to promote long-term transitions not only towards good governance, but also towards more market-oriented economic policies (Hopper 2012, 120). Despite the critiques under the Washington consensus, macro economic conditions such as trade
liberalization and privatization of firms are still part of many of the DAC loans.

The new aid agenda additionally found it’s expression in a series of initiatives, including the Poverty Reduction Strategy Papers (PRSPs), broad development planning documents in which emphasis is put on local participation in it’s design. The Millennium Development Goals (MDGs), who include among others providing access to basic health and education, are the most prominent international development targets today. Many countries, both donors and recipients, have shaped their foreign aid programmes and national development plans around the MDGs.

Since the new donors pronounce to have no desire to interfere in the internal affairs of their partner countries, good governance and human rights are no prominent topics in their programmes. Instead, they believe that economic deprivations are the most pressing concerns of these countries and think poverty can be best reduced through strategies of capacity and productivity building. They take on a very pragmatic approach to help their partners in this area, based on the policy choices through which the emerging players grew their own economies (Rampa and Bilal 2011, 8). Since Foreign Direct Investment (FDI) played a huge role in all three of the CIB’s growth paths, most of their aid is directed to projects directly fuelling the national economy and creating jobs (Kragelund 2012, 711). A distinctive feature of the CIB approach that shows of their pragmatism, is that their assistance is to a large extent demand-driven and more than often begins with a request from the potential recipient government. In this way, Chinese, Indian and Brazilian cooperation involves identifying priorities with African leaders and offering solutions tailored to beneficiaries’ needs (Cabral and Weinstock 2010, 2). As a result, Huang argues that in case of China its aid “centres on the real needs of the recipient countries, free from the shackles of unpractical ideas” (Huang, 2007, 84). Working from the demand rather than the supply side the emerging donors focus more on fulfilling practical needs of the countries, rather than aiming towards the creation of a long-term stable and liberal society as the traditional donors tend to do.

Another characteristic of the CIB donors additionally results from their recent experience in developing their own economic. More than often, a successful national development project or strategy is ‘exported’ to a developing country. Where the expertise of the DAC-donors donors is based on their advanced academia and technology, the new donors claim that their recent experiences in development, give them the advantage of understanding the current needs of the developing nations better (Mawdsley 2012, 120). Brazil claims to feed its experience in dealing with poverty and inequality at home into its international cooperation
programmes and states to have the advantage of having the expertise and technologies that are a good fit to the needs of developing countries (Cabral and Shankland 2013, 3). An example of a such a domestic successful experience in the case of Brazil is the Bolsa Família, a nationwide implemented social protection programme which Brazil now ‘exports’ to other nations in need of a similar scheme. India does the same in the area of IT and China in infrastructure. This way, Rampa and Bilal (2011, 10) argue the emerging donors have given themselves a comparative advantage in certain sectors of aid.

**Priority sectors**

The perceptions of development needs of recipient countries by DAC-donors have translated into either providing for development support through different instruments. Where aims of macro-economic nature are usually translated into policy conditions attached to budget support or debt relief, poverty reduction through good governance goals have become visible in the DAC-preference towards social sector support. 40% of the total ODA of traditional donors to Africa in 2011 went to support in social sectors, including education, health and government and civil society as areas that received most aid (OECD 2013b). While the focus on social sector development has been in line with national development strategies targeting developmental goals such as the MDG’s, ECOSOC mentions it has meant less funding for infrastructure development and productive sector investments in the 2000s (ECOSOC 2008, 25).

Compared to the DAC, the sectoral focus of the CIB approach to development cooperation is very different but to a large extent complementary to their approach. In a study in 2010 Kragelund found that infrastructure and agriculture were the sectors that were most targeted by Brazil, China and India. Besides Infrastructure, Saidi and Wolf (2011, 10) note that “China has been rapidly extending its finance to other sectors such as telecommunications and water sanitation projects”. Brazil is a notable exception here, and has many projects that focus on the social sector and social protection schemes. In their characterization of Brazil as a donor, the Chatham house (2009, 4) stresses that Brazil comes closest to the DAC donors in their approach to development aid. Summarizing the findings in this section, table 2.2 provides for an overview of common characteristics of the two groups. The next section will go into further detail on how these areas of focus influence the modalities used by the donor groups.
## Table 2.2 Development focus of DAC-donors and CIB donors

<table>
<thead>
<tr>
<th>Indicators</th>
<th>DAC model</th>
<th>CIB model</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Development strategy</strong></td>
<td>Poverty reduction through good governance, neoliberal reforms and mutually agreed development goals such as the MDG’s. Base expertise on advanced academia and technology.</td>
<td>Economic growth and job creation. Demand-driven. Base expertise on own recent experiences.</td>
</tr>
<tr>
<td><strong>Priority sectors</strong></td>
<td>Main focus on social sectors as health and education</td>
<td>Main focus on productive sectors as infrastructure and agriculture</td>
</tr>
</tbody>
</table>

### 2.3 Modalities

This section focuses on the common characteristics in the implementation of the development assistance of the DAC and CIB donors. Which forms does it take and what are the conditions? In order to provide a complete picture of the aid modalities of both models, the next sections will cover the following aspects of the aid instruments: the type of finance, the procurement conditions, the possible conditionalities attached to the financial resources and the disbursement channels. Finally, the implication of these modalities for the overall speed and flexibility of the process will be discussed.

#### 2.3.1 type of finance

The different motivations of altruism and solidarity, charity and mutual benefit, find their expression in the ways that the southern and traditional donors define what falls under development cooperation and what does not. Considering aid as a transfer solely for the purpose of helping the poorer nations, traditional donors have increasingly disconnected aid flows from commercial flows such as foreign direct investment (FDI) and trade. Recognising the fact that the primary concern of business is not necessarily to aid the country they operate in, the ODA of today is differentiated from other official flows (OOF’s) by its guidelines. By definition it excludes for example export credits given by state-supported (official) export credit agencies primarily to promote exports as well as government funds that support equity or portfolio investment in developing countries (Brautigam 2010, 10).

When engaging in development cooperation, traditional thus donors have limited financing options to choose from. Concrete instruments of aid include projects and programmes, but also technical assistance, food aid, budget support and debt relief. To date,
the most used forms of aid by DAC-donors are development programmes or direct budget support, which is increasingly considered as a promising aid modality. Budget support can take different forms: general budget support (funds mixed with recipient’s general budget) or sector budget support (e.g. funds transferred to education ministry). Additionally, a considerable amount of development aid has in recent years been used to cancel the debt of the Heavily Indebted Poor Countries (HIPCs) and a number of other developing countries (OECD 2011a).

In comparison, none of the CIB donors have an official definition of aid. Although this is causing confusing among its observers and analysts about which flows coming from CIB donors should be called aid, this mixture of flows is the same time the thing that is most characteristic of its model. A logical result of their development cooperation philosophy of mutual benefit, the CIB donors maintain a rather vague border between trade, investment and aid, or between private and public sector. The fact that aid is used to increase the partners potential in the interest of the donor, makes aid “only one element of a broader engagement toolbox aiming at laying the ground for enhanced bilateral trade and private sector activity” Saidi and Wolf argue (2011, 13). China and India, for example, often provide aid in the form of ‘packages’ that include not only concessional loans, grants and debt relief but also preferential trade and investment schemes (Zimmerman and Smith 2011, 727). Other examples of alternative financing modes that emerging donors make use of that would not fall under the ODA definition are export credits and natural resource-backed lines of credit, something emerging donors swore of as ‘aid’. Giving an example of how this development investment logic works in practice, Brautigam notes that most Chinese aid funds are distributed through a few ‘development banks’ who operate largely on commercial principles (Brautigam 2010, 8). Similarly, Lyal White points out that Brazilian development banks increasingly provides credit to Brazilian firms eager to start new projects or to expand existing ones, especially in the areas of construction, agriculture and biofuels (White 2013, 18). Among the CIB countries, Saidi and Wolf found that China is the most active in using these hybrid forms of financing, India follows to some extent; employing similar finance modalities although on a smaller scale and Brazil makes even less use of ‘mixed packages’ (Saidi and Wolf 2011, 13).

Besides those financing methods that would not fall under the ODA definition of the DAC, the CIB donors rarely give budget support, but instead deliver their aid funds through discrete projects. In the case of China, the rationale behind this kind of finance is based on the conviction that projects are less sensitive to corruption and tend to produce quick and tangible
results (Tan-Mullins et al 2010, 860). Having less to spend than China, India and Brazil are both known for their focus on technical cooperation programmes as primary form of aid, centring on the exchange of technical skills and other resources rather than an unilateral provision of funds. India for example is estimated to have provided over US$3 billion of technical assistance to 156 developing countries in 2008 with the main vehicle being the Indian Technical and Economic Cooperation (ITEC) programme, which started in 1964 (ECOSOC 2008). Today, the ITEC focuses on providing short training programmes in areas as diverse as small and medium-scale industries, rural credit programmes, food processing, textiles and women’s entrepreneurship; while IT and computing skills represent an increasingly large share of the training available and in demand (Mawdsley 2010, 87). Similarly, the Brazilian Technical Cooperation in Developing Countries (TCDC) programs and projects represent the largest component of Brazil’s development partnerships in Africa. Focussing on skill and technology transfer, they are based on Brazilian scientific and technological advances (Cabral & Weinstock 2010, 2). The Brazil-Africa Agricultural Innovation Marketplace programme (established jointly with the FAO) enables many young African researchers to train in Brazil with the objective to strengthen scientific cooperation between the groups. In total, 10% of the total funds allocated by Brazil to South-South cooperation are dedicated to trainings (AFD 2013, 17).

2.3.2 Procurement conditions

Procurement conditions concern the different the rules that guide a donors purchasing of goods, works and services for its aid programme and whether the aid it is tied on a particular source or supply. When the aid is tied, it means that the funds for development are dependent on the sale of goods and services from the country that provides the funds, excluding those from other states or from the recipient country. Following DAC recommendations, over the years the traditional donors have been increasingly untying their aid. The Helsinki package of 1992 made recommendations to the DAC donors to decrease the use of procurement rules tying aid to the purchase of goods and services from the donor country (OECD Glossary). The Helsinki report had found that the co-called export subsidies usually meant high costs for the recipient countries, while the donor countries benefitted. Another important rationale for this recommendation included the fact that tied aid tends to increase trade dependency of recipient countries which in its turn would not only impede free trade but more importantly reduce the policy space and opportunity for competition of developing countries (Saidi and Wolf 2011, 9). From 1999-2001 to 2008, the proportion of untied bilateral aid rose progressively from
46% to 82% (OECD 2009). However, changing the rules is not always enough to change reality. Some DAC donors today still make use of a range of procurement practices, like bundling contracts into large lots or restrictive technical requirements that exclude firms in the recipient nation from competing. Of the DAC donors, Korea ties 64% of their aid, Greece 45% and the US 23% (OECD 2010).

The CIB donors, on the other hand tend to tie much of their aid in the name of mutual benefit. Chinese support for infrastructure development has received widespread attention to this specific topic. In this sector, almost all of China’s aid is tied to its own goods and services, and Chinese labour may be brought in for major projects (Brautigam, 2010, 10). Yashwant Sinha, India’s former foreign minister, made no secret of the fact that India’s development initiatives are ‘tied to the extent that procurement could be made through Indian suppliers’ (Quadir 2013, 333). Brazil again forms the exception here and puts emphasis on transferring knowledge through its technical cooperation programmes. As a result, Brazilian companies by working closely together with their local counterparts (AFD 2013, 17).

2.3.3 Conditionality
As with the imposition of tied aid, emerging donors tend to mirror the DAC-approach when it comes to attaching conditions to their financial support. Where the DAC-donors provide untied aid, but attach policy conditions, CIB countries provide tied aid, but attach no conditions. Within the DAC-approach, the targeting of the resources of the aid is more than often assigned to a particular use beforehand. As mentioned, these conditions usually involve macroeconomic and governance reforms. The emerging market economies do not attach to their financing any conditions related to governance, economic policy and performance, or institutional reforms. Conditionality, they argue, would undermine the principle of respecting national sovereignty and promoting solidarity (Saidi and Wolf 2011, 8). Partly reflecting its own recent development history and its policy of non-interference, China believes that the responsibility of the long-term development of a country ultimately lies in the domestic sphere and should not be in the hands of the development partners (Brautigam 2010, 5).

2.3.4 disbursement channels
The traditional donors’ wish to tackle poverty together has led to a long history of working together in international development organizations. As a result, a large amount of their development resources are channelled through multilateral institutions such as the UN and the World Bank. Taken together, the total use of the multilateral system accounted for 40% of
gross ODA in 2010 (OECD 2011a). Another important feature of the traditional donors disbursement structure are the NGO’s. All DAC members work with and allocate ODA to NGOs. In some cases the aid is meant to support the development activities of the NGOs themselves, in other cases to implement specific programmes and projects. According to OECD statistics, in 2009 DAC-members allocated USD 15.5 billion to and through NGOs, of which most were organizations based in their own country as opposed to international or local NGO’s. Over two-fifths of DAC members allocated more than 20% of their bilateral funding to or through NGO’s and just less than a fifth allocated 3% or less (OECD 2011a).

Distribution channels through which donors direct their aid funds also differ. China and India prefer bilateral relationships and therefore tend to deliver the majority of their aid directly to the beneficiary (Walz and Ramachandran 2012, 14). Both are hesitant to give to multilateral organizations. Rampa and Bilal (2011, 251) suspect that the rationale behind this is related to the fear to have to answer to institutions that are dominated by western countries, such as the IMF or World Bank. Brazil, on the other hand, has favoured a more multilateral approach to development cooperation and has engaged in several trilateral cooperation programmes with DAC-donors and development institutions (Cabral and Shankland, 2013, 7). Some authors also note an increasing movement by some emerging donors to deliver their development assistance through southern multilateral development organizations, such as the IBSA (India, Brazil, South Africa) Dialogue Forum. This medium, established in 2003 by Brazil together with India and South Africa, aimed to promote trilateral south-south cooperation in key areas such as trade, energy, agriculture, science, and culture. Additionally, a recent proposal to establish a BRICS development bank, aimed at providing a financing channel exclusively for developing countries, suggests a common ground when it comes to development assistance (China Daily, March 27 2013).

Even though many national NGO’s are active in the CIB countries (notably India), as of yet they are not engaged in border-crossing development activities. Instead, all emerging donors deliver development assistance through a myriad of governmental aid channels. Walz and Ramachandran (2011, 19) state that the rationale behind this is that “the creation of an autonomous aid agency tends to mean that the nation is branded an ‘official donor’ which the CIB donors prefer to avoid”.

2.3.5 Procedure
Considering the overall procedure of the development cooperation between donors and partners, an important difference comes to light within literature. Even though the DAC has
repeatedly urged donors to simplify and harmonize contracting, funding and reporting requirements under the Paris/Accra Agenda, setting up the multilayered development programmes is usually a time-consuming bureaucratic procedure (Mawdsley 2012, 55). Since CIB contributors’ assistance is primarily project assistance, it is mostly disbursed via direct payments to suppliers. These procedures do not only promote a fast disbursement of funds but also tend to be more cost efficient and have a speedy project delivery timeframe when compared to traditional donors. The Chinese development aid for example, aims to build projects that require relatively low investment and achieve rapid returns (Chatuverdi 2011, 136). Another important difference is the monitoring of activities. All ODA of DAC donors is monitored and periodically evaluated by both the OECD-DAC and national governmental institutions. The emerging donors on the other hand may promote faster disbursement of funds, but have no monitoring mechanisms in place other than occasional data and anecdotal reports (Kragelund 2011, 591).

Table 2.3 Modalities of DAC-donors and CIB-donors

<table>
<thead>
<tr>
<th>Indicators</th>
<th>DAC model</th>
<th>CIB model</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Modalities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Type of finance</strong></td>
<td>General and sectoral budget support</td>
<td>Economic and technical cooperation organized through projects</td>
</tr>
<tr>
<td><strong>Procurement conditions</strong></td>
<td>Aid not tied for most part (according to OECD guidelines)</td>
<td>Most aid tied</td>
</tr>
<tr>
<td><strong>Conditionality</strong></td>
<td>Governance and macroeconomic conditions attached</td>
<td>No conditions attached</td>
</tr>
<tr>
<td><strong>Disbursement channels</strong></td>
<td>Both Multilateral and bilateral. Frequent cooperation with NGO’s.</td>
<td>Mostly Bilateral. Disburse the support through several governmental bodies.</td>
</tr>
<tr>
<td><strong>Overall process</strong></td>
<td>Slow and bureaucratic procedure, heavily monitored and evaluated.</td>
<td>Flexible procedure, cost efficient and speedy project delivery, but no monitoring mechanisms.</td>
</tr>
</tbody>
</table>

Conclusion

Table 2.4 below gives an overall of the overall findings of this chapter by portraying the found descriptions in literature of the ways in which traditional and emerging donors tend to frame and implement their development activities. Looking at the overall picture it becomes clear that the emerging donors take a very different approach to development cooperation by presenting themselves as partners rather than donors and denounce to give aid out of solidarity rather than altruism. Both the perception of development needs and the
sectoral focus are to a large extent different, basing their approach to development on their own recent growth and targeting productive sectors like infrastructure and agriculture rather than social sectors such as health and education. As a result, CIB aid takes a different logic which portrays a blurry line between trade, investment and aid. They tend to provide their aid mostly bilateral in projects instead of giving budget support and lay focus on technical cooperation. Although their aid is mostly tied, they attach no policy conditions. Overall, their demand-driven and pragmatic approach results in flexible, cost-efficient and speedy procedures, compared to the often slow and bureaucratic processes of the DAC members.

But although their discourse of mutual benefit and solidarity is mostly the same and all emerging donors tend to take a more business-like approach, China, India and Brazil also differ in many ways. Where China seems to stand the most far for the DAC-model and India organizes its activities in similar fashion, Brazil comes close to the DAC model in some areas, by focusing on the social sector and cooperating with DAC donors or multilateral institutions in triangular aid programmes. It is therefore important to keep in mind that the information included in this chapter presents a generalization of some of the donor groups’ characteristics and will not be valid in any situation.

The next step of the research performed by this thesis regards the implication of the CIB model from a critical point of view. The following chapter will focus on investigating to which extent the CIB approach has an advantage over the DAC model, by looking at its potential to meet some of the (long-standing and recent) critiques on the northern model.
Table 2.4 Principles, areas of focus and modalities of DAC-donors and CIB donors

<table>
<thead>
<tr>
<th>Indicators</th>
<th>DAC model</th>
<th>CIB model</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Principles</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>motivation</td>
<td>Moral obligation and altruism</td>
<td>Solidarity and brotherhood</td>
</tr>
<tr>
<td>relationship</td>
<td>Donor-recipient</td>
<td>Equal partnership</td>
</tr>
<tr>
<td>Aid as a financial transfer</td>
<td>Charity: a gift from the rich to the poor</td>
<td>Mutually beneficial: a win-win situation.</td>
</tr>
<tr>
<td><strong>Development focus</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development strategy</td>
<td>Poverty reduction through good governance, neoliberal reforms and mutually agreed development goals such as the MDG's. Base expertise on advanced academia and technology.</td>
<td>Economic growth and job creation. Demand-driven.</td>
</tr>
<tr>
<td>Priority sectors</td>
<td>Focus on social sectors as health and education</td>
<td>Focus on productive sectors as infrastructure and agriculture</td>
</tr>
<tr>
<td><strong>Modalities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type of finance</td>
<td>General and sectoral budget support</td>
<td>Economic and technical cooperation organized through projects</td>
</tr>
<tr>
<td>Procurement conditions</td>
<td>Aid not tied for most part (according to OECD guidelines)</td>
<td>Most aid tied</td>
</tr>
<tr>
<td>Conditionality</td>
<td>Governance and macroeconomic conditions attached</td>
<td>No conditions attached</td>
</tr>
<tr>
<td>Disbursement channels</td>
<td>Both Multilateral as bilateral. Frequent cooperation with NGO's.</td>
<td>Mostly Bilateral. Disburse the support through different governmental bodies.</td>
</tr>
<tr>
<td>Overall process</td>
<td>Slow and bureaucratic procedure, heavily monitored and evaluated.</td>
<td>Flexible procedure, cost efficient and speedy project delivery, but no monitoring mechanisms.</td>
</tr>
</tbody>
</table>
Chapter 3: critical analysis of the CIB approach

Introduction

The debate on foreign aid centres on the contested value of foreign aid and the wider aid system as mechanism through which development can be achieved. Although criticisms on foreign aid are far from a new phenomenon they have increasingly gathered prominence in the public domain over the last decade. As a result it has become more common to take a sceptical point of view on aid by both those working in and outside of the aid industry. Where the individual is asking himself whether to stop giving to charity or buy ‘fair trade’ products, policy makers question their current methods and IPE scholars investigate the usefulness of the traditional notion of aid.

In an attempt to give structure to the many critical voices in what she calls ‘the great aid debate’ Nilima Gulrajani has divided the critics of foreign aid into the three categories of right-wing radicals, left-wing radicals and reformers (Gulrajani 2011). These categories will be used in this chapter to guide the critical analysis of the CIB approach. In order to make the analysis workable, one or two prominent scholars will be taken to represent each category. Their arguments against all forms or certain aspects of traditional aid provision will be applied to test their validity when it comes to the characteristics of the southern model found in the previous chapter.

Gulrajani observes that within the current debate on foreign aid there is a split between on the one side the aid ‘radicals’ and the ‘reformers’ on the other side. She describes the radicals as “a heterogeneous group of voices straddling the political spectrum who exhibit apparent convergence in their opposition to foreign aid, particularly the way such flows are organized, managed and delivered by aid agencies” (Gulrajani 2011, 3). Within the group of radicals she distinguishes two kinds, the radicals of the left and those of the right. The leftist radicals who find their roots in the neo-marxist and post-developmentalist school hold that aid management is an oppressive post-colonial practice driven by geopolitical power interests. They believe that the solutions for the under-development of the poorer countries can only be brought about by social movements’ commitments to justice and their embedded local
knowledge (2011, 6). A contemporary scholar that has put forward many of the views of this category is David Sogge, who in his studies has focused on public control over transnational flows affecting societies on the global periphery. On the right wing side of the radicals, scholars call into question aid’s ability to achieve its developmental aims. Moyo and Easterly provide for two very prominent voices that will represent the neoliberal strand of the debate. They believe aid management is inefficient and ineffectual and that in order to achieve more aid effectiveness, market-based solutions and mentalities are required.

On the other side of the debate, the aid reformers represent the many ‘committed members of the development policy and academic community who believe managerial reform to the aid system is both possible and desirable for improved development outcomes’ (Gulrajani 2011, 3). Here, the DAC donors themselves will take a central role. DAC members committed themselves to improve the quality of development aid through the Paris Agenda principles on aid effectiveness. These principles, including harmonization, ownership and mutual accountability will stand as example of the thoughts of the reformers and will give more insight to recent attempts to improve aid effectiveness of the side of DAC-members. Eventually, the analysis performed in this chapter will lead to the construction of an ‘advantages-matrix’ in section 3.4 in which the found advantages of the CIB model are portrayed according to the three stances of critique.

3.1 The neo-Marxist critique

The critical views of the contemporary radicals on the left are inspired by the social theory of Michel Foucault and the postcolonial theorists. As Gulrajani explains, these critics are not primarily concerned about the lack of effectiveness and efficiency of aid provision but focus specifically on the power-relations that are perpetrated through its practice (Gulrajani, 2011, 8). In their view, the idea of aid as a selfless act is a false construct. Following from this stance, their critiques focus mostly on the discourse of the DAC-donors, which uphold the morals that they state as motivation for their aid provision. Investigated in chapter two, these principles include that aid is motivated by altruism, is transferred through a donor-recipient relationship and seen as a charity from the rich to the poor. It is these principles that will be compared to that of the CIB-donors in this section by use of the critical view of David Sogge.

In his book ‘Give and Take: What’s the matter with foreign aid?’ written in 2002, David Sogge articulates many of the long-standing views coming from this strands of critics and formulates a systematic critique against the DAC-principles. Foreign aid, Sogge holds - applauded in the western world as something benign and selfless- has far from reached what it
has always promised. According to the author, the reason aid is not working is because it is full of ambiguities and double bottoms (Sogge 2002, 24). He asserts that aid in fact is an instrument of realpolitik of western countries and sets out to unveil the power-element of aid by asking who really benefits from aid. He first deconstructs the myth of altruism by providing numerous examples showing that the bigger the stakes of the aid donor are in a certain country or sector, the higher the aid numbers. In the chapters that follow, he further analyses the rhetorics of DAC-donors from a Foucauldian perspective. He argues that the discourse of under-development put forward by the aid industry symbolizes western hegemony and wrongfully represents poor countries as helpless and vulnerable subjects in need of Western assistance, advancement and modernity (Sogge 2002, 185). This is a fraught image, meant to uphold western hegemony in both ideas and development. Similarly, the idea of the donor-recipient relationship continues the power dynamics of the colonial era (Sogge 2002, 26). The effect of the idea that the poor are in need of charity is disempowering and degrading for the ‘receivers’ Sogge (2002, 122) holds. In this manner, aid is systematically undercutting the self-esteem of the poorer nations and its citizens. The solution is found in an active policy towards deconstructing the power dynamics present in aid and towards a non-deceptive discourse and policy that would open emancipation from poverty and exclusion (2002, 208).

In Sogge’s view, the traditional rhetoric of altruism as the main driver behind foreign aid is a hypocritical discourse, masking an unequal power dynamic. Seen through this critical perspective, what becomes of the approach of the CIB-donors? Can they gain an advantage in the range of abuses taking place in the shadow side of foreign aid the left wing radicals try to uncover? At first glance, the answer might tell us ‘no’, since emerging donors have their own commercial and political interest at heart just as the traditional donors do Fahimul Quadir states in his recent article in Third World Quarterly. By promoting peace, security and economic development in African countries, China ensures its continued access to vital natural resources, just as Brazil uses its technical cooperation program to open markets for Brazilian commodities (Quadir 2013, 333). The same counts for India. He notes that its “commercial goals are so integrated into its development cooperation programs that researchers cannot separate the aid component from its loan programmes” (Quadir 2013, 333). Some (Marks 2006, Trofimov 2007) have taken their critique even further by arguing that China is essentially a neo-colonial power, plundering African resources and perpetrating the uneven division of labour between Africa and the developed nations.

In this view, the emerging donors discourse of solidarity and brotherhood masks
interests of geopolitical nature. But although the donor groups are very much alike in this area, a more nuanced answer to the question above brings forward the fact that the new donors are more transparent about their interests and make no secret of their self-interested intentions behind the cooperation. Their discourse of partnership and mutual benefit leaves room from different (power-driven) motivations in contrast to altruism and charity. Both India and Brazil have repeatedly stated that development aid for them is a tool to get political leverage within the UN. Ajay Dubey, an Indian Scholar, expressed India’s stance as follows: “We need Africa not only for oil but for political power too, but we do not have the money of the Chinese or the military power might of the Americans, Therefore we have to rely on cooperating with African nations where we have something to give” (As quoted in: Walz and Ramachadran 2011, 16). In the case of China, Fallows (2010) observes: “China's foreign policy may be harsh but it is rarely hypocritical. It says it will look out for its own commercial and strategic interests and minimize the involvement of others, and that is what it does”.

Besides being more frank about their intentions, another area in which the CIB donors take advantage over traditional donors lies in their preference towards being called ‘partners’ rather than ‘donors’. In line with Sogge’s views, they take an active stance in insisting to engage in equal partnership, refusing to represent a relationship similar to colonialism. With this, the new donors have understood the changing dynamics in Africa better than the traditional donors, Ted Mosse holds (Norrag 2010, 120). This dynamic, long underway in Latin America and parts of Asia, is now part of the common discourse in Africa, the continent most dependent on aid. It is a discourse in which Africans have shown their wish to free themselves of the shackles of foreign aid and determine their own course. In 2010, The AFDB President, Donald Kaberuka, opened the African regional conference on Aid Effectiveness by saying Africa had to be less dependent on aid and make better use of its own resources (ADBG 2010). Even the President of Liberia, one of the poorest countries in the world, expressed her desire to see her country free of aid dependence in a decade. Although the emerging donors still offer them a form of aid, it comes in a business-like manner in the shape of a partnership. Indeed, Rowlands notices that the emerging donors seem better able to speak about development assistance as a cooperative endeavour between equals than traditional donors (Rowlands 2010, 35). The emerging powers have replaced the hegemonic discourse of the needy poor in need of rescue with the idea of a mutually beneficial partnership between equals. The respect for sovereignty of other countries here translates into respecting the right of self-determination of other countries. CIB donors don’t feel the need to change African governance systems and show no signs of seeing Africans as children that need to be
nourished. They assist Africa to develop, but acknowledge that the development should come from inside. As a result, Rowlands has observed that the emerging donors’ programmes tend to be less intrusive and the relationship with the ‘recipient’ more balanced (Rowlands 2008, 8).

Positive reactions to the partnership approach of the CIB also come from African countries. In their research on the African responses to the new aid landscape, Rampa and Bilal (2011, 11) notice that South-South development cooperation of CIB donors is popular among African governments because of the ‘respect’ shown in their dialogue with Africa. CIB donors always make sure to engage people of the same political or diplomatic level in any policy dialogue. The former president of Botswana, Festus Mogae, expressed the sentiment of many Africans when it comes to Chinese development cooperation: “I find that the Chinese treat us as equals. The West treats us as former subjects.” (Quoted in Paulo and Reisen, 2010).

Finally, it should not go unnoted that things are also stirring in the aid landscape of the traditional donors. Interestingly, Jonathan Glennie, has carefully noted that DAC donors are starting to prefer the term development cooperation instead of foreign aid. (The Guardian 2011). Similarly the Paris Agenda is aiming towards more ownership and decision-making on the part of the Africans, which would turn the idea of charity into a more autonomic approach towards African development.

In sum, Sogges’ critique seems to be able to touch the CIB approach only lightly. Their relations with their development partners are, equal to those with the DAC donors, characterized by self-interest and power-dynamics, but instead they are not hidden in discourse. Although claims of equality and partnership are merely symbolic, many find the CIB approach more honest and respectable, especially within African governments. In the words of powers: ‘The image of a neo-colonial and power-wielding North contrasted with a Southern approach of non-interference and honest mutual benefit possesses an emotional power that should not be overlooked’ (Powers 2013). The neoliberal critique in next section will move away from the dynamics of symbolism and focus on processes of effectiveness and efficiency.

3.2 Neoliberal Critique

William Easterly, an American economist and Dambisa Moyo, Zambian-born economist are two of the most prominent voices among today’s critics of foreign aid. In the debate, they see themselves positioned against those who still believe aid is an important
vehicle for economic growth, the reformers. Where the reformers consider some light adjustments to the current aid system sufficient to ensure that aid will create development, Moyo and Easterly instead preach the failure the aid and hold that aid should either be completely reformed to include market-based solutions (Easterly) or replaced entirely by market-based financial tools (Moyo). Their main arguments against the traditional aid-approach, as put forward in Easterly’s book ‘The white man’s burden’ (2007) and Moyo’s ‘Dead aid’ (2009) will be discussed and applied to the CIB model in this section.

Other than the critique of the neo-marxists who question the principles and truths in discourse of the traditional donors, most of the critique from Easterly and Moyo is directed to the perception of developmental needs of the poor countries and the way this has translated into their modalities. As we have seen in chapter two, the aim of DAC-donors’ aid is by putting it to use to support the reduction of poverty through good governance, neoliberal reforms and mutually agreed development goals such as the MDG’s. Moyo and Easterly however, question the theoretical basis that holds that aid can create economic growth. They believe that aid today is actually creating the opposite effect and slows down the growth of those countries in need of development. They hold that the reason that aid isn’t working is because it is not based on market-based tools. The two authors have different explanations as to why this is the case. Here, we start with Moyo, who takes the more radical stance of the two and then move on to Easterly. Finally, some arguments both put forward against good governance and conditionality will come to the table.

In her book ‘Dead Aid’ (2009) Moyo puts forward a structured argumentation explaining the failure of aid in Africa. According to her, there is no reason why frequently mentioned factors explaining Africa’s underdevelopment such as geographical circumstances, the colonial history, cultural norms or the absence of strong public institutions should condemn Africa to a permanent failure of growth (2009, 35). So why have African countries not developed, Moyo asks and points to aid as an important cause. Although aid was meant to help these poor countries develop, 60 years of aid have had no appreciable impact on development, she states. Moreover, studies have shown a correlation between growing numbers of aid and falling economic growth rates. This reason that aid is achieving the opposite effect of what is has set out to do, is that aid works actively against what Moyo believes are the true and historically proven mechanisms of growth: free market tools. Since Africa became addicted to aid it has let it foster corruption and inflation; erode social capital and institutions and reduce much needed domestic investment. This leaves Moyo to conclude that aid is malignant and Africa’s main problem today, rather than part of the problem (2009,
The process of moving away from aid as a tool to finance development will be thus painful but absolutely necessary if Africa wants to develop (2009, 75). Only completely replacing aid with a market-based strategy relying on a combination of open trade policy, microfinance, FDI and bond market financing can address the root causes of poverty.

When applying Moyo’s critique of aid to the CIB donors, one can only conclude they come closer to her ideal of development financing than the traditional donors. As found in chapter two, the CIB donors recognize the importance of FDI and creating jobs to fuel the domestic economy, by taking their own growth path as example. The so-called ‘mixed packages’ consisting of both investment and aid funds show that CIB donors believe more in market-based development assistance. Although Moyo envisions a perfect world without aid, the CIB donors represent a hybrid form of market-based tools with an aid component that she might endorse more than the DAC method. Studies confirm on the potential positive effect of their business-like take on aid on the economic growth of less-developed countries. The IMF recently published a working report providing a qualitative analysis of the potential impact of the emerging donors (Mwase and Yang 2012). The authors expect that the scaling up of public investment associated with most CIB financing is likely to have large positive growth effects (2012, 13). They mention for instance that emerging market financing is ‘starting to play an important role in alleviating infrastructure bottlenecks in many low-income countries and this has helped them tap their natural resources as well as reduce costs of doing business in general ’ (Mwase and Yang 2012, 14). Similarly, Saidi and Wolf hold that CIB donors are offering African countries “potentially a way to move up the value chain” and take China’s and India’s engagement in the sector of natural resources as example. They state: ”Both are not only in the extraction of resources but simultaneously committed to the development of new value-adding processing industries, such as refineries or petro-chemical complexes and the exploration of new fields” (Saidi and Wolf 2012, 25). There are voices in Africa who wholeheartedly support this development. The President of the African Development Bank, Donald Kaberuka, has emphasized that African countries needed robust private sector growth to attract greater trade and foreign investment to enable them to finance development from domestic revenue. (AFDB 2010) In regard to the priority sectors of both the models, CIB donors would carry the approval of Moyo by focusing on the productive sectors.

In comparison with Moyo, William Easterly’s critique is primarily directed to the mentality of the policymakers of aid than the idea of aid itself. As Moyo, Easterly believes true economic development can only be achieved through free market mechanisms. But rather than preaching the end of all aid, Easterly is still convinced aid can positively contribute to
development when it’s ways of working are completely reformed. He explains the failure of the current aid system through the concepts of ‘Planners’ versus ‘Searchers’. The Planners, who currently dominate the aid industry, see poverty as technical-scientific problem that can be solved by applying certain blueprints to the problem. They make plans and set goals to push the countries out of poverty. Unfortunately, Easterly argues, the billion dollars of plans that in total have been pumped into foreign aid have not led to any result. Easterly asserts that when it comes to development aid, it is good for the motivation to set goals, but contra productive for the execution of these plans. Instead, the West should entrust development to agents of partial reform, who Easterly calls ‘Searchers’. Searchers make no plans in advance but try to find out through trial and error what the needs in the field are and try to build a strategy of fulfilling those needs along the way: a supply and demand strategy through which the West has build their own economies. They are open to feedback, accountable for their actions, and adaptable because the decisions they make are small and, Easterly asserts, it is far easier to correct small mistakes than to redraft huge plans when they fail (Easterly 2007, 172).

In Easterly’s view, aid would become more effective when its executers were searchers. Is this concept applicable to the CIB donors? As we have seen in chapter two, CIB donors work demand driven, a characteristic that fits the searchers profile. It also appears that CIB donors listen better to the immediate needs of the poor countries. Rampa and Bilal (2011, 10) state that traditional donors could learn from CIB countries to be more responsive to immediate challenges and deliver their support more rapidly. This flexibility and capacity to adapt quickly to new situations is something Easterly would applaud. However, in regard to the priority sectors of both the models, Easterly (2007, 183) praises the focus on some of the priority sectors of DAC donors, such as healthcare, education and sanitary facilities. He argues that these sectors provide the opportunity to save the most lives. In this view, emerging donors should focus on social sectors besides the productive sectors. Although Brazil is already engaged in many health and education projects in Africa, China and India are still lagging behind in this area. Another aspect of the CIB model Easterly might find questionable is the export of domestic successful programmes to African countries. On the one hand might these programmes be a good fit for the current needs of developing nations. On the other hand, this would mean that a blueprint is used to be implemented somewhere else. This does not fit into the adaptive mind of the searcher.

Finally, a critique both Moyo and Easterly bring forward in their books is directed towards aspects of good governance and the imposition of conditionality in the traditional donors aid programmes. Both Moyo and Easterly attack the western focus on good
governance. Not only do they hold that the connection between democracy and growth is missing, it fits into the superior approach of the traditional donors to think that they can set up a plan to force a ‘bad’ government to become ‘good’ (Moyo 2009, 40, Easterly 2007, 162). According to them, democracy is something that can only be fostered by local forces. Both are especially sceptical when good governance demands are formulated as conditional to receiving a certain fund. Studies have shown that conditionality’s have never actually worked. (Moyo 2009, 42). CIB donors seem to approach their ideas better in these areas since they do not pronounce any demands on good governance or apply conditionalities with regard to any other issue. Studies from the field back this approach. A study from the IMF in 2009 showed that aggregate governance data for African countries reflects the ineffectiveness of conditionalities. Despite many of them working together with the emerging donors, most African countries have experienced improved governance indicators (IMF 2009).

But working together with autocratic and democratic governments alike, the CIB donors are under frequent attack from western critics who warn that the emerging donors are furthering corruption and bad governance. By refusing to make any demands in these areas, their approach could greatly damage human rights in these countries (Kim 2009, 634). But, Easterly argues, traditional donors have equally collaborated with these ‘bad governments’ in the past. He states that the only way forward is to recognize that imposing conditionalities clearly hasn’t worked in the past and won’t work in the future, as it is part of a typical planners’ mentality. Rather, social activists and political leadership from donor countries should attack those issues, while searchers try to find ways to circumvent rewarding bad corrupt leaders, but continue to aid the poor citizens meanwhile (Easterly 2007, 163).

To avoid providing a static image of the DAC group here, it should be noted that there is evidence that some DAC donors are reconsidering the focus of their aid. Very recently some donors such as the UK, the WB and the US have returned to carefully promoting growth again, as to focus on tackling the causes of poverty (Chatuverdi 2012, 71). Also, Lundsgaarde (2011) has observed that some traditional donor including Japan, Germany and the UK have shifted some of their funds from social development to more productive sectors. However, until very recently, no DAC donor had taken steps to break down the barrier between aid and trade. But, a recent attempt was made by the new minister of foreign aid policy of the Netherlands, traditionally one of the biggest providers among DAC-donors, to create policy space for approaches combining trade and development. In a paper issued in April 2013 Liliane Ploumen announced a complete change in Dutch policy when it comes to aid (Vice
Versa 2013). All these findings again show that DAC donors are starting to recognize the need for change.

Overall, the emerging donors do seem to fill in most of the gaps that Moyo and Easterly have pointed out in the traditional model, such as their focus on creating growth, responding quickly to immediate needs and not imposing ineffective conditionalities. However, the searchers critique from Easterly is not necessarily directed to one sector of the traditional donors and he considers their focus on social sectors still very important. Also, Easterly would consider the export of successful blueprints questionable in effectiveness. Taking a completely different angle, the next section aims to look at the emerging donors from a DAC perspective and their own ideas on the reformation of the current aid system as put forward in the Paris agenda.

3.3 The reformist Critique and the Paris Agenda

Contrasting the pessimism of the radicals, the reformist critics in the debate on foreign aid are optimistic in their belief that the current aid system can still be used as catalysator of development. Acknowledging the marginal results of aid in the past, they point to some of the systemic flaws in the aid system and prescribe reforms in management and delivery to increase its effect on poverty reduction. According to Gulrajani, most contemporary aid reformers borrow from managerial logics to realize this goal. She uses the definition from Pollitt to describe ‘Managerialism’ as a “set of beliefs and practices, at the core of which burns the seldom-tested assumption that better management will prove an effective solvent for a wide range of economic and social ills” (Pollitt, 1990: 1). Through this view, reformists prescribe business doctrines as a legitimate way to both justify and frame reforms in the aid system (Gulrajani 2011, 11). They take distance of local and cultural factors in aid implementation and assert that the reforms they suggest are based on objective scientific investigations and universally applicable.

Since the reformists represent many of those working inside the aid industry today, managerialism serves as a powerful contemporary ideology within the public contexts of international development and therefore the DAC. The most prominent example of how these views have materialized is found in the Paris Declaration on effectiveness. Through the Paris declaration on aid effectiveness in 2005 and the Accra Agenda for Action in 2008 DAC members and several other signatory countries and organizations came to an international agreement through which they committed to harmonize and align their aid activities meant to
transform global aid provision towards a coordinated and results-based process. In this declaration, prescriptions for better delivery and management of foreign aid are provided as a technocratic solution to the issues of ineffectiveness and inefficiency (Rowlands 2008, 7). These principles are divorced from the political dynamics and relations of aid that the radicals tend to point out and focus primarily on how the implementation procedure of aid from the traditional donors. In the case of the Paris agenda, the reformists critique has thus become a recommendation that DAC members have committed themselves to. Interestingly, many of the DAC donors have not made much progress on the agenda as of yet, which makes the critique from the reformists still relevant to the traditional model today (OECD 2011c).

Fearing the loss of international consensus on the Paris Agenda, traditional donors have repeatedly urged emerging donors to commit to these principles as part of the DAC framework. The third high-level forum on development effectiveness in Busan made clear that the emerging donors are not inclined to do so in the near future. As we have seen in chapter two, the rationale behind this has more to do with their refusal to commit to a western-dominated institution than to their potential ‘score’ on these principles. In this section, the reformist views as put forward in the Paris Agenda provide for a third critical way of evaluating and interpreting the development assistance model of the emerging donors. By doing so, this last section of chapter three will lay focus on the emerging donors current performances, which mostly show themselves through the aid modalities they use. The Paris Agenda defines aid effectiveness in terms of three main principles of ownership, alignment, harmonization each meant to increase both results-based management and mutual accountability (Paris/Accra Agenda 2008). Below, all five indicators will be further explained and applied to emerging donors.

The pyramid on the next page was created in 2004 by the OECD and shows the three main elements of the aid effectiveness agenda that were first agreed upon in Paris (Paris) and were reaffirmed in the high level fora on aid effectiveness in Accra (2008) and Busan (2011). Starting with ownership, this concept refers to the idea that the beneficiary countries should take the lead in development policies and coordination. The element commits the development community to “respect the right - and responsibility – of the partner country to establish its development agenda, setting out its own strategies for poverty reduction and growth”(The Paris Declaration, OECD 2005). Applying this principle to the CIB model, it is not hard to argue that their demand-driven and less intrusive style provides a lot of ownership to their partner countries. Last year, Peter Kragelund, one of the frontrunner in the field of studies on emerging donors, conducted a study on whether the non-traditional donors
approach in Africa has affected their policy autonomy and found several positive effects (Kragelund, 2012). Linking ownership to the notion of ‘policy space’ he observed that emerging donors have directly increased policy autonomy through their tendency to work with the presidencies office directly and their cost effective no-strings-attached procedures (Kragelund 2012, 712). Indirectly, emerging donors also provided benefits of increased autonomy by offering developing countries an alternative choice beside the aid programmes of traditional donors and moreover the option to switch partners if the arrangement had not turned out after their wish (Kragelund 2012, 711).

Looking at the flip side of the coin, the question remains if the ownership provided by the emerging donor’s approach is used for the right purposes. Certain governments might not be the right representative for it’s citizens in which case the new partners could further ‘entrench the power of unaccountable political elites’, since they do not distinguish between democratic or non-democratic governments when engaging in cooperation. Where the right-wing radicals Easterly and Moyo did not consider rights-issues a domain of aid provision, DAC reformists disagree and note that with ownership, *democratic* ownership is meant and
warn emerging donors are harming human rights with their approach. In an account of the Busan high level forum on aid effectiveness Eyben and Savage (2013) note that several speakers expressed their concern in this area. Not only Hilary Clinton recommended African countries to choose for those promoting democratic governance and human rights rather than alternatives of land and resource grabbing, but also the African civil society network (CSO) reported that many civil society organizations consider the engagement of new players as a reversal of democratic and governance gains (Eyben and Savage, 2013, 463 and 465). In this light, the conditions relating to good governance that traditional donors often attach to their programmes can be considered an instrument of promoting ownership that the CIB donors lack.

Alignment refers to the belief that donors should base their support on recipients’ systems and priorities. The Task Team on South-South Co-operation of the OECD noted in 2010 on the basis of several case studies that southern donors have a high degree of alignment with the public policy of their partner countries (Task Team on South-South Co-operation, 2010, 16). They explain this by referring to the CIB practice of horizontal intergovernmental cooperation, which automatically embeds these initiatives in the policies and plans of the corresponding ministries and governmental agencies of the recipient country (2010, 17). Alignment is also reached by the fact that CIB donors have the expertise and technologies that are a good fit to the needs of developing countries. Their expertise and technology can be cost-effective in many ways as it may be relatively cheaper and often more applicable given the comparable level of development, similar climatic conditions and often geographical and cultural proximity among the countries of the South (Task-Team on South-South Co-operation 2010, 27).

But not all aspects of CIB aid are aligned with local systems. One of the biggest implications of the alignment principle is that DAC donors have committed to aim to untie all of their aid and make use of local procurement options in the implementation of their programmes. They argue that tying to the goods and services of the donor country limits the partner countries ability to compete with them on a fair and open market, which lead to an inefficient form of aid provision (Mackie 2012, 103). As indicated in chapter two, the CIB assistance is mostly given through tied aid. According to Foster, who researched the attitudes of the BRICS towards aid provision, BRIC countries often see themselves constrained by local regulations to make hiring local workers effective and hold that under-developed skills make local workers more expensive than imported workers (Foster, 2009). Also, they argue
that their tied goods and technologies are highly competitive with those of their partner countries (Park 2011). They thus seem to argue that proving more efficient aid will lead to more effectiveness for both.

Some literature however, also points to the positive effects that tied aid can bring along. The fact that their technologies and methods are tied also provides for a learning opportunity, Zhou Hong mentions (2012). He observes that aid from China is often welcomed by developing countries because they can learn from China’s recent experiences in stimulating its own development, such as acquiring funds, technology and expertise (Hong, 2012, 157). Similarly, Cabral and Shankland (2013, 13) note that a distinctive feature of Brazilian programmes is the direct deployment of Brazilian professionals who have first-hand experience of the technical solutions that projects aim to communicate. Seen Brazil and Africa share many climatological and cultural characteristics, these professionals en technology can provide for good examples (Cabral and Shankland 2013).

With the third the Paris principle of harmonization, traditional donors expressed their intention to reducing the transaction costs of donor interventions by making use of common arrangements, simplifying procedures and sharing information. Simplifying procedures is a theme much mentioned when it comes to traditional donors, seen much of their aid comes as expensive expertise and complex management processes. Rwanda’s President Paul Kagame speech at the Busan forum in 2011 illustrates this issue: ‘Developing countries spend more time and energy agreeing on procedures and accounting to donors and an ever-increasing number of related non-state actors than in actual development work’ (as cited in the Guardian, November 30 2011). Since emerging donors engage mostly into projects and not programmes such as the traditional donors, the procedures of implementation are flexible and fast. In line with the reformists’ ideals, this approach minimizes the burden for partner countries by avoiding heavy bureaucratic procedures. Similarly, CIB donors do not make use of ‘development programme’ blueprints for their projects, but adapt each project to its specific circumstances. Illustrative to this idea is the fact that Cabral and Shankland (2013, 12) describe the Brazilian policy of development cooperation as the no-policy policy.

Sharing information under the principles of harmonization is definitely an area in which the emerging donors lag behind compared to traditional donors. This can be attributed to a number of factors. Firstly, CIB donors are reluctant to be called ‘donors’ and do not wish to publish info on the effectiveness of their ‘aid approach’ since they do not always make a clear distinction between aid and trade (Walz and Ramachandran 2011, 19). Additionally, Brautigam mentions that a reason behind the fact that China releases its ‘development flows’
in a limited number is because of the political sensitivity of helping LICs while China has a large poor population and the Chinese culture of not publicizing a debtor’s details (Brautigam, 2010). Finally, the limited institutional capacity of CIB donors hinders the data collection of their projects. This factor will be further dealt with below.

The three principles above are additionally supported by aims towards results-based management and mutual accountability. In the view of the DAC, introducing better evaluation methods such as PMMS (performance measurement and management systems) would improve results-based management. The limited institutional capacity of the emerging donors impedes these kind of monitoring mechanisms. In case of Brazil, Cabral and Weinstock (2010, 10) for example have observed that its institutional apparatus supporting the development cooperation function is still relatively immature and fragile. They note this limits its ability to develop a cooperation policy and be more strategic and efficient in deploying human and financial resources. The same counts for China and India. Their activities seem to a large extent dependent on the whims of foreign policy, lacking a long-term vision. Chatuverdi (2012, 183) notes that in the case of India, its external development cooperation policy is currently highly decentralized and its policy determined by several agencies. The current lack of coherence, synergy and consistency makes it hard to oversee India’s activities and he foresees that in the near future India will bring them under a broader programmatic framework (184).

Despite their limited data collecting and monitoring mechanisms, the emerging donors show a different kind of results-based management, aimed at creating better ‘development results’ rather than ‘aid results’. Indeed, Rampa and Bilal (2011) suggest that increasing pressures of commercial and national interest are pointing towards a turn away from ODA and towards a ‘development effectiveness paradigm’ instead of the ‘aid effectiveness paradigm’ brought forward by the Paris agenda. Rather than a sole focus on poverty reduction, it includes a renewed attention for economic growth and integration between foreign aid and other policy areas, such as trade and investment and a growing and more visible role for the private sector. Statements from African officials support this shift toward development results and praise emerging donors for their hands on mentality. An African Union negotiator at Busan said: ‘You can illustrate how aid results are not really there, despite all of the money. But China gives us a loan, and in six months we have results’ (Eyben and Savaga 2013, 465). Similarly, for Kenya’s Ambassador to China (as revealed through Wikileaks), “Africans were frustrated by Western insistence on capacity building, which translated, in his eyes, into
conferences and seminars. They instead preferred China’s focus on infrastructure and tangible projects” (cited in Chandy and Kharas, 2011, 748).

Finally, the last principle of mutual accountability was put forward to ensure commitment and respect between donors and recipients (Mackie 2012, 102). DAC donors aim to do so by making aid transparent and holding each other accountable for Paris principles via targets and indicators. Not committed to the Paris principles as donors, CIB countries ensure mutual accountability in a different manner. Their business-like and horizontal approach automatically ensures that aid is mutually beneficial by agreeing to respect each other’s sovereignty and eschew policy conditionality (Park 2011). However, in the reformists’ view, mutual accountability should also mean between donors and not just donors and their recipient partners. In the words of Walz and Ramachandran ‘project level data is (…) the only way to ensure accountability and would allow civil society to more actively monitor government activities’ (Walz and Ramachandran 2011, 22). As we have seen, the limited information shared by CIB donors impedes this.

Concluding, in the Paris agenda, reformists’ critiques were formulated through the five principles that should be achieved when providing development assistance. Interpretation of the principles complicates their critical application to the CIB donors, as they seem to answer to most of them in their own manner. They enhance ownership and alignment by their horizontal business-like approach and by offering more choice for developing nations in need of development funds. Their simple procedures don’t need harmonization and are result-based by focusing on development effectiveness rather than aid effectiveness. Lastly, the respect for the partners sovereignty ensures mutual accountability. However, their interpretation of the principles and strategies to achieve them are very different from the DAC donors, and it in this area of difference the reformists critiques on the emerging donors find fertile ground. The fact that they tie their funds to national goods and services and show little institutional capacity would make the reformists believe their strategies lack a well-structured plan aimed to benefit the long-term development of the partner country. A no-policy policy is not acceptable for the reformists who wish to see project monitoring and evaluation to improve methods of development cooperation. Also, the democratic element is very absent in the CIB projects, but necessary to ensure democratic ownership and accountability.

After all the critical stances have been reviewed, the next section will conclude all of the found advantages of CIB donors in an matrix which incorporates the model of characteristics found in chapter two with the evidence found in chapter three.
3.4 Determining the areas of CIB advantage

Before providing a matrix of areas of advantage of the CIB donors, two things need pointing out that should be kept in mind when considering the perceived advantages. Firstly, the case can be made that by applying some of the traditional aid critiques, especially the Paris principles, to the CIB donors we are in fact comparing apples to oranges. In the eyes of the neo-marxists and neo-liberalists the CIB approach scores very high, but as we have seen, their critiques apply mostly to the discourse and theories behind their approach and little about the actual accomplishments thus far. In case of the reformist agenda, for a big part, the effectiveness agenda cannot be applied to the development assistance style the CIB donors have taken on as it is inherently a critique to the multilateral and monitored style of the DAC. When reformists speak of harmonizing the systems by using blueprints and sharing information, they are referring to the systems already in place in many traditional donor countries. Applying the reformist critique to CIB donors therefore doesn’t always make sense as it methods are fundamentally different. The business-like style of the emerging donors doesn’t require blueprints or sharing information but is simply directed toward capacity building that is mutually beneficial for both parties. Here, it is the emerging donors advantage that they have not yet established heavily bureaucratized and monitored institutions and are more focussed towards creating development effectiveness than aid effectiveness. Similarly, the emphasis on non-interference by the CIB donors shows that they do not feel the need to make their ‘ownership approach’ democratic. But this tends to downplay human rights issues and good governance critiques.

Secondly, it is of importance to remain conscious of the fact that in the cases of China, India and Brazil development cooperation is to a large extent subordinate to foreign policy (Mawdsley 2012). The latter tends to be more interested in more immediate results and media-focused diplomatic affairs than in critical analysis of impact (Mawdsley 2012, 56). Additionally, public awareness about development cooperation with foreign countries within CIB donors’ own constituencies tends to be relatively limited and therefore there is little critique from within these countries as of yet and little demand for accountability and transparency. In the absence of a domestic debate on the countries’ development activities abroad, bad practices do not come to light easily (Quadir 2013, 335).

These facts urge to consider the idea that some of the CIBs current style will change in the near future. When their projects keep growing in size and number, they might be forced to
defend their policies in a domestic context and bureaucratize their methods as a result. Nevertheless, the advantages put forward in this thesis are valuable to analyse their approach as it is today. The following table 3.1 portrays the theoretical advantages of the CIB donors, which in some cases have been backed up by evidence from the field and in other cases have been noted as a promising feature, but not yet tested in reality. The goal of this table is to distinguish the indicators of these found advantages, in order to test them in the following case study of Brazilian Agricultural cooperation in the Prosavana project in Mozambique. In addition to the advantages, some critical notes have been added that were found in regard to the different components of the CIB model. These notes reflect the possible pitfalls that could come alongside the advantages and will be considered in the analysis of the case-study.
<table>
<thead>
<tr>
<th>Indicators (discourse)</th>
<th>CIB model</th>
<th>Neomarist view</th>
<th>Neoliberal view</th>
<th>Reformist view</th>
<th>Critical notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Principles</strong></td>
<td>Solidarity and brotherhood, Equal partners (non-interference), Mutually beneficial: a win-win situation.</td>
<td>CIB donors are <strong>honest</strong> about their intentions and refer to the beneficiaries of their funds as equal partner rather than 'poor receivers' in desperate need of help. This shows respect towards and leaves the self-esteem of African countries in tact.</td>
<td>(discourse is unimportant when it comes to effectiveness of the development assistance)</td>
<td>CIB donors improve <strong>ownership and mutual accountability</strong> by approaching African recipient countries as equal partners.</td>
<td>- CIB’s relations with their development partners are equally characterized by self-interest and power-dynamics.</td>
</tr>
<tr>
<td><strong>Development focus</strong></td>
<td>Economic growth and job creation. Demand-driven. Focus on productive sectors as infrastructure and agriculture</td>
<td>Through the focus on growth and not governance CIB donors <strong>respects the right of internal self-determination</strong> of partner countries.</td>
<td>The CIB business-like approach has the potential to create true development, as <strong>economic growth</strong> can only be brought along by free market tools. Their demand-driven way of working means they respond better to the <strong>immediate local needs.</strong> CIB’s lack of focus on good governance aspects is appropriate.</td>
<td>The focus on 'development effectiveness' rather than 'aid effectiveness' improves results.</td>
<td>- Focus on productive sectors ignores the gains possible in social sectors.</td>
</tr>
<tr>
<td><strong>Modalities (Implementation)</strong></td>
<td>Economic and technical cooperation organized through projects. Most aid tied. No conditions attached. Mostly Bilateral. Disburse their support through different governmental bodies. Flexible procedure, cost efficient and speedy project delivery, but no monitoring mechanisms.</td>
<td>CIB programmes are <strong>less intrusive.</strong></td>
<td>CIB’s flexible and adaptable ways of working are more effective</td>
<td>CIB programmes' simple procedures reduce the need for <strong>harmonization</strong> and its investments produce quick <strong>results.</strong> Bilateral government-to-government meetings ensure <strong>alignment</strong> with national programmes. Also, CIB’s recent development experience makes their <strong>expertise and technology align better</strong> with the needs of their partner countries.</td>
<td>- Using blueprints of successful domestic projects risks overlooking specific local needs. -Democratic aspects are missing in programmes. - A 'no policy policy' is not acceptable when providing development assistance. - Monitoring and evaluation mechanisms are absent, but necessary for improving methods.</td>
</tr>
</tbody>
</table>
Chapter 4 The Case-study of Prosavana

The previous chapter set out to determine the potential areas of advantage and therefore success of the CIB development assistance model. This chapter will illustrate these findings in a case study involving a project of the emerging donors in a Sub-Saharan African country. Among the CIB donors, it was chosen to focus on Brazil. As we have learned, the country is often mentioned as a donor that comes closest to the DAC model in terms of altruism. As a donor, Brazil is equally characterized by a moral debt towards Africa as by its interest in Africa as a market for its goods and services (Chatham House, 2012, 11). Moreover, its programmes have recently been praised in the media as successful examples of South-South cooperation (See for example Jonathan Glennie in the Guardian 2012). These two characteristics combined make that many believe that Brazil shows potential in realizing the development promises of the CIB model, while simultaneously remaining close to the charity approach of the traditional model. Although many of its mentioned successes in development cooperation have been in health and education projects (for examples visit southsouth.org), today agriculture forms the biggest part of its technical cooperation. In recent years, some large agricultural projects have been initiated in Africa, characterized by mostly technical cooperation and a big role for Brazilian agricultural companies (Cabral and Shankland 2013).

Finding an appropriate case study fitting these descriptions was by no means an easy task. Because the increase of Brazil’s overseas development funds is a recent phenomenon, many projects have only been implemented in the past two years and are still on going today. As a result and due to limited information, mostly anecdotal and not empirical impact studies are available. One particular project however has received a lot of attention in the media and academia lately because of its size and controversial nature. *Prosavana* is an agricultural project whose implementation started in Mozambique in 2010 resulting from cooperation between the governments of Japan, Brazil and Mozambique. Some might contest viewing this project as a South-south collaboration since it is essentially a triangular project, in which a developed (Japan), emerging (Brazil) and less-developed (Mozambique) country work together. However, south-south cooperation and triangular are often mentioned as a single unit because triangular cooperation is mostly seen as an enhancement in financial terms of South-south cooperation (UNFPA Background paper February 2013, 2). Moreover, literature on *Prosavana* suggests that Brazil takes the lead in the collaboration (Clements and Fernandes 2013, 2). Given similarities in terrain and climate, Brazilian agencies are collaborating with
Mozambican agencies to transfer the knowledge and technology necessary, while Japan assist in a facilitating role while providing additional financial support. In the next sections a general background on the project will be provided and its CIB characteristics will be laid out, followed by a critical application of the CIB advantages matrix.

4.1 Background Prosavana

Mozambique is currently the biggest beneficiary of Brazilian technical cooperation in Africa. The past years have seen many cooperation projects between the two countries in areas including health, education and agriculture, but Prosavana can be considered the most ambitious project thus far. Last year, at a high level meeting between Mozambique and Brazil, Brazilian vice President Michel Temer called Prosavana “its most complete initiative for agricultural cooperation in Africa” (AllAfrica, April 2012). The design of Prosavana is based on a large-scale project that Japan and Brazil in cooperation implemented in Brazil’s tropical savannah called the Cerrado, in the late 1970s. This project, named Proceder and labelled ‘the miracle of the Cerrado’ by the Economist, is credited with transforming this region into one of the most productive areas in the country and making Brazil the number one producer of soybeans in the world (The Economist 2010). In Mozambique, Prosavana is being implemented in an area known as the Nacala Corridor with similar climatological characteristics as the Cerrado, which spreads across three provinces of Northern Mozambique (Niassa, Nampula and Zambézia). The plan is to completely reshape the economic landscape of this area, covering approximately 14 million hectares of land, and transform it into a highly productive agriculture zone, cultivating various cash crops including soya, beans, vegetables, sesame, groundnuts and sorghum (Prosavana Report no 2. 2013). Since implementation started in 2011, about $13 million have been committed, by the governments of Brazil, Japan and Mozambique, for a period of 5 years. (Cabral and Shankland 2013, 16)

The programme has three main components (Embrapa 2012): “(1) ProSavana-Projecto de Investigaçao (ProSavana-PI): improvement of research and extension capabilities for the agricultural development of the Nacala Corridor launched in 2011, focusing particularly on strengthening the institutional capacity of IIAM (Mozambiquan Institute for Agrarian Research); (2) ProSavana-Projecto de Extensao (ProSavana-PE): implementation of pilot productive projects for small and commercial growers to be launched later this year; and (3) ProSavana-Plano Director (ProSavana-PD): An integrated agro-industrial master plan for the development of the Nacala corridor launched in 2012, looking not only at agricultural
production and productivity, but also at broader regional development issues, such as infrastructure and markets”. Where the first two components focus on technical transfer through project-based support, the latter component lays the groundwork for Brazilian and Japanese private investment in agriculture in the region. Officially, ProSavana itself does not include any such investments, but in 2012 the Nacala Fund was created as a parallel initiative aiming to mobilise capital in Brazil and Japan to support agribusiness projects along the Nacala corridor. This fund is expected to attract around US$2 billion (Chichava et al. 2013, 6).

Besides promoting the development of a competitive and sustainable agriculture in the Nacala corridor, one of the biggest aims of the project is to meet the growing demand for food due to the economic development of emerging countries through export, and contribute to Mozambican food security (Prosavana 2013). Aires Ali, president of Mozambique has stated that he expects Prosavana, to reduce poverty and combat hunger in Mozambique (AllAfrica April 2012). On the international level, expectations are similarly very high. At the Busan high-level forum on aid effectiveness, US Secretary of States Hilary Clinton, who at the same event uttered her concerns for the violation of human rights by some emerging donors, praised Prosavana as an “effective south-south cooperation” for improving the effectiveness of international assistance (Eyben and Savage 2013). The project is in the early stages of implementation. If successful, the idea is to replicate Prosavana in other countries with similar geographical conditions (Alves 2013).

Screening Prosavana for CIB-components, most of the characteristics of the model found in chapter two can be found. In its official discourse towards Mozambique Brazil stresses that their cooperation with Mozambique is driven by solidarity and brotherhood and characterized by an horizontal and mutual beneficial partnership. Further, the project was a demand of the Mozambican government, who believed it necessary to diversify domestic production to meet local demands and ensure food security of the population (Fingermann 2013). The development strategy of Prosavana also exhibits an aspect typical of a CIB approach: the project is based on a successful national experience and aimed at inducing growth within the Mozambique sector of agriculture. In regard to the modalities, Prosavana answers to the CIB characteristics of technical, project based and non-conditional cooperation. The CIB feature of providing mostly mixed packages of aid and investment becomes apparent in the description Japan has provided on its engagement in Prosavana, stating it to be a ‘project-base assistance to small farmers, balancing with investment-oriented
approach’ (Classen 2012, 5). Different from China and India, Brazil puts emphasis on transferring knowledge through its technical cooperation programmes which is also seen in the Prosavana project plan. Procurement is therefore not limited to Brazilian companies but emphasis is put on working together as closely as possible. Flexibility and overall procedures of the Prosavana programme are hard to determine since the project is in its first phase of implementation.

As it answers to most of the characteristics of the CIB model, Prosavana makes a fitting case study to test whether the CIB advantages might come to light. Still, it is noteworthy that the Prosavana is in its first phase of implementation. The information and opinions on the project are therefore to a large extent anticipatory, but nevertheless valuable in exploring the potentials of the project. As Prosavana is largely based on the Proceder project references to this project will be used as a proxy when information on Prosavana is lacking. In the next sections a critical analysis will be provided on the existence of the CIB-advantages in the areas of principles, development focus and modalities. Here, attention will also be provided to the possible pitfalls of the CIB model portrayed under ‘critical notes’ by investigating the negative voices surrounding the debate about Prosavana.

4.2 Applying the Advantages matrix

4.2.1 Principles (discourse)

As can be seen in the advantages-matrix in the area of principles, from a neomarxist and reformist perspective, the emerging donors could be praised for their horizontal and honest discourse, which could provide more ownership and self-esteem to their partner countries.

As mentioned earlier, Brazil stresses a horizontal, equal partnership in its official discourse towards Mozambique. As a new player in the field of international development cooperation Brazil claims that its limited experience ensures that when engaging in partnership with others they are always ‘learning together’, hereby placing the country on the same level as its partner (Chichiva et al 2013, 8). Looking beyond documents and statements, the equality aspect is embodied in the fact that Embrapa and Mozambican agencies maintain close relations and work together extensively without intermediaries (Alves 2013, 3). Although technology transfer as part of the first component of the Prosavana project always implies an inequality, local integration is facilitated by the fact that in most projects Brazil engages in, both parties speak Portuguese.
Some positive notes can also be made on the issue of honesty. In the case of *Prosavana*, all involved partners are honest about their national interests in the project and are very clear in their presentation of the project as a mutually beneficial arrangement (In this case of triangular cooperation: win-win-win) (Classen 2013, 25). The graph below shows the planned benefits for all parties involved. As can be seen in the case of Japan and Brazil besides fulfilling their international contribution to development assistance, national firms are expected to participate in the endeavour. The idea is that *Prosavana* will help to steer private investment from Brazil (and Japan) via the recently launched Nacala Fund. This is expected to attract Brazilian (and Japanese) investors into the Nacala Corridor (Cabral and Shankland 2013, 17). The fact that the ‘donors’ do not pretend that they do not benefit financially from the project could be perceived as a respectful attitude towards the ‘beneficiary’ Mozambique and circumvents the hypocrisy often attached to aid as an ‘altruistic’ act.

(Source: JICA (2011))

Although it is difficult to test the level of self-esteem of Mozambique as a country, it can be argued that the Mozambican government takes ownership of the project. Chichiva et al (2013,5) state that the Mozambican governments perceives the programme as a very important national development endeavour. This is illustrated by the fact that the programme has attracted several senior officials of the Mozambican Ministry of Agriculture (MINAG) who now have positions as advisor and programme director (Chichiva 2013, 5). Further, on the basis of several interviews with the political and economic elites in Mozambique, the scholars conclude that those involved look forward to implementation of the project that they believe will initiate the long wished process towards modernisation and will bring along
opportunities for both individual as well as collective benefit (Chichiva et all 2013, 6).

On a less positive note, there are voices who claim some things about the discourse of the development partners is less honest. In a critical paper examining the discourse around Prosavana, Classen (2013, page) asserts that the strong positive image of Prosavana put forward by both Japan and Brazil heavily influences the general opinion towards the project. The information offered by the promoters of the programme to the public is to a large extent disconnected from the reality and tends to hide some of the projects possible negative impacts, he holds (Classen, 2013, 32). In this sense, the Mozambican government and citizens might have a false perception of the Prosavana plans. An important part of this ‘deceiving discourse’ results from the fact that gaps in knowledge about the Brazilian experience with the Proceder project remain deep in Africa, Lydia Cabral has argued (Cabral 2012). Here, she agrees with Classen that ‘the myth of Brazil’s successful agricultural transformation seems strong and a particular model of agricultural development fills the dominant imaginary of prosperity, with insufficient understanding of the social and environmental costs associated with that model’ (Cabral 2012). Brazilian and International (human rights) organizations have repeatedly reported the devastating impact Proceder has had on many smallholders lives. The fact that official statements and documents concerning Prosavana make no mention of how they will actively work to prevent this from happening poses questions about transparency of the project. The next paragraph will go further into detail on the issues concerning Proceder.

4.2.2 Development focus

In regard to the development focus of the CIB donors, the matrix of chapter 3 shows three important possible advantages of their outlook. Firstly, neoliberalists hold that CIB’s business-like approach has the potential to create ‘true development’ in the sense of economic growth. Reformists here agree that CIB’s focus on development effectiveness rather than aid effectiveness can be an advantage. Secondly, the demand-driven approach of the CIB donors can be considered to respond better to immediate local needs. Finally, the lack of governance conditionalities in CIB programmes is applauded by neoliberalists, who believe governance measure have proven ineffective. Neo-marxists have further stressed that not engaging in governance shows respect for the right of self-determination of the partner country. Are these benefits shown in the Prosavana programme?

First of all, the business-like approach of Prosavana becomes apparent in the mixed package of aid and investment embodied in the three component of Prosavana, mentioned in 4.1. In contrast with DAC donors, Amanor explains (2013, 9) this logic ‘sets up a synergy
between infrastructure development, technical cooperation and capital accumulation, aimed at creating new demands and domestic markets’. This idea is embodied in the way that Prosavana programme is designed. The first two components of the Prosavana plan lay focus on technical transfer and capacity building through project-based support are meant to eventually create the opportunity for private investment in agriculture in the region. Today, the Nacala Corridor is largely inhabited by farmers who engage in traditional farming methods. The small amount of medium and large-scale farmers have agricultural technologies that are not advanced and are constrained by the lack of good infrastructure (JICA 2011). As a result, the region is characterized by poor productivity both for subsistence and commercial crop production (WFP 2013). Seeking to create linkages between large and small farm growth in agriculture, the idea behind implementing the Cerrado model in this region is that the large farming companies that are attracted to the region will provide the necessary infrastructure, credit and technical assistance to the small farmers, while creating employment and growth. (Prosavana Report No 2, 2013). As it focusses creating an enabling environment while increasing productivity at the same time, the project sets up a framework of ties to facilitate trade, investments and business exchange. The growth-inducing components are thus clearly present in the Prosavana programme.

The Prosavana masterplan also seems to attend to the second possible advantage of CIB donors in the area of development focus that holds that CIB programmes tend to respond better to a countries’ or communities’ immediate needs. The masterplan explains that the project will be implemented per ‘cluster’: a strategic approach to accelerate development within a specified territory (Prosavana 2013, 2-14). It further states that: ‘The central line of development of these (cluster) strategies is to design one or more value chains, with synergic potential and in appropriate context regarding the territory, in order to channel efforts for its realization within a period lower than that which could be achieved without integrated and specific actions’(Prosavana 2013, 2-14). This strategy make it seem like the project is very well adapted to the local realities and designed to distinguish the areas where help is needed. But although the growth-inducing components are present in the plan and seem targeted to the specific local needs, what is the suspected development promise for Mozambique according to those standing outside of the project?

Cabral and Shankland (2013, 18) hold in a recent study about Prosavana that it would be a fault to deny the potential for technology transfer and economic development Brazil could provide to Mozambique, but also note that turning agribusiness into a sustainable creator of jobs in a poor nation as Mozambique does not come without obstacles. One of the
challenges is maintaining the balance between small-scale family farms alongside large-scale agricultural companies. The contrasting views embodied in Prosavana between a model of agricultural development prioritising smallholder production systems and a model driven essentially by capital-intensive and large-scale commercial farming interests could entail the risk of prioritizing the latter over the former, with negative impact for the smallholders (Cabral and Shankland 2013, 18). Olivier de Schutte (2011), UN Special Rapporteur on the Right to Food, has called the scenario where small-scale farming and large-scale industrialized agriculture live side-by-side an inherently unsustainable one and holds that this development tactic will always lead to marginalization and exclusion of the small farmers in the long term. Here, some of the issues concerning Proceder come to light. In an article recently written by Clemens and Fernandes for Agrarian South, the authors set out to unveil some of its devastating results. Under this programme, thousands of families where forced to stop producing their food crops because they needed the time to dedicate to their cash crops, with widespread food insecurity as result (2013, 18). Also, this programme has been the cause of many large and illicit land acquisitions, known as ‘land grabs’ by large companies at the cost of smallholders. Concluding, the authors put forward that: ’Through Prosavana, Brazil is attempting to export to Mozambique a model of agroindustrial development that has failed profoundly in terms of providing for food security and sustainable development in Brazil (Clemens and Fernandes, 2013, 22). The same concerns have led some of the farmers in the area of the Nacala Corridor to criticize the modernisation view of agriculture Prosavana embodies, believing it to primarily serve the interests of large commercial (foreign) farming companies. In a statement released on October 22 2012, the National Peasants Union (UNAC) have uttered their concerns over the impact on the smallholders access to food and land (UNAC 2012). Their statement has been supported by several national and international NGOs such as ORAM, Platform Nampula, Environmental Justice and Friends of the Earth International (Justicia Ambiental et al 30 April 2013).

In turn, the statements of the UNAC have led some to contest their pessimistic views, defending Prosavana through articles and blogs (for an interesting online debate visit http://rajpall.org/2012/10/24/prosavana-antipeasant/). One of the more prominent voices in this debate in Nathalia Fingermann, (2013) investigator of IESE - Institute of Social and Economic Studies, in Mozambique. Alarmed by the negative sounds in the media around Prosavana she decided to travel to the area and interview those involved. She urges not to be too quick to jump to conclusions concerning the negative impacts of Prosavana and makes three important remarks as to why. First of all, Prosavana is not an exact copy of Proceder
and insisting it will come with the same negative externalities is denying the learning ability of countries. Secondly, contrary to common believe, the masterplan has not in any way promised land to foreign investors or is part of a larger plan to allocate land to Brazil. Therefore, lastly, claims of landgrabs and social conflicts are premature and dependent on socio-economic context, as Mozambique has different land laws than Brazil at that time (Fingermann 2013).

Finally, with regard to the last possible advantage the Prosavana project plan shows limited focus on governance apart from strengthening the institutional capacity of IIAM (Mozambican Institute for Agrarian Research). According to neo-marxists critics of traditional aid this could be considered an advantage as it shows a respect to the right of self-determination. However, there is another side to the coin where it concerns the non-interference approach of Brazil, brought to light in an article by Francesco Pierri in the IDS Bulletin (2013). Pierri asserts that Brazil tends to hide behind the principle that it is not its business to deal with those things that belong to the domestic realm, such as social alignment necessary to establish sustainable support for agricultural development projects. Pierri however stresses that this support is an essential component in the cooperation process, especially when the beneficiaries are small farmers, can lead to dangerous top-down approaches no matter how pro-poor they claim to be. It becomes clear that Brazil might be too fast in perceiving the Peasants as ‘beneficiaries’ only and not acknowledging ‘their role as development agents across the agricultural value chain’ (Pierri 2013, 75). The next paragraph will go deeper into this issue.

4.2.3 Modalities.
In regard to the modalities, the CIB programmes' could provide the following five advantages in the light of all three strands of critiques: 1. Less intrusive programmes. 2. Adaptable and flexible programmes 3. Quick and effective results. 4. Little harmonization necessary as a result of simple procedures. 5. High level of alignment through government-to-government meetings and access to suitable expertise and technology.

Considering these possible advantages one by one in the case of Prosavana, the first point concerning the limited intrusiveness of the project can be underlined. As mentioned before, the Mozambican government has taken ownership over the project that provided them with a larger policy space to implement a domestic development plan. The programme is therefore not one in which the development partners intrude in the domestic
sphere by taking over some of the government's functions and deciding independently on issues of implementation. Seen from a different point of view however, it could be argued that although the 'donors' are increasing the policy space of the Mozambican government, they are contributing to a project that will be very intrusive in nature, since the Prosavana programme will be implemented in an area that encompasses 14 hectares of land and is expected to affect 4 million rural families (Prosavana 2013). This might lead some to urge the donors to take on more responsibility and it is unclear if they will.

The second advantage refers to the adaptability and flexibility of the methods of implementation of CIB programmes. Here, the project could walk into the same trap as many of the traditional donor's long-term pre-designed plans with little outcome, since Prosavana is essentially a blueprint programme designed after Proceder. However, the Cerrado project was implemented in Brazil with help of Brazil should be considered more as a successful domestic investment plan than as a successful aid programme, The Economist notes (2010). Copying this plan to Mozambique could therefore be seen as a policy transfer of a private-public partnership strategy instead of a simple development fund transfer, a fundamental difference. Here, the mixed aid/investment logic could circumvent slow and bureaucratic practices and produce flexible implementation and quick results as well as reduce the need for harmonization, since the plan follows free-market principles rather than pre-designed aid strategies.

Although it is too early to speak of results, the alignment aspects mentioned in point five are clearly present in the Prosavana plan. The programme is the result of direct cooperation of Brazil and Japan with the Mozambiquan government and set out to assist them to implement an agricultural development policy (Fingerman 2013). Moreover, the programme is so huge, it cannot be seen separate from the overall Mozambican national development strategy. Additionally, according to The Economist (2010), an important reason for possible success of copying the Cerrado project is that Embrapa has important expertise which others in Africa simply do not have. It has research stations for cash crops such as cassava and sorghum and has experience not just in the Cerrado but in more arid regions in jungles and in the vast wetlands on the border with Paraguay and Bolivia (The Economist 2010). Africa and in this case Mozambique has a huge potential in making better use of similar lands and Prosavana can be a step towards obtaining this knowledge that applies to their geographical and climatological conditions and that made Brazil a leading producer of soybeans in the recent decade. Besides the fact that the Brazilian expertise aligns well to the circumstances in the Ncala Corridor, Chichiva et al have noted that, for the first component
of the project, aimed at transferring information and technology, Brazil has sent first hand experience specialists to work together with Mozambican Agencies (2013, 7). Local alignment is additionally facilitated by the fact that both parties speak Portuguese, which can be considered a big advantage when transferring knowledge (Cabral and Shankland, 2013, 13).

But even though Brazilian solutions in tropical agriculture might be adaptable to the Mozambican geographical and climate conditions, Arilson Favareto, a Brazilian sociologist who works as a Professor at the Federal University of ABC has urged to keep in mind that the Cerrado project was designed in a specific domestic context of strong social mobilization and economic growth in Brazil at that time (Favareto 2013). Replicating the Cerrado experience in the Nacala Corridor therefore demands that policy-makers consider social, political and economic dimensions and make sure all parties are sufficiently informed and prepared. Unfortunately, when considering the current preparations before implementation of Prosavana, mechanisms of transparency and democratic participation seem largely absent (Chassen 2013, 17) This critique has recently become explicitly pronounced in the media through the afore-mentioned letter send by UNAC (The National Mozambiquan Farmers Movements) directed to the governments of Mozambique, Brazil and Japan. Besides expressing their fears that Prosavana will repeat some of the negative outcomes Proceder caused in Brazil, they claim to have never been included in consultation processes. Stating that the drafting of the Prosavana programme ‘has been characterised by reduced transparency and the exclusion of civil society organisations throughout the process, especially peasant organisations’ (UNAC 2012).

A recent report entitled ‘Land Delimitation & Demarcation: Preparing communities for investment’ written on behalf of the renown NGO CARE-Mozambique underlines these concerns (Terrafirma 2013). Although the authors believe that the Prosavana management team is aware of the potential and constraints in the current land occupation patterns, they fear that the projects’ implementation might not fully take into account ‘the rights, mechanisms, safeguards and opportunities offered by the existing legal framework, including in particular the land legislation, the land use planning framework and the environmental regulations ’ (Terrafirma 2013, 43).

4.3 Evaluation
Exploring the embodiments of the CIB advantages in the Prosavana project does not lead to a one-sided conclusion. Overall, it should be emphasized that the project allows Mozambique to
implement a giant investment project that it would not have been able to perform on its own without the support of Brazilian and Japanese funds, knowledge and technology. At first sight, the project shows the potential to bring growth and poverty reduction to the Nacala Corridor while Brazilian and Japanese companies can benefit at the same time. It is well aligned with the Mozambican government’s development strategies and Embrapa’s expertise on the topic can be of great value when this knowledge is effectively transferred to Mozambican agencies.

However, it remains difficult to determine whether these potentials have the chance to become reality since there are so many voices pointing towards the possible risks and faults in its design. Because, what remains of the value of being honest about a mutually beneficial situation when possible negative impacts are never once mentioned in discourse? Similarly, if the promise of growth and poverty reduction is present, but possibly at the expense of the local small family farmers, how can Prosavana result in an even and inclusive development path for Mozambique? Finally, the use of Brazilian expertise and technology might be very valuable when the time comes to plant the seeds and process the crops, but what is an effective implementation without the participation and consent of the local communities? These are all valid questions that today overshadow the promises Prosavana embodies. Although we should not forget that in the past western donors and companies have equally been accused of land grabs and causing food insecurity, today national legislations and DAC rules around transparency and democratic participation discourage them from engaging in a huge project as Prosavana that finds so much opposition among local citizens. The following section concerns the thesis’ conclusion. Here, the evidence found in this chapter will be interpreted in light of the overall research question.
Conclusion

This thesis has set out to distinguish the benefits in development cooperation from the southern donors China India and Brazil, by asking the question: *What are the potential areas of advantage for the development cooperation approach from the emerging donors China, India and Brazil (CIB) in Sub Sahara Africa?* It has done so by constructing the southern model as presented in international discourse and literature in comparison to the DAC model and using this model to test its advantages in theory and reality.

The southern model characterized in Chapter one appeared to be founded on notion of an equal partnership, a development focus on growth and flexible procedures without any conditions attached. In chapter two, its theoretical advantages seemed promising in the light of the critique on the DAC donors, as portrayed in the advantages-matrix. In order to prevent the research to get a hypothetical character the much debated and controversial case-study of *Prosavana* was chosen to explore the found advantages in chapter three. As the project features many of the southern models’ characteristics, it was expected to find the advantages present in its plans to transform the north of Mozambique into a highly productive agricultural area. But while some components showed to be promising, here were several features present that undermined the credibility of these advantages. Thus far, the notion of democratic development seems largely absent in the *Prosavana* project and the positive discourse by the partners tends to hide some of the lesser aspects of the Cerrado model that they wish to duplicate in Mozambique. The private sector steered economic growth plan showed therefore as much a promise as a risk.

Overall, the evidence found in this thesis is mixed. On a theoretical level, the CIB model showed much potential by being able to answering in a satisfying manner to most of the critiques uttered on the traditional donors. But when tested in reality, the advantages remained only present as a faint promise while some lesser sides of the approach were more clearly present. Although the Case study of *Prosavana* is only one of many and may not be able to stand as an example of all cases of South-South development cooperation, it urges us to be careful not to celebrate the potential success of the emerging donors to quickly.

Looking back on this research, three important lessons concerning the debate on the emerging CIB donors arise. First of all, as the research continued, the dichotomy of South-
South versus North-South and DAC versus CIB proved less and less workable. Although both show similar tendencies in discourse, developmental outlook and modalities, the differences between them, especially within the CIB group, or similarities between members from opposite groups are often too big to be neglected. It seems, in any case, too much of a generalization to speak of a coherent southern model of development assistance. A following study might gather more insight from comparing a specific DAC donor with a specific southern donor.

Secondly, the research urges to remain conscious of the fact that theory often stands disconnected from practice. The components of the southern model and consequently its advantages have been clearly pronounced on an abstract level, but were only occasionally backed with anecdotal or forward-looking evidence. These components, especially in the areas of Principles and Development Focus were found to be very promising when screened through neomarxist and neoliberal lenses. However, positive discourse from donors and what seem like solid development plans can work out differently in practice. Today, tangible evidence of the impact and sustainability of the emerging donors projects is still short in supply. More performed evidence based studies on the implementation methods and impact of their projects are necessary to fill this gap and might temper initial optimism and enthusiasm, as the case of Prosvana has already illustrated. This will pave the way for a more balanced view of the emerging donors in which both opportunities and challenges are acknowledged.

This brings us to the last point of concern, which holds a tight connection to the former. This thesis has reminded us that discourse, as put forward by donors and in literature plays an undeniable big role within International Development Cooperation, including South-South Cooperation. Within this field, discourse on aid and implementation of aid often seem to be in a juxtaposition separating the idealized intent of development cooperation from the political reality of its assistance programs (Rowlands 2008, 5). Where this has often inhibited the construction of a coherent and truthful portrait of the DAC approach, it seems here that the same counts for the emerging donors. In the words of Lydia Cabral, “we should not be too eager to let the gap on data be filled with strong South-South solidarity and fit-for purpose rhetorics” of the new donors” (Cabral 2012). Indeed, it might be well possible that the southern as model constructed in literature relies heavily on the image the CIB donors themselves have put forward, highlighting many things that traditional donors tend to neglect. Some of the literature praising the new approach could have been influenced by the positive discourse of the Chinese, Indian and Brazilian leaders put forward in discourse. This fact again emphasizes that we should strive towards engaging idea with practice to come to a more
truthful account of any approach towards development cooperation. Here, a discourse analysis would be a very useful method for a next study on the CIB donors to determine to which extent their symbolic claims reflect reality.

Nevertheless, the limitations of this research should by no means downplay its findings. The advantages found for the CIB model stand ground as theoretical successes in certain areas seen from a neomarxist, neoliberalist and reformist viewpoint. We should cherish these components in order to use them to keep improving the methods of development assistance in any form. For one, an honest and equal discourse towards African countries is something to be strived towards by all donors. Denying that engaging in development cooperation comes with benefits for both beneficiary and donor seems inappropriate and unnecessary. Although morality remains an important driver for foreign aid, admitting aid is often a mutual beneficial situation does not immediately make it immoral but adds a sense of reality to the debate. Similarly, the rigid ODA definition of the traditional donors does not seem fitting anymore in a globalized, heavily interconnected reality. While always remaining mindful to social securities and democratic participation of the local peoples, a more business-like approach might be just what Africa needs. Mixed packages of private and public investments carefully designed in cooperation have the potential to create real economic development, which in the end will be the only way to reduce the extreme poverty that is still so persistent in many countries in Sub-Sahara Africa in the long term.

This thesis has taken an important step in bringing more nuances to the image of the emerging providers of development cooperation by exploring both the advantages and the risks their approach could bring along. It is important that we stop focussing on the fantasy and start seeing the current reality of the ‘southern model’. To do so, we should refrain from investigating only the promises of the theoretical model but test their existence in actual projects. In case they appear absent or troublesome such as in the case of Prosavana, the next step will be to try to find ways to make the advantages work. Here, the task lies to find a middle road between the pro-active, flexible results-based approach of the CIB donors and the transparent and democratic outlook of the DAC. Only then we can take a step forward in making development cooperation an effective and meaningful practice.
List of References


Amanor, K. (2013). South-South Cooperation in Africa: Historical, Geopolitical and Political Economy Dimensions of International Development. IDS Bulletin, 44.4


Chandy L and Kharas H (2011) Why can’t we all just get along? The practical limits to international development cooperation Journal of International Development 23, 739–51


Easterly W. (2007) The white man’s burden: why the West’s efforts to aid the rest have done so much ill and so little good. Oxford University Press, Oxford


Hopper, P. (2012) Understanding Development


Mwaze, N and Yang, Y (2012), Brics Philosophies for development financing and their implications for LDC’s, IMF working Paper


Pierri, F.M. (2013) how Brazil’s Agrarian Dynamics Shape Development Cooperation in Africa. IDS Bulletin volume 44 number 4 July 2013


Prosavana PD-report No. 2 (March 2013) Triangular Cooperation for Agricultural Development of the Tropical Savannah in Mozambique, MINAG, DPAs, Getulio Vargas Foundation Oriental Consultants Co. Ltd., NTC International Co. Ltd., Task Co. Ltd.


Sogge (2002) Give and Take, What’s the matter with Foreign aid?


Wente, M., ‘We’re not idiots, We’ re adults, We can run our own society’, The Globe and Mail May 29 2009 (Available at: http://www.theglobeandmail.com/commentary/munk-debates/were-not-idiots-were-adults-we-can-run-our-own-society/article4261161/) Accessed on: March 15, 2013


World Food Programme Mozambique 2013 (Available at: https://www.wfp.org/countries/ mozambique/overview) Accessed on: August 7, 2013