Governing Through Freedom, Ruling At a Distance:

Neoliberal Governmentality and the New Aid Architecture

in the AIDS Response in Malawi

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by

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Abstract

In this thesis, I critically analyse power relations between donors and the government of Malawi (GoM) under the new aid architecture and argue that this new configuration represents a shift away from domination, with donors attempting to impose policies, and towards more subtle interactions, through which donors seek to transform the GoM into a self-disciplined, entrepreneurial, neoliberal subject by shaping its aspirations and promoting specific norms of conduct, 'truths' and policy-related techniques.

The research focuses on funding for AIDS and draws on forty interviews with representatives from the GoM, donors and civil society, conducted in Malawi 2008, as well as discursive analysis of secondary sources. I use Foucault's concept of governmentality, a form of productive power focused on the care of the population and working through individuals' subjectivities, and extend it to the relation between donors and the GoM. I show that the agency of the GoM is both elicited by the principle of country ownership, and re-worked through the increased involvement of donors in the policy sphere. I explore how these interactions are legitimised by a discourse that presents donors and the GoM as equals, while casting the GoM as technically deficient and requiring donors' intervention. I analyse how donors instrumentalise dialogue with the GoM to instil an ethos of self-responsibility.

I also investigate how AIDS funding has been made reliant on public financial management reforms, which re-code social domains according to an economic logic, by subordinating government activities to macroeconomic imperatives and creating new undemocratic accountabilities based on market rationalities. I argue that by

restructuring the GoM according to this neoliberal rationality, the new aid architecture has programmatic effects, allowing donors to rule at a distance. I also examine avenues for resistance, particularly the potential residing in the intrinsic contradictions of this rationality.

Declaration

I declare that the research contained in this thesis, unless otherwise formally indicated within the text, is the original work of the author. The thesis has not been previously submitted to this or any other university for a degree, and does not incorporate any material already submitted for a degree.

Elodie Marandet

Content

List of tables and figures

Acronyms

AAA	Accra Agenda for Action
AAIM	Action Aid International Malawi
ADMARC	Agricultural Development and Marketing Corporation
AFORD	Alliance for Democracy
AIDS	Acquired Immunodeficiency Syndrome
AIPs	Annual Implementation Plans
ART	Antiretroviral treatment
ARVs	Antiretrovirals
BWI	Bretton Woods Institutions
CABS	Common Approach to Budget Support
CD4	Cluster of differentiation 4
CDC	U.S. Centers for Disease Control
CDF	Comprehensive Development Framework
CHAM	Christian Health Association of Malawi
CHCB	Community and home-based care
CIDA	Canadian International Development Agency
CPIA	Country Policy and Institutional Assessment
CSO	Civil society organisation
DAC	Development Assistance Committee
DACCs	District AIDS Coordinating Committees
DALY	Disability-adjusted life years
DARG	Developing Areas Research Group
DBS	Direct budget support
DFID	Department for International Development
DPP	Democratic Progressive Party
EC	European Commission
ECOSOC	Economic and Social Council
EDF	European Development Fund
EHP	Essential Health Package
EPAs	European Partnership Agreements
EU	European Union
FOCAC	Forum on China-Africa Cooperation
GDP	Gross domestic product
GMOs	Genetically modified organisms
GoM	Government of Malawi AIDS
GPA	Global Program on AIDS
GTZ	German Technical Cooperation

HIPC	Heavily Indebted Poor Countries
HIV	Human immunodeficiency virus
IAPW	Integrated Annual Work Plan
IBDR	International Bank for Reconstruction and Development
ICP	International Competitive Bidding
IDA	International Development Association
IFIs	International Financial Institutions
IFMIS	Integrated Financial Management Information System
IMF	International Monetary Fund
INGOs	International non-governmental organisation
JICA	Japanese International Co-operation Agency
MACRO	Malawi AIDS Counselling and Resources Organisation
MANELERA+	Malawi Network of Religious Leaders Living with or personally affected by HIV and AIDS
MANET+	Malawi Network of People Living with HIV/AIDS
MAP	Multi-Country HIV/AIDS Program
MCP	Malawi Congress Party
MDGs	Millennium Development Goals
M&E	Monitoring and Evaluation
MEJN	Malawi Economic Justice Network
MGDS	Malawi Growth and Development Strategy
MHEN	Malawi Health Equity Network
MoEPD	Ministry of Economic Planning and Development
MoF	Ministry of Finance
MoH	Ministry of Health
MoU	Memorandum of Understanding
MTEF	Medium-term expenditure framework
NAC	National AIDS Commission
NACP	National AIDS Control Programme
NAF	National Action Framework
NAPHAM	National Association of People Living with HIV and AIDS in Malawi
NASA	National AIDS Spending Assessment
NGO	Non-governmental organisation
NORAD	Norwegian Agency for Development
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OEEC	Organisation for European Economic Cooperation
PAF	Performance Assessment Framework
PEFA	Public Expenditure and Financial Accountability

PEM	Public expenditure management
PEPFAR	The U.S. President's Emergency Plan for AIDS Relief
PFM	Public financial management
PLWA	People living with HIV and AIDS
POW	Programme of Work
PRGF	Poverty Reduction and Growth Facility
PRSP	Poverty Reduction Strategy Paper
PWC	Post-Washington Consensus
SADAC	Southern Africa Development Community
SAPs	Structural Adjustment Programmes
SIDA	Swedish International Development Agency
STDs	Sexually transmitted diseases
SWAp	Sector-Wide Approach
TRIPs	Trade-Related Aspects of Intellectual Property Rights
UA	Universal Access
UDF	United Democratic Front
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund (formerly United Nations Fund for Population Activities
UNGASS	United Nations General Assembly Special Session
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
VACs	Village AIDS Committees
VSO	Voluntary Service Overseas
VTC	Voluntary testing and counselling
WFP	World Food Programme
WHO	World Health Organisation
WTO	World Trade Organisation

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Chapter 1: Introduction

'It is not power, but the subject, which is the general theme of my research[1]'

(Foucault, 2001: 1042)

1.1. Introduction

The aid architecture has undergone significant transformations in the past decade or so, with aid recipient governments repositioned at the centre of development policy elaboration and implementation by the Post-Washington Consensus (PWC) and the aid effectiveness agenda. The role of traditional donors has also changed as many pledged in 2005 to follow the principles established by the Paris Declaration of Aid Effectiveness, requiring them to align their priorities on those developed by aid recipients. In this thesis, I analyse how this new aid architecture has altered power relations between donors and the government of Malawi (GoM) by focusing on the area of AIDS. International funding for the AIDS response has expanded considerably throughout the first decade of the new millennium and makes these changes particularly visible, especially in Malawi where donors' response has largely espoused the Paris principles. In order to analyse these changes, I draw on Foucault's concept of governmentality to show that this new configuration can be seen as a shift away from a relation based on domination, with donors attempting to impose policies, and towards more subtle interactions through which donors seek to transform the GoM into a self-disciplined, entrepreneurial neoliberal subject by shaping its aspirations and promoting specific norms of conduct. The research is based on forty interviews with representatives from the government of Malawi, donor agencies and civil society,

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[1] Author's translation : 'Ce n'est donc pas le pouvoir, mais le sujet, qui constitue le thème général de mes recherches',

conducted in Malawi in 2008, as well as document analysis. This chapter introduces the thesis in greater detail, locating it in its academic context, providing details of its scope and presenting the theoretical perspective underpinning the research. The aims and significance of the study are then addressed, before introducing the research questions and considering epistemological and methodological issues. Finally, I explain the choices I made in relation to the use of potentially contentious terminology and outline the structure of the thesis.

1.2. Context of the study

The critique of international development is a vast and flourishing field, to which this thesis seeks to contribute. The power dimension of foreign aid in particular has been the focus of attention of many scholars. In that regard, aid, in the form of grants, loans, lines of credit, technical and humanitarian assistance and so on, has been seen as a means through which more powerful nations have sought to secure their 'political and strategic interests' (Rowlands, 2008). 'Soft policies', such as foreign aid, were instrumentalised as tools used to sustain alliances during the Cold War. However, the end of the bipolar world and new security concerns have also contributed to give international development a geopolitical importance (Dixneuf and Rey, 2004; Duffield, 2001). In this light, Western aid has been analysed as political containment (Li, 2007), a means of diffusing social mobilisation in the Global South (Li, 2007; Escobar, 2005) and securing the geopolitical domination of the West (Slater and Bell, 2002). As Power states:

> *'Development has to be considered therefore in large part as related to a "geopolitics" of race where "developed" countries take an interest in and consider the needs of poor countries in ways that often issue directly from their own preoccupations and strategic political, cultural and economic objectives and perspectives.'*

(Power, 2003: 12)

Postcolonial approaches (Mercer et al., 2003; Slater and Bell, 2002) and 'postdevelopment' theories (Escobar, 1995; Ferguson, 1990) have notably focused on the discursive constructions involved in reproducing, legitimising and depoliticising unequal relations between countries through international development. For example, Kapoor (2006) states that foreign aid portrays donor countries as generous, caring and humanitarian, while recipient countries are marked as weak and helpless. In that regard, international development can be seen as both post- and neo-colonialism, a 'continuation of tutelage under a globalizing gaze' (Slater and Bell, 2002: 351).

From that perspective, global health and AIDS, which have taken an increasingly important place in the international development agenda in the past two decades, can be seen as incarnating 'an exaggerated version of the existing aid and policy mechanisms with some peculiar features of [their] own' (de Waal: 2006: 60). The scaling up of financing for AIDS prevention, treatment and care spearheaded by the Millennium Development Goals (MDGs), the establishment of the Global Fund for TB, Malaria and HIV/AIDS and the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) which have disbursed respectively about US$ 17bn and US$ 46bn so far, has magnified many traditional features decried by critics of international development. Thus, the creation of an 'international AIDS governance' has been seen as both reflecting and bolstering donors' power over recipient countries, at both discursive (Seckinelgin, 2004; Jones, 2004) and material levels (Poku, 2002). For example, O'Shaughnessy (2007: 3) argues that 'African governments, organisations and communities were constructed as takers of knowledge', rather than sources of innovation. As a result, the response to the epidemics in Sub-Saharan Africa has been critiqued for drawing heavily on Western experiences and context and focusing on biomedical issues and behaviour change (Seckinelgin, 2008; O'Manique, 2004). Thus,

donors have been perceived as failing to address the socio-economic dimension of the epidemics and their link with global structural inequalities (Nauta, 2010; Youde, 2005).

In addition, this increase in funding has been analysed as reflecting security concerns of donors linked to the fight against terrorism, uncontrolled migration and spread of diseases (Ingram, 2005; Duffield, 2001). Hence, these developments have been seen as creating a 'nexus between questions of disease, space and power' (Ingram, 2005: 524). In this light, global AIDS interventions can be analysed as a way of exercising greater social, economic and political control rather than 'a means of genuine emancipation or empowerment' (Ingram, 2005: 525-6). Moreover, the international AIDS response has been viewed as a means to protect or further donors' economic interests. For example, the 1995 Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement has been impeding the use of generic drugs in poor countries (Sandusky, 2006; Shadlen, 2004). The scaling up of treatment has also been seen as benefiting the Western pharmaceutical industry (Nauta, 2010). As Ingram (2005: 524) argues: 'The inability to transcend neoliberal ideology suggests that containment of the diseases of the poor rather than genuine global transformation may be a dominant mode for the new geopolitics of disease'.

However, the scale of the international response, and especially the aspiration for universal treatment, has been seen as altering recipient countries' global position and locating them as the executive arm of a network of global governance. As de Waal (2006) explains:

> 'Sub-Saharan Africa's biggest-ever service delivery operation is being implemented with a multiplicity of new actors, with massive infusion of foreign funds and expertise, and in governing systems that are often neopatrimonies. We are on the brink of an unparalleled life-controlling intrusion into African societies, and we just don't know what it will look like. [...] Achieving the

> *necessary compliance rates and monitoring systems will require an unparalleled*
> *level of intrusiveness and discipline.'*
>
> (de Waal, 2006: 115)

As Power (2003: 16) elucidates, development can be seen as 'disciplining' in a Foucauldian sense, in that it seeks to make 'people become good, docile, governable citizens in the course of their society's modernisation', by instilling surveillance and compliance through the use of discourses, policies and statistics. Thus, the international AIDS response has been raising issues such as power, democracy and sovereignty in unprecedented ways.

Moreover, the development of a 'global governance' of AIDS (Seckinelgin, 2008: 1) has been concomitant to a major paradigm shift in international aid. By the late 1990s, the International Financial Institutions (IFIs) comprising the World Bank and the International Monetary Fund (IMF)[2] faced a severe legitimacy crisis. Confronted with swelling popular disapproval, critiques from the Bank's own former Chief Economist, Joseph Stiglitz, and an increasing number of internal and external evaluations showing that the Structural Adjustment Programmes (SAPs) and the accompanying neoliberal policies they had forced onto indebted countries had failed to bring expected benefits, the IFIs had to reinvent themselves (Bergamashi, 2011). They adopted a new approach, coined the 'Post-Washington Consensus', centred on poverty reduction. In contrast with the modus operandi of development in the SAP period, which favoured service-delivery through a web of NGOs and CSOs, this new paradigm shifted the emphasis back to the state and country-ownership of development policies became a new buzzword. This stemmed, in part, from concerns that previous reforms imposed on poor countries had failed to be adequately implemented due to a lack of political will (Dollar

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[2] They are sometimes referred to in the literature as the Bretton Woods Institutions (BWI) though the term also includes the General Agreement on Tariffs and Trade which became the World Trade Organisation in 1995.

and Pritchett, 1998). Thus, while macroeconomic policies formulated under the PWC have remained remarkably unchanged, promoting macroeconomic stability, privatisation, trade liberalisation and fiscal discipline (Ruckert, 2006), there has been a noticeable shift from the SAPs' rhetoric of 'competition, confrontation and ideological contestation' to 'a language of convergence and mutual complicity' (Gould: 2005b: 61). This is underpinned by a departure from the 'carrot and stick approach' to North-South relations to a subtler dynamic (Gould, 2005b: 63).

The paradigm shift represented by the PWC, together with the substantial increase in funding for international development stimulated by the Millennium Development Goals, paved the way for concerns regarding aid effectiveness. Indeed, the pressure towards meeting the millennium targets, the need for Western governments to account for aid funding to their voters, and concerns regarding poor countries' ability to absorb increased aid flows (de Renzio, 2006) have brought long-standing issues such as lack of donor coordination and transaction costs (the cost of disbursing and managing aid funding) to the fore (Steinle and Correll, 2008). Under the aegis of the Organisation for Economic Cooperation and Development (OECD), a new 'aid architecture' was conceptualised. The Paris Declaration, which was signed in 2005 by 35 donor countries, 26 multilateral donors and 56 aid-recipient countries with 14 civil society organisations acting as observers, outlines the main principles presiding over this reconfiguration. The new aid effectiveness agenda is based on the principle of country ownership, which engages donors to support recipient countries' leadership over their development policies. Donors are also urged to align their funding on recipient countries' priorities and procedures (e.g. procurement, auditing, accounting etc.) and harmonize with other donors through the use of common systems (such as direct budget support or pool-funding mechanisms) and/or comparative advantage (finding a 'niche' in countries' development agenda). Meanwhile recipient countries are expected to reform their

national systems to make them compatible with 'international standards'. In addition, the Declaration commits signatories to a results-oriented development approach and increased mutual accountability and transparency.

While the Paris Declaration has been viewed by some (e.g. Steinle and Correll, 2008) as attempting to shift the balance of power between donor and recipient countries, by putting the latter 'in the driver's seat', others have been critical of it. It has been seen as an overly technocratic instrument (Kees van Donge, 2007; Fritz and Rocha Menocal 2007), developed from donors' perspective (Unwin, 2004; Rocha Menocal and Rogerson, 2006) and failing to address issues crucial to aid effectiveness such as debt, conditionalities, gender equality, human rights, or environmental sustainability (Wallace, 2009; Steinle and Correll, 2008). The Paris Declaration has also been perceived as artificially separating aid from any consideration about structural issues that contribute to poverty such as world trade agreements, primary commodity pricing, the undemocratic nature of IFIs, or the unbalanced aid allocations across countries (Wallace, 2009; Sen, 2007; Rogerson, 2005). A few of these shortcomings have been addressed recently at the Fourth High Level Forum on Aid Effectiveness, that took place in Busan in 2011. The conference shifted the emphasis towards development effectiveness, a framework that sought to include donor countries from the Global South and widen the scope of the Paris Declaration. Indeed, the increasing importance of donors such as China, India, Brazil and South Africa in the past few years is contributing to significantly altering aid relations. However, it is likely that some of the critiques targeted at the aid effectiveness agenda, and indeed the findings of the present study, will remain relevant in the near future.

Indeed, the Paris Declaration has been seen as further embedding the spirit of the PWC, viewed by some as a new incarnation of neoliberalism, rather than a radical shift (Murray and Overton, 2011; Ruckert, 2006). As David Mosse asks:

> *'Does the "moral resurrection of aid" with its emphasis on ownership, participation and good governance in fact conceal an era of greater intervention by international agencies in the internal affairs of developing countries?'*
>
> (Mosse, 2005: 1-2)

However, while the PWC and its Poverty Reduction Strategy Papers (PRSPs) have generated a vast literature, there is still surprisingly little research into the effects of the new aid architecture on power relations between donors and recipient countries. The present thesis seeks to address this gap, as outlined in the next section.

1.3. Scope of the study

In this study, I seek to understand the changes brought about by the new aid architecture to the power dynamic between donors and recipient countries. It takes funding for AIDS (and health to the extent that these sectors overlap) as its focus. As outlined above, because of the considerable increase in interest and funding for AIDS from donors, this area magnifies new trends in international development. In particular, while indebted countries' economic sovereignty has been largely transferred to supra-national institutions and international corporations (Ferguson and Gupta, 2002: 992), until recently, the area of social policies had been, to a greater degree, the prerogative of poor countries (to the extent that they complied with SAPs' demands for cutting public service spending through privatisation, downsizing, fee levies etc.). Yet, under the PWC and the new aid architecture, many donors have agreed to fund social

areas through the state rather than through parallel structures, leading to their greater involvement with aid-dependent countries in these sectors.

The research was carried out in Malawi. This country was identified as a valuable location for this study for several reasons. Despite occasionally stormy relations between the government and donors (Booth et al., 2006), the country has historically been the recipient of high levels of donor funding (Morfit, 2011). It is highly aid-dependent, with overseas development assistance representing 40% of national revenues in 2006/2007 (DFID, 2007b). Malawi suffers from high HIV prevalence rates at about 11.2% (UNAIDS, 2012), combined with extreme levels of poverty, with 40% of the population living below the poverty line in 2008[3] (CABS Development Partners, 2010, in Loquai and Klavert, 2011).

Development assistance targeted at AIDS interventions has been highly harmonised in Malawi since the beginning of the Millennium. The National AIDS Commission (NAC), created in 2001, has a pool-funding mechanism through which donors such as the Canadian International Development Agency (CIDA), the British Department for International Development (DFID), the Norwegian Agency for Development (NORAD, also managing funds on behalf of the Swedish International Development Agency SIDA), the World Bank and the Global Fund for TB, HIV/AIDS and Malaria operate. Pool or basket funding mechanisms enable the joint funding by a number of donors of a set of activities through a common account (Government of Malawi, 2007). Other donors such as the U.S. Centers for Disease Control (CDC) and the United Nations Development Programme (UNDP), though not part of the pool, have aligned their activities on the strategies and workplan formulated by the National AIDS Commission.

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[3] The poverty line was defined as Malawi Kwacha (MK) 47 per person per day in 2005 prices, equivalent to US$ 0.3 (Chissinga, 2009)

In addition, in 2004 the Malawian Ministry of Health (MoH) and a number of donors agreed to a Sector-Wide Approach (SWAp) which is a form of sectoral budget support. The Health SWAp has been successful in attracting donor support and, in 2008, was channelling an average of 95% of total donor funding for the sector (Carlson et al., 2008: viii). At the time of my fieldwork, SWAp signatories included DFID, the largest donor in the health sector, NORAD (with SIDA), the United Nations Population Fund (UNFPA - formerly United Nations Fund for Population Activities), the World Bank and the Global Fund (DFID, 2007b). In 2009/2010 sectoral support provided through the Health SWAp and NAC's pool funding mechanism accounted for 15% of total aid to the country (Loquai and Klavert, 2011).

There is also a direct, or general, budget support mechanism through which donors contributing directly to the government budget coordinate their action. In 2008, this included DFID, NORAD (with SIDA), the European Commission (EC), the World Bank and the African Development Bank. Budget support accounted for 30% of all overseas development assistance (ODA) to the country in 2009/2010 (Loquai and Klavert, 2011). It is worth noting that these mechanisms all predate the Paris Declaration, pointing to the fact that the document institutionalised and reinforced practices that had already been in existence, particularly since the shift promoted by the PWC.

Because of the specificity of each recipient country and the major donors operating in these locations, I am reluctant to call this research a case study as findings may or may not be indicative of the power dynamics taking place in other settings. However, this research seeks to offer lines of inquiry and analytical tools that could be useful to study aid relations under the new aid architecture in other locations.

1.4. Theoretical framework

This research draws on Foucault's concept of governmentality to analyse the changes in power relations between donors and the government of Malawi (GoM). Governmentality can be defined as an economy of power which works alongside other forms such as sovereignty and discipline and whose primary target is to ensure the welfare of a population in order to maximize the wealth of a nation, or economy (Foucault, 2007a). One characteristic of this art of government is that it employs a series of tactics, including but not being limited to the law, in order to reach its goals (Foucault, 2007a: 99). While Foucault traces its origin back to some early Christian cultures, he also shows how governmentality has been reworked overtime, as different ways of rationalizing the exercise of government have emerged. For example, he elucidates how, in the eighteenth century, liberalism, under the impetus of the Physiocrats, subordinated the existence of the state to its use to society and the economy.

However, Foucault shows that liberalism, or the question of 'too much government', has been transformed since. In particular, he analyses how, while post-war German liberals viewed the state as a key element ensuring the correction and protection of a market-based economy, the partisans of the Chicago School reversed this logic and advocated instead an organisation of the state by market-based principles (Foucault, 2008). They also extended market-based logic to human behaviour, conceptualising the individual as a 'homo economicus', whose choices are based on self-interest and a rational calculus aiming at maximising value. This encoding of the social as economic thus entailed a redefinition of neo-liberal subjects as entrepreneurs of themselves (Foucault, 2008; Lemke, 2001). The theorization of this 'homo economicus' leads to a

second marked difference with the classical version of liberalism. While, for the latter, freedom of individuals is foundational, the neoliberals view liberty as an artifice, as choices can be manipulated through incentives and disincentives (Foucault, 2008: 268). Thus Foucault shows that, contrary to the roll back of the state rhetoric, this neoliberal perspective opens up new domains of state intervention necessary to (re)produce suitably responsible self-entrepreneurial individuals. Hence, Foucault highlights the ways in which the American neoliberal incarnation of governmentality relies on a link between political formation, economic exploitation, and the production of subjects made responsible for themselves through a series of techniques deployed by the state and other agents (Lemke, 2001: 103).

Foucault's conceptualisation of governmentality has spawned a vast array of studies. Of chief interest here, are those examining the various techniques and mechanisms employed to, on the one hand, create 'free' subjects that are able to make calculative and rational choices (homo economicus), and on the other, devise incentives to help them make appropriate decisions (Hamann, 2009). Rose (1999), for example, has explored how governmental techniques and rationalities have sought to construct freedom as the compulsion to make choices and to create subjects abiding by norms of responsibility, autonomy and self-determination. The programmatic quality of governmentality, which works through 'the more or less explicit, purposive attempts to organize and reorganize institutional space, their routines, rituals and procedures, and the conduct of actors in specific ways' (Dean, 1999: 43) is also key, here, to understand processes of neoliberal subjectification.

Governmentality has inspired a number of studies analysing aid through its lens. Li (2007) for example, contends that decolonisation and the loss of control over territories has given some impetus to the pre-eminence of government as a technology of power,

where focus on the welfare of the population has been key to securing influence over newly independent countries. For instance, Ansell et al. (2012) have analysed how youth policy in Malawi can be seen as a form of transnational governmentality seeking to produce suitable neoliberal subjects. Of course, with its focus on population welfare, the concept of governmentality has been seen as particularly relevant to the studies of AIDS interventions, in both Western countries and the Global South. For instance, Vander Schee and Baez (2009: 33) have analysed AIDS education in the U.S. as 'a method of neoliberal governmentality concerned with regulating the categories of health, risk, and disease in relation to youthful identities'. In relation to development assistance, Leach (2006) has declared that HIV/AIDS interventions constitute biopower[4] on a global scale. Because AIDS programmes often seek to regulate intimate areas of people's lives, they constitute an unprecedented expansion of surveillance of, and intervention targeted at the population (de Waal, 2006). Ingram (2010), for example, has analysed the deployment of PEPFAR through the prism of governmentality, showing how interventions 'designed to shape the conduct of people living with or at risk of infection by HIV […] by marking out a series of populations in need or at risk, and [seeking] to manage their exposure to HIV' operate through seeking to alter 'their relationships with things like customs, habits, ways of acting and thinking' (Foucault, 2007a: 96).

A number of analyses have extended the concept of governmentality to international relations, particularly in the context of foreign aid. As Joseph (2010), Fougner (2008), Best (2007) and Abrahamsen (2004) have observed, under the PWC, the increasing use of non-juridical tools (benchmarking, metric indicators, monitoring systems, etc.) to produce compliance from poor countries with international norms through the

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[4] Biopower was used by Foucault to characterise a form of centralised power focused on influencing patterns of seemingly random and individual characterising 'man as species' (e.g. sexuality, diseases, birth rates, etc.), through which governmentality operates.

promotion of an ethos of self-responsibility have drawn on the repertoire of governmentality. As Joseph (2010: 46) elucidates, this international governmentality targets states but is sustained through 'the claim to be concerned with the health, wealth and well-being of the local population'. The present study draws on this definition of international governmentality and extends the concept to interactions between donor agencies and the government of Malawi in order to explore the ways in which the new aid architecture has contributed to reconfiguring aid relations.

1.5. Aims and significance of the study

This research seeks to contribute to the body of scholarship outlined above, by drawing on governmentality to provide a deeper understanding of the changing dynamic of power relations between donors and aid recipients under the new aid architecture. In doing so, it also fills several gaps in the literature. While the PWC and PRSPs have been a focus of academic interest, the new aid architecture has not been the object of attention to the same extent. Yet, although it can be seen as further promoting similar discourses and practices, the Paris Declaration has entrenched these to a much greater extent, and produced specific effects worthy of exploration. By institutionalising arrangements such as budget support mechanisms, the aid effectiveness agenda has, to some degree, embedded donors within the State. The creation of these new spaces where donors and aid-dependent governments interact on a regular basis has created a much more intricate and routine relation and allowed donors to affect practices and systems pertaining to policy-making. Yet, much of the literature on the new aid architecture focuses on the flaws of the arrangements promoted by the Paris Declaration and the subsequent documents emanating from High-Level Fora on Aid Effectiveness, rather than on its effects. Indeed, a large portion of critical analyses of the

aid effectiveness agenda emanates from NGOs. While these contributions are valuable, this thesis takes a step back from the practicalities involved in these schemes, and views these developments from a medium-term perspective. It endeavours to understand the distinctiveness of power relations between donors and recipient governments under the new aid architecture, in contrast with the SAP period, as well as, to some extent, with the early days of the PWC.

In addition, many critical analyses of the PWC and PRSPs have focused on their continuities with policies in the SAP era. Mosse (2005: 3) for example, explains that the poverty reduction agenda 'helps to re-legitimise continuing donor emphasis on policies of trade liberalisation, macro-economic stability and fiscal discipline overseen by the IMF, while mobilising new aid resources'. Crawford and Abdulai (2009: 110) consider the rolling out of PRSPs as an 'effort to embed and consolidate neoliberal hegemony'. Ruckert (2006) sees the PWC as an attempt to resolve contradictions that neoliberal policies face, notably in poor countries that should be read as a first step towards 'inclusive neoliberalism' (Ruckert, 2006: 37). While there are undeniably many similarities between the policies pursued under the SAPs and the PWC, I argue here that there are also significant differences in the modalities of power operationalised under the new aid architecture. The analytical tool provided by governmentality allows changes such as the emphasis on aid-recipient agency and self-responsibilisation to gain visibility. Yet, the literature viewing foreign aid through this Foucauldian lens, while usefully extending the concept of governmentality, has been largely focused on document analysis. By drawing on this theoretical tool to make sense of interviews with staff members from the government of Malawi, as well as various donor and civil society organisations, I endeavour to enrich both our understanding of the effects of the new aid architecture, and the benefits and challenges of using governmentality in this field of study. Moreover, by focusing on AIDS interventions, rather than

macroeconomic policies as many studies with an emphasis on the neoliberal character of the PWC have done, this study reveals the more subtle ways through which neoliberalism, both as a political idea and as a mode of government, operates in practice.

1.6. Research questions

In this research, I seek to understand how power relations between donors and the government of Malawi (GoM) have been reconfigured under the new aid architecture. While in the previous period, marked by SAPs, donors can be seen as drawing on the grammar of domination, working through the imposition of policies and threats of funding withdrawal, the aid effectiveness agenda requires greater cooperation between donors and the GoM. Its emphasis on country ownership of development policies has also redefined the roles of both donors and aid-recipients. Thus, this study asks: what are the ethos, episteme (field of knowledge) and techniques (Dean, 1992) governing the new aid relations?

More specifically, taking its cue from governmentality and its emphasis on processes of subjectification, the research analyses the ways in which new norms regarding the conduct of the GoM, and to some extent, donors, have been promoted under the new aid architecture. It examines the new responsibilities assigned to the GoM and the degree to which these participate in its construction as an entrepreneurial, 'free' subject. It explores the discourses and regimes of truth through which donors' new roles are legitimised and rationalised. The study also analyses practices that have been promoted by the aid effectiveness agenda, for example the increased coordination and

dialogue between donors and the GoM, and considers their normative and productive effects on shaping particular subjectivities.

The research also seeks to attend to the programmatic aspect of the changes stemming from the new aid architecture. It explores the transformations pertaining to the domain of policy-making that have been spurred by the reorganisation of aid delivery. It asks: what are the new discursive constructions and rationalities underlying these changes? What is the role assigned to the government through these reforms? How does this legitimise a certain idea of the state and its functions? By focusing on the technologies of/for government being deployed, the research also questions the symbiosis between neoliberalism as governmentality and neoliberalism as policy (two of the three definitions of neoliberalism identified by Larner, 2000). Finally, this study examines possible avenues for resistance to neoliberal governmentality. It explores the extent to which political will can be considered a possible form of opposition. However, it also analyses the potentially contradictory features of neoliberal governmentality as an inadvertent source of resistance.

1.7. Methodology

This qualitative research is based on a post-structural approach, and thus relies on the assumption that there is no pre-existing social world existing outside our knowledge of or discourse about it (Butler, 1990). Knowledge is thus seen as a situated set of discourses produced by social constructions and representations competing with others to impose its 'truth' (Smith, 2001). The analytics[5] of government in particular has been

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[5] Defined as a systematic analysis.

seen as offering a subjective perspective on power and authority (Dean, 1999). However, as Dean states:

> *This does not mean that it is a subjectivist, 'anything goes' enterprise. Rather, it seeks to formulate and consistently employ a specific set of questions that follow from this concern with how regimes of practices of government operate. To admit its perspectival nature is to say that there is no absolute standard of truth by which this analytics can be judged. To evaluate it, we might simply compare the intelligibility and understanding it yields with alternative accounts.*
>
> (Dean, 1999: 33)

Indeed, as Rose (1999: 13) states: 'Foucault once described his works as fictions, which did not thereby weaken the force of the truths that they could make, remake and unmake'. Thus, following Gibson-Graham (1994), this thesis is based on a view of knowledge production as constitutive rather than reflexive (Gibson-Graham, 1994). Nevertheless, it locates its validity in the rigour of the research and analysis processes from which it has been developed, as well as in the explanatory power of the analysis it provides.

This research is based on both primary and secondary data analysis. It draws on official reports and documents both as a source of material for a discursive reading of the technologies and processes of subjectification, and as a way of filling information gaps. Primary data was gathered during 3.5 months fieldwork in Malawi from June to October 2008. The study is largely based on 40 semi-structured interviews with staff members at various Ministries and Offices within the Government of Malawi, as well as representatives from both bilateral and multilateral donor agencies and civil society, including international and national NGOs and trusts (see appendix A for a list of research participants' job title and organisation). I also benefited from an internship with ActionAid International Malawi which enabled me to gain access to meetings involving the government. The person in charge of managing my internship was also

invaluable in providing me with contacts for interviews. Limited ethnographic observations were also made. The data was analysed using a Foucauldian analytics focusing on identifying discourses, practices and techniques pertaining to the new aid relations between donors and the GoM.

This study is also grounded in ethical considerations. These have been largely informed by principles promoted by the Royal Geographical Society's Developing Areas Research Group (DARG) which include: 'honesty, integrity, sensitivity, equality, reciprocity, reflectivity, morality, contextuality, non-discriminatory, fairness, awareness, openness, altruism, justice, trust, respect, commitment' (DARG, 2003). However, ethical guidelines are often implicitly written for projects involving marginalised groups. Studying elites has led me to consider some issues, such as whether the work will benefit research participants, in a new light. I have strived, however, to stay as close to the spirit of these ethical guidelines as possible.

The research also gained ethical approval from Brunel University and has abided by the procedures and requirements in place in Malawi at the time of my fieldwork. This involved seeking and receiving ethical approval from the National Health Sciences Research Committee as well as affiliating with the Centre for Social Research at the University of Malawi. Research participants were provided with a leaflet outlining the study's objectives, methods, ethical approval and plans for dissemination, prior to being interviewed (available in appendix B). However, it is worth noting that the focus of the research has been altered somewhat as a result of the fieldwork. Written informed consent to participate in the research and be quoted in this thesis and subsequent publications was gained before starting interviews. Consent was also sought to audio record interviews and the opportunity to make 'off-the-record' comments was offered and, on many occasions, seized. Requests by interviewees to see and amend the

transcript of our conversation were accommodated. Confidentiality was guaranteed and, in writing this thesis, direct quotation was attributed to groups such as 'Government of Malawi', 'donor' or 'NGO/CSO' in order to provide anonymity. Where relevant, I have included more information on respondents (for example, the Ministry they were affiliated with) but ensured that the number of interviewees fitting this category corresponded to more than one person in order to maintain anonymity. A research report reflecting the more practically oriented interests of participants was developed and sent to all those interviewed in Malawi, in order to ensure that they benefited from the process (the report is available in appendix E).

1.8. Some considerations on terminology

This thesis uses a number of terms that are potentially contentious and this section explains the choices that I have made in this regard. First of all, I generally use AIDS as a shorthand for HIV and AIDS or HIV/AIDS. This largely reflects international norms: for example UNAIDS often mentions AIDS to designate the pandemic (as in its 'AIDS Epidemic Updates') and HIV when referring specifically to the infection by the virus. However other agencies and governments use HIV/AIDS (Malawi for example) while others prefer HIV and AIDS (such as DFID). Yet, the use of AIDS, in addition to being slightly shorter, makes sense in the context of my research. The acquired immunodeficiency syndrome (AIDS) is defined in terms of either the occurrence of specific diseases in association with an HIV infection, or a CD4[+] count below 200 cells per μL of blood[6]. However, in many poor countries, people cannot afford to be tested on a regular basis and thus are unable to make this distinction (Barnett and Whiteside ,

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[6] CD4 stands for cluster of differentiation 4 and is a glycoprotein found on the surface of immune cells. The HIV virus infects cells of the human immune system (mainly CD4 positive T cells and macrophages—key components of the cellular immune system) (UNAIDS, 2012a).

2002: 34). I have nevertheless used HIV/AIDS when quoting directly or to reflect the language used by specific agencies or authors.

Another loaded terminology is the one employed to designate various groups of countries. In this thesis, I often refer to aid-dependent countries as this issue represents the crux of the dynamics I am examining here. However, in places, I also use the term 'poor countries' (and rich countries), often for the simple aesthetic reason that it flows better and avoids repetitions. Nonetheless, this term has also been used by organisations campaigning for global justice (such as the World Development Movement) and adequately places emphasis on inequalities. On occasion, I use the terms Global South and Southern countries when denoting a larger group of countries including global powers and emerging economies such as China, Brazil and India. I have generally employed 'West' and 'Western' when referring to North American and European bilateral donor agencies, as well as Western-dominated international institutions such as the IFIs and the OECD.

I have also used the terms '(aid) recipient' and 'donors' rather than 'development partners' or 'partner countries' which is the terminology promoted by the new aid architecture. I concur with Collins (2011: 4) who remarks that these labels make more sense as they reflect 'the real dichotomy despite the partnership rhetoric'. In the context of this research, they are also key to the clarity of the argument.

1.9. Structure

Chapter 2 focuses on the emergence of the new aid architecture. It situates this development as the coalescence and extension of a number of discourses and practices

that have been surfacing in the area of foreign aid since the late 1980s. The chapter also provides a detailed analysis of the Paris Declaration and the subsequent Accra Agenda for Action and Busan Partnership agreement, and reviews some of the critiques which have been raised with regards to the aid effectiveness agenda.

Chapter 3 examines the context of AIDS interventions in Malawi. It outlines the development of a global AIDS governance and examines some of its critiques, particularly in relation to Sub-Saharan Africa. The chapter also provides a short political history of Malawi, as well as details on the country's economy and society. Finally, it gives an overview of donors' interventions in the country before detailing the current arrangements pertaining to the AIDS response.

In chapter 4, I explore the theoretical 'tool kit' underpinning my analysis. First, I interrogate the meaning and usefulness of the term neoliberalism, before moving on to examining the perspectives offered by governmentality. This involves going back to its roots and surveying the work of Foucault before exploring more recent theorisations. Finally, this chapter considers some of the ways neoliberal governmentality has been used in the field of international development. I conclude by explaining how I intend to extend governmentality to the relationship between international agencies and the Government of Malawi in the field of AIDS interventions.

Chapter 5 provides further discussion on the methodological considerations outlined above. It presents the epistemological perspective on which this thesis is based, before exploring issues relating to research ethics, the study of elites and describing the methods used in this research. The chapter then gives details about data collection and the analysis process.

Chapters 6 and 7 present the research findings. Chapter 6 focuses on the 'technologies of subjectivity' (Miller and Rose, 1990: 7) that have been deployed by donors under the new aid architecture, in an attempt to govern through freedom (Rose, 1999). I show how this involves eliciting the agentic qualities of the recipient country, by engaging with its desire for sovereignty and autonomy, in order to foster an entrepreneurial state. However, I also explore how the new aid architecture has created or reinforced spaces where dialogue as a technology of government can be deployed by donors in order to shape the GoM's agency. I examine how this is supported by discourses representing the GoM both as an equal partner and as technically deficient and in need of donors' support and expertise. Finally, the chapter analyses the various ways donors have used dialogue in order to foster the GoM as a 'suitable' subject, shaping its agency by promoting various norms of civility, encouraging policies that are consistent with specific regimes of truth, facilitating the acquisition of techniques and inculcating practices of self-improvement. These processes of subjectification can be seen as instilling an ethos of self-responsibility, consistent with neoliberal governmentality, allowing donors to govern through freedom.

In chapter 7, I attend to the programmatic dimension of this neoliberal governmentality, enabling donors to eventually 'conduct at a distance' (Miller and Rose, 1990). I show how donors have been pressuring the GoM to adopt a series of techniques pertaining to policy-making and implementation. In particular, I argue that the new aid architecture has made funding for Health and AIDS dependent on a series of reforms in the area of public finance management. A notable effect of these changes is the economic rationality they promote with regards to all aspects of government. I explain how these reforms seek to produce the subordination of all its activities to macroeconomic and budgetary imperatives, by reigning in public spending, and using calculative technologies recoding government programmes and processes in economic

terms. I show that the imposition of this technical grammar of policy-making and implementation constructs the state as a service-delivery mechanism, pointing to a depoliticisation also consistent with some forms of neoliberalism. Finally, the chapter examines some possible avenues for resistance to neoliberal governmentality, notably political will, as well as more inadvertent forms resulting from the internal contradictions of this rationality of power.

Finally, in chapter 8, I conclude by summarising my findings. I also consider the contributions made by this thesis to scholarship on aid, governmentality and neoliberalism before highlighting some of its limitations and suggesting issues worthy of further research. An afterword provides a brief update on aid relations in Malawi and the future of aid effectiveness.

Chapter 2:

Improving effectiveness?

The new aid architecture and its critiques

2.1. Introduction

This chapter presents the historical and ideological background to the emergence of the aid effectiveness agenda. By showing how its principles and instruments, especially the Paris Declaration, can be situated at the intersections of specific discourses deployed by actors within the arena of international development since the 1980s, the first section highlights the contingent and historically situated nature of this agenda. The second section examines in detail the content of the Paris Declaration, the Accra Agenda for Action and the outcome of the Fourth High Level Summit on Aid Effectiveness held in Busan in 2011. The third section provides a thorough review of critiques that have been raised with regards to the aid effectiveness agenda.

2.2. A genealogy of the aid effectiveness agenda: the mutations of neo-liberalism

The Paris Declaration is rooted in a number of ideas such as aid as poverty reduction, a renewed appreciation for the role of the state in development with its associated focus on governance, and the ownership of aid strategies by recipient countries (with donors harmonised and aligning themselves on these policies). Here I explore how these themes have emerged since the 1980s as part of mutations in the discourses of Western donors, primarily the International Financial Institutions (IFIs) made up of the World

Bank and the International Monetary Fund (IMF)[1], largely in response to increasingly vocal critiques. I also examine how these themes have coalesced into a new aid paradigm, coined the Post-Washington Consensus by Joseph Stiglitz (1998), which comes with new aims and tools (such as Poverty Reduction Strategies). I also show how the new millennium with its fresh goals, targets and promises of increased aid funding brought issues of aid effectiveness to the fore. This section situates the so-called 'Paris' agenda as part of the latest incarnation of an ever changing set of aid discourses, and as the reflection of contested power relations between donors and recipient countries.

2.2.1. The emergence of the poverty agenda

In the late 1970s, the combined effects of the oil crisis, recession, drop in the price of primary commodities, and falling exchange rates exacerbated by high interest rates linked to monetarist policies in the US and the UK, left many Latin American countries facing a debt crisis. These countries had accumulated sizeable foreign debt in the 1960s and 1970s in order to finance their developing economies. Large scale infrastructure projects in particular had attracted the 1970s oil wealth then seeking investment opportunities. With overall economic conditions deteriorating, these countries were now unable to pay back their loans or even service their debt, as announced by Mexico in August 1982 (Coats, 1989). As private investors became unwilling to provide new loans, Latin American countries had to turn to the IMF. The Fund's loans came with a number of stringent policy conditions aimed at improving domestic financial situations and avoiding the collapse of the large American banks involved in the original lending (Dezalay and Garth, 1998). These policy prescriptions, which were in essence

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[1] These organisations were born out of the Bretton Woods agreement. The original agreement also included plans for an International Trade Organisation (ITO) but it was not before the early 1990s that the World Trade Organisation (WTO) was created, replacing the General Agreement on Tariffs and Trade (GATT) created in 1948 (Bretton Woods Project, 2011).

conservative responses to a specific crisis, were then extended to the IMF's dealings with African and Asian countries through its Structural Adjustment Programmes (SAPs) and dominated their economies during the 1980s and much of the 1990s. They were based on three main principles: macroeconomic discipline, market economy and trade openness (Unwin, 2004) and constituted what became known as the Washington Consensus. These conditions were first presented by the World Bank in its *'Berg Report'* in 1981 but a more detailed and exhaustive compilation carried out by John Williamson, an economist at the World Bank, was published in 1989 (see box 1).

Box 1: The 'Washington Consensus' adapted from Williamson (1989):

1. **Fiscal policy discipline**, with avoidance of large fiscal deficits relative to GDP;

2. **Redirection of public spending** from subsidies ("especially indiscriminate subsidies") toward broad-based provision of key pro-growth, pro-poor services like primary education, primary health care and infrastructure investment;

3. **Tax reform** – broadening the tax base and adopting moderate marginal tax rates;

4. **Financial liberalisation**: Interest rates that are market determined and positive (but moderate) in real terms;

5. **Competitive exchange rates**;

6. **Trade liberalization** – liberalization of imports, with particular emphasis on elimination of quantitative restrictions (licensing, etc.); any trade protection to be provided by low and relatively uniform tariffs;

7. **Liberalization** of inward foreign direct investment;

8. **Privatization** of state enterprises;

9. **Deregulation** – abolition of regulations that impede market entry or restrict competition, except for those justified on safety, environmental and consumer protection grounds, and prudent oversight of financial institutions;

10. Legal security for **property rights**.

Confronted with swelling popular disapproval singling them out as the source of many global problems, as well as an increasing number of internal and external evaluations showing that the SAPs had failed to bring expected benefits, the IFIs faced a severe legitimacy crisis. In a bid to ensure their survival, they embraced the anti-poverty rhetoric of their critiques. In 1998, the World Bank reinvented itself as the champion of the poor, launching a new slogan: '*Our Dream: A World Free of Poverty*' (Bergamaschi, 2011). In 1999, the IMF established the Poverty Reduction and Growth Facility (PRGF) to 'make the objectives of poverty reduction and growth more central to lending operations in its poorest member countries' (IMF, 2009). The new centrality of the poverty rhetoric signals changes that have then been reinforced through strategies such as the Highly Indebted Country Process, as I show in section 2.2.3. However the next section first examines another paradigm shift crucial to understanding the aid effectiveness agenda: the 'return' of the state.

2.2.2. The return of the state: good governance as effectiveness

A marked characteristic of the Washington Consensus is its advocacy of a minimal role for the state and the reliance on the market to allocate resources effectively and stimulate growth (Fritz and Rocha Menocal, 2007). However by the late 1980s, factors determining aid allocation had evolved: considerations regarding geopolitical alliances had been supplanted by issues that had not been seen as of primary importance in the era of the Cold War; human rights and democracy in particular became 'benchmarks' for the support of Western donors in sub-Saharan Africa (Anders, 2005). With the rising importance of these issues, the IFIs widened their focus on the (minimal) size of the state to its 'quality' of government or governance (Crawford and Abdulai, 2009). This was epitomised in a 1989 World Bank report entitled *Long-Term Perspective*

Study on Sub-Saharan Africa, in which it is suggested that 'what Africa needs is not just less government, but better government' (World Bank, 1989: 5).

From 1990, Good Governance officially became part of the World Bank's mandate (Anders, 2005). The Bank focuses on new areas, namely public sector management, accountability, legal framework and transparency and information (World Bank, 1992). However, the Institution's definition voluntarily shunned its political dimension and suggested instead a technocratic understanding compatible with its economic principles and the idea of small government (Crawford and Abdulai, 2009).

Yet, Governance has become an increasingly important theme as the Bank has been seeking to improve its image. This time however, the critiques come from its stakeholders i.e. creditor governments whose contributions started to dwindle from the early 1990s as a response in part to the lack of success of the IFIs' policies. For example the contribution of donors from the Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD-DAC), which represent all major Western donor countries, went from an average of 0.33% of their Gross National Income[2] in 1990 to 0.22% in 1997, the year when it picked up again (OECD, 2010). Indeed from 1995 onwards, under the impetus of its new president, James Wolfensohn, the Bank reinvented itself as an organisation fighting corruption in an attempt to divert some of the critiques towards 'corrupt and inefficient civil servants' in Africa (Anders, 2005: 57). As Hayman (2009: 582-3) argues, this concern for governance fits in nicely with the new interest in poverty: 'a great deal of responsibility for the poor performance of aid in the past [was placed] on the shoulders of recipient governments, blaming poor governance, weak financial management systems and very limited

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[2] Gross National Income represents the total value produced within a country (i.e. its gross domestic product), together with its income received from other countries (notably interest and dividends), less similar payments made to other countries.

involvement of the local population in determining development strategies to address poverty'. Thus, good governance became a precondition to the anti-poverty agenda and the 1990s saw an ever expanding catalogue of reforms being pushed on to poor countries (de Haan and Everest-Phillips, 2007).

Assumptions on the size and roles of the state were also challenged throughout the 1990s by the failures of SAPs, as well as by the achievements of the Asian Tiger countries relying on interventionist states. In this context the international community also appeared to come around to the idea that states have a role in delivering essential public services (Fritz and Rocha Menocal, 2007). As a result, the World Bank's views began to shift. In a 1997 report, *The State in a Changing World*, the Bank took a noticeably more pro-state position: it was no longer conceptualised as essentially enabling the market, but seen as complementary to it (World Bank, 1997 in Crawford and Abdulai, 2009:88). Interestingly, the report also mentioned 'state effectiveness', which can be read as a prelude to the notion of aid effectiveness.

But the state also gained a new theoretical role under the intellectual impulse of Joseph Stiglitz. Chief Economist at the World Bank from 1996 to 2000, Stiglitz became nonetheless increasingly vocal about what he saw as the failings of the IFIs. In 2001, he and two colleagues received the Nobel Memorial Prize in Economics for their work on information asymmetry. They demonstrated that, contrary to neoclassical assumptions, markets are almost always imperfect. As a consequence, they argued that in order to maximise economic efficiency, states and other institutions should have a role in creating incentives to reshape individual behaviours and other social interactions that cause information asymmetries and transaction costs that distort markets (Ostrom et al., 2002; Mosse, 2005). This new theory was given further impetus by the publication of Stiglitz best-seller book a year later. In *Globalization and its discontents* (2002), he

criticised the IFIs, especially the IMF, for putting the interest of its principal stakeholder, namely the United States, before that of poor countries, often worsening their economy as a consequence and creating a social calamity. He also criticised the IMF methods, in particular the ways in which policies are imposed from Washington by agents having little knowledge of the countries in question (Bergamaschi, 2011: 65).

Thus, under Stiglitz's influence, ideas that had been emerging in the past two decades found a theoretical grounding and coherence, reinforced by the new label of 'Post-Washington Consensus' (PWC). However, despite his critical stance, Stiglitz's model was still rooted in neoliberal ideas and neoclassical theories of rational choice (Mosse, 2005). If some see the PWC as a positive step (Driscoll and Evans, 2005; Booth, 2003) others view it as a 'newly emerging orthodoxy' (Fine et al., 2003) enabling a deeper kind of neoliberalism (e.g. Cammack, 2007; Soederberg, 2005). This latter view also reflects anxiety with regards to another key concept of the PWC: 'country ownership'.

2.2.3. The rise of country ownership: Poverty Reduction Strategy Papers and their critiques

Another area where practices of donors in general and the IFIs more particularly have been criticised is the imposition of inflexible conditions dictated by the Washington Consensus on aid-receiving countries, otherwise called conditionalities. As the effectiveness of SAPs was being questioned, civil society organisations also became increasingly vocal with regards to what were perceived as misguided policies robbing countries of their economic sovereignty (Bergamaschi, 2011). Maybe more influential are the many studies showing that conditionalities do not guarantee that reforms are sustained or even implemented (see for example Dollar and Pritchett, 1998).

Thus the concept of ownership arose as a way of addressing these issues. It aimed to create a 'genuine commitment' on the part of recipient countries to implement the policies advocated by the IFIs (World Bank, 2000; Ruckert, 2006). As an IMF report summarised:

> *'When the program is owned by the country, decisions on such actions are likely to be made quickly and in support of the program, which makes it more likely that the program will succeed. Furthermore, ownership will make it easier to generate domestic political support for the program, since it is likely to be seen at least in part, as an indigenous product, rather than a foreign imposition.'*
>
> (IMF, 2001: 14, in Ruckert, 2006: 46)

The rise of the concept of ownership is also symptomatic of a shift in rhetoric from 'competition, confrontation and ideological contestation' (SAPs) to 'a language of convergence and mutual complicity' (Gould: 2005b: 61), underpinned by a departure from the carrot and stick approach to North-South relations to a subtler dynamic (Gould, 2005b: 63). Ownership can also in part be seen as stemming from concerns about new donors, such as China, Venezuela and Saudi Arabia, significantly increasing their aid programmes in the new millennium, with 'few or no string attached' (Rosser and Simpson, 2009). Partnership has thus become the latest buzzword and innovative policy tools, chiefly incarnated by Poverty Reduction Strategy Papers (PRSPs), have been developed to facilitate this new dynamic.

In 1996, as a result of pressure from civil society organisations described in section 2.2.1, the IMF and the World Bank launched the Highly Indebted Poor Countries Initiative. This programme provided qualifying countries with debt relief and cheap loans in order to reduce their debt burden to sustainable levels, or cancel it altogether. From 1999 the Initiative also linked debt relief to poverty reduction and social policies (IMF, 2011). In order to achieve this, qualifying countries were asked to develop a Poverty-Reduction Strategy Paper (PRSP) setting out their development priorities.

PRSPs signalled a new approach to development, based on the principles outlined in the Comprehensive Development Framework (CDF) launched by the World Bank in 1998. In essence, the CDF highlighted the importance of long-term and holistic strategies for development, guided by the principle of ownership, broad-based consultation, and performance-based approach (see box 2). Soon, PRSPs were rolled out and replaced SAPs in all the countries receiving loans from the IFIs (CARE and ActionAid International, 2006).

Box 2. The Comprehensive Development Framework, presented to the World Bank Board of Governors in 1998, governs the development of Poverty Reduction Strategies. It is based on four principles:

- *Development strategies should be comprehensive and shaped by a long-term vision.* In the past, development strategies emphasized short-term macroeconomic stabilization and balance-of-payment corrections. The CDF stresses longer-term structural and social considerations, such as expanding and improving education and health facilities, maintaining infrastructure, and training a new generation of public officials.

- *Each country should devise and direct its own development agenda based on citizen participation.* The CDF holds that when countries 'own' reforms, governments and their citizens are more committed to seeing them through.

- *Governments, donors, civil society, the private sector and other stakeholders should work together in partnership led by recipient countries to carry out development strategies.* Partnerships built on transparency, mutual trust and consultation can increase the efficiency and effectiveness of aid, and help countries increase their capacity to develop and carry out a wide variety of programs.

- *Development performance should be evaluated on the basis of measurable results.* Traditionally, the Bank tended to concentrate on disbursement levels and project

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inputs in evaluating development efforts, an approach that measured only resource allocation and consumption. The CDF emphasizes that evaluation should focus on the impact of aid on people and their needs

(Adapted from World Bank, 2011a)

While some see in PRSPs a new departure and an opportunity for aid-dependent countries to reclaim some of their sovereignty (Cheru, 2006), others have been more dubious about their benefits. Many critiques point to the fact that the 'ownership' of PRSPs by governments and their 'consulted' populations is very limited. As Hayman (2009: 583) puts it, ownership here has to be understood as 'country leadership of development strategy which meets donor approval'. PRSPs contents have been clearly framed by the World Bank *Sourceboook for Poverty Reduction Strategies* (World Bank and Klugman, 2002) which identifies what is deemed to constitute good structural and macroeconomic development policies, a precondition to the PRSP process itself (Ruckert, 2006). In addition, aid dependent countries are often very aware of donors' policy expectations and the necessity to comply with them – or at least to appear to - in order to secure foreign assistance (Unwin, 2004; Rocha Menocal and Rogerson, 2006). Donors are also often heavily involved in shaping PRSPs nationally either directly through negotiations or through the involvement of western consultants (Unwin, 2004). In essence critics point out that under these conditions, recipient countries would be hard pressed to come up with a strategy reflecting home-grown aspirations (Fraser and Whitfield, 2009).

Unsurprisingly perhaps, the content of the policies formulated under the PRSPs does not constitute a break from the orthodoxy of the 1980s: macro economic stability, privatisation, trade liberalisation and fiscal discipline remain firmly on the agenda. As Ruckert (2006: 54) points out, some of the advocated policies actually go against the

stated poverty reduction goals. He notes that the tax regimes advocated have been criticised by the United Nations Conference on Trade and Development (UNCTAD) for being largely regressive because they are based on consumption and that this alone could wipe out pro-poor budget allocations. He also highlights how these measures are presented as neutral, based on internationally agreed knowledge, standards and norms, while this is far from always the case. For example, the IFIs impose very strict inflation targets which limits the ability of governments to invest in poverty-related spending. However, the negative effect of moderate inflation on growth has been challenged by the World Bank's very own former Chief Economist (Stiglitz, 1998).

Gould (2005b) thus argues that the Heavily Indebted Poor Countries (HIPC) initiative[3] and PRSPs have enabled the IFIs to improve their public image without changing the thrust of their policies. He shows, for example, that organisations that had been critical of the IFIs' policies, especially large INGOs such as Oxfam or CARE, have become the gatekeepers of the PRSP process through their involvement in explaining the document to the poor and consulting them on essentially pre-defined strategies (Gould, 2005b: 62). Indeed, popular consultations tend to focus on relatively uncontroversial issues related to social welfare while other more controversial poverty-related issues such as taxation, land reforms, access to natural resources, trade agreements, privatisation, or macro-economic policies are often left out of discussions (Dijkstra, 2005; CARE and ActionAid International, 2006).

PRSPs are thus seen as having a strong depoliticising effect, favouring a technocratic, consensual approach to planning (which co-opts critiques) while largely bypassing democratic institutions such as parliaments (Bergamaschi, 2011; Fraser, 2007; de Haan

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[3] The HIPC initiative aims to provide debt relief and low-interest loans to cancel or reduce external debt repayments to sustainable levels.

and Everest-Phillips, 2007; Dijkstra, 2005). In another vein, Mosse (2005: 8) argues that the shift from SAPs to PRSPs is translated by a move from external controls to an internal discipline involving 'increased powers of surveillance and control over sovereign states, and more invasive monitoring of liberalisation by IFIs'. However, Mosse also highlights the limits of policy imperatives imposed by IFIs and donors and the relative autonomy of practice from policy (Mosse, 2005). In addition to all this and maybe somewhat ironically, PRSPs have led to an increase in conditionalities with a rise in target-setting as well as the emergence of new requirements with regard to policy *processes* (Dijkstra, 2005; Gould, 2005a). While I have traced some of the discursive origins of the aid effectiveness agenda, the renewed interest in development that emerged around the turn of the millennium is also key in understanding the impetus behind the emergence of the Paris Declaration.

2.2.4. The new millennium: increased aid flow calls for more effectiveness

Concerns about aid effectiveness are not new. For instance, in 1986 the results of a study commissioned by the IFIs entitled 'Does Aid Work?' (Cassen, 1986) generated a heated debate on the subject (Bergamaschi, 2011). However, since the new millennium, aid effectiveness has become ever more central. The year 2000 was seized by the UN as a symbolic opportunity to create a momentum towards a series of new commitments in the area of international development. The Millennium Development Goals (MDGs) consist of 8 goals, broken down in quantifiable targets, to be achieved by 2015, agreed by 23 international organisations and 189 countries in September 2000. These include halving extreme poverty and hunger, reducing child mortality rates, fighting disease epidemics such as HIV and AIDS, promoting gender equality and building a

global partnership for development[4] (United Nations, 2011a). The impetus created by this new global partnership managed to reverse the decline of overseas development assistance which had been decreasing during much of the 1990s (Unwin, 2004). Though international aid flows remain significantly short of UN targets, official development assistance increased from US$ 54bn in 2000 to US$ 129bn in 2010 (Eurodad, 2008b). However, by 2005, progress on the MDGs was patchy and both the Commission for Africa chaired by Tony Blair and the UN Millennium Project Report called for a doubling of aid flows[5] (Rocha Menocal and Rogerson, 2006; de Renzio, 2006).

The pressure towards meeting the millennium targets and the concomitant increase in official development assistance (ODA) has brought the aid effectiveness imperative to the fore. In addition to the necessity not to appear to squander vast amounts of tax payers' money, new issues have arisen such as the ability of poor countries to absorb such an increase in aid (de Renzio, 2006). Addressing older problems such as the lack of donor coordination has also become more pressing. There have been concerns with regards to the massive 'transaction costs' born by aid receiving countries (Steinle and Correll, 2008). These costs refer to the heavy burden of managing the different reporting requirements of each donor. A 2003 OECD report showed that a typical African country was submitting 10,000 quarterly reports to donors a year and hosting more than 10,000 different missions (cited in CARE and ActionAid International, 2006). Project duplication, institutional fragmentation and the bypassing of the state have also been seen as impeding aid effectiveness (Dijkstra, 2005: 445). For example, Burall, Maxwell and Rocha Menocal, (2006: 1) report a 2006 UNDP calculation estimating that there are over 1,000 financing mechanisms globally. Thus, the need to

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[4] These targets find their origins from various sources including targets set up at the 1995 Copenhagen Social Summit and goals set up by the OECD in its 1996 strategy paper *Shaping the 21st Century*.
[5] They call to double the average 1990s ODA for the 2005-2010 period.

deal with these issues and promote aid effectiveness has been made more pressing by the necessity to meet the MDG targets.

2.3. Financing development: the new aid architecture

The aid effectiveness agenda has been seized upon by a number of institutions. The World Bank which was crucial in laying out its discursive and institutional foundations demonstrated its interest in the issue as early as 1998 in a study entitled *Assessing Aid.* In the new millennium, it became the co-sponsor of a series of international roundtables on results-based management for development[6]. The UN has also been keen to play a role, especially given the anxiety around meeting the MDGs. It hosted the first significant international conference dealing with donor harmonisation and alignment in 2002. Since the 2005 Millennium Review Summit, the UN Economic and Social Council (ECOSOC) has also been in charge of organising biennial High-Level Development Co-operation Fora which aim to 'review trends and progress in international development cooperation and promote greater coherence among the development activities of different development partners' (ECOSOC, 2010).

However, it is the Organisation for Economic Co-operation and Development (OECD), an organisation no more democratically representative than the IFIs, which emerged as the main orchestrator of the aid effectiveness paradigm. Born in 1961 as a successor to the Organisation for European Economic Cooperation (OEEC), established after the Second World War in order to manage the US-financed Marshall Plan for

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[6] More specifically the International Roundtable on Measuring, Monitoring, and Managing for Results (Washington, 2002), the Second International Roundtable on Managing for Development Results (Marrakech, 2004), the third Roundtable on Managing for Development Results (Hanoi, 2007), co-sponsored with multilateral development banks, DAC-OECD, and UNDP (the latter was only involved in the Hanoi conference).

reconstruction, the OECD now spans several continents and counts 34 member countries (OECD, 2011, see list in appendix F). Firmly rooted in ideals of free-market capitalism and liberal democracy, the organisation prides itself for offering quality research and analysis as well as a forum where policy issues faced by member countries can be discussed (OECD, 2011). The organisation's Development Assistance Committee (DAC) provides a dedicated space where most of the traditional donor countries such as European and Northern American countries as well as Japan, are represented[7]. Maybe unsurprisingly, OECD-DAC (and the Development Co-operation Directorate supporting DAC's activities through research and analysis) has been the most significant driver of the institutionalisation of the aid effectiveness agenda. It is worth noting with Bergamaschi (2011) that little academic work has been carried out on the OECD[8]. The following section examines some of the key moments marking the institutionalisation of the aid effectiveness agenda within this multiplicity of initiatives.

2.3.1. The first steps to effectiveness

Donors' concerns regarding aid effectiveness and the burden of transaction costs were articulated in 2002 by an OECD report entitled *Harmonizing donor practices for effective aid delivery.* Interestingly the report also highlighted recipient countries' points of view on donor practices that could improve aid effectiveness. Three key issues emerged: the simplification of procedures and systems, the harmonisation of procedures

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[7] For example during 1993-2003, DAC donors accounted for approximately 95% of all international aid (Burall et al., 2006: 4).

[8] In one of the most relevant books on the organisation, Richard Woodward (2009, in Bergamaschi, 2011) explains that the OECD is a little-known organisation, whose mandate is excessively large and vague: both a think tank and an international forum, it also acts as a facilitator in negotiations taking place in other fora such as the G20 or the UN. OECD membership is conditioned by countries' level of development and it has been critiqued for being a 'rich countries' club'.

(so that all donors' requirements, for example, are similar) and the alignment of procedures on systems used by recipient countries (Unwin, 2004).

In 2002, the United Nations hosted the first International Conference on Financing for Development in Monterrey, Mexico. The conference was particularly concerned with the shortfall in aid deemed necessary to achieve the MDGs. It called for donors to increase their ODA so as to reach the 0.7% of donors' Gross Domestic Product[9] (GDP), but also, in line with the spirit of the UN Global Compact (2000)[10] highlighted the role of the private sector in development. As many commentators have noted, the consensus also committed recipient countries to take steps to improve governance, identify development strategies and 'sound' economic policies, in exchange for additional aid funding (see for example, Rocha Menocal and Rogerson, 2006; Saith, 2006). However, the conference also highlighted issues often raised by poor countries such as trade and debt. In this context, the Monterrey consensus (2002) sketched some of the aid effectiveness principles: it urged donors to harmonise their procedures and to align with recipient countries' 'own' development frameworks, particularly PRSPs (International Conference on Financing for Development, 2003).

Following the Monterrey conference, the OECD set up a Working Party on Aid Effectiveness in 2003. It aimed to be somewhat representative and comprised 46 senior policy advisors, half of them from the OECD-DAC, representing donors, the other half from poor countries, as well as 11 advisors from multilateral organisations (Zimmermann, 2008). The working party has been driving much of the subsequent

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[9] GDP refers to the market value of all goods and services produced in a country in a given year

[10] "a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption." (United Nations Global Compact, 2011)

international discussions on aid effectiveness, particularly through its role in organising a series of High Level Discussion Fora on Aid Effectiveness.

The first of these held in 2003 led to the Rome Declaration on Harmonisation (see appendix G), in which 40 donors and 28 recipient countries committed to taking steps to improve aid effectiveness. Most of these concern the standardisation of donors' procedures and the alignment of their agenda with the development priorities of partner countries. Compared to the UN-led Monterrey Consensus however, the Declaration's focus is narrower, principally centred on the need to reduce transaction costs (Bergamaschi, 2011). Issues such as tied aid are not acknowledged. In this context, the much acclaimed Paris Declaration can be read both as a breakthrough and as a next logical step.

2.3.2. The Paris Declaration on Aid Effectiveness

The Paris Declaration was signed in 2005 by 35 donor countries, 26 multilateral donors and 56 aid-recipient countries with 14 civil society organisations acting as observers (see appendix H for the full Declaration and list of signatories), at the Second High Level Forum on Aid Effectiveness hosted under the aegis of OECD-DAC. The declaration was distinctive from earlier instruments in several respects. It was based on a relatively wide participation: indeed the document was inspired by a consultative process which included regional workshops as well as a meeting dedicated to obtaining NGOs' views (OECD, 2006) and the summit was marked by high levels of participation. But some also argue that the Paris Declaration represents a real paradigm shift. For example Steinle and Correll (2008) state that previous instruments aiming at enhancing aid effectiveness essentially sought to increase 'oversight by international aid institutions and forcing rigid guidelines, stipulations and conditions for receipt of aid' or

set unenforceable goals. (Steinle and Correll: 2008: 3). Instead, the Paris Declaration attempted to shift the balance of power between donor and recipient countries (Steinle and Correll, 2008). It also committed its signatories to practical, action-oriented measures, set out specific targets and indicators and established a monitoring mechanism to assess progress and ensure that donors are accountable for their commitments (OECD, 2011).

The Paris Declaration is based on five main principles seeking to address development's 'accountability gap' and to promote 'a model of partnership that improves transparency and accountability on the use of development resources' (OECD, 2006: 5). These five principles are: country ownership, harmonisation, alignment, managing for results and mutual accountability.

Ownership implies that recipient countries should have leadership over their development policies and strategies and co-ordinate development efforts. Donors should support country ownership by respecting their policies and helping strengthen their capacity to implement them (para. 14 and 15). It is worth noting that ownership is measured through one indicator based on whether recipient countries have a national development strategy outlining 'priorities linked to a medium-term expenditure framework and reflected in annual budgets' (indicator 1), a requirement that can be perceived as rather prescriptive.

Alignment, the second principle buttressing the Paris Declaration recommends that donors should base their overall support on partner countries' national development strategies, including drawing conditions 'whenever possible, from a partner's national development strategy or its annual review of progress in implementing this strategy'

(para. 16)[11]. Donors should also align with partner countries' institutions and procedures (e.g. for public financial management, accounting, auditing, procurement, result frameworks and monitoring) 'to the maximum extent possible' (para. 21). Donors' alignment is measured by indicators 3 (on national priorities), 5a (on public financial management systems) and 5b (on country procurement systems). Interestingly, the use of country systems is conditioned by recipient countries undertaking diagnostic reviews, the setting up of a performance assessment framework (PAF) integrated within country-led strategies, and implementing reforms (para. 19 and 20). Tellingly, the second monitoring indicator is based on the number of countries that 'have procurement and public financial management systems that either (a) adhere to broadly accepted good practices or (b) have a reform programme in place to achieve this' (indicator 2). Recipient countries, with the support of donors, are also enjoined to develop a capacity development strategy in order to improve their ability to 'plan, manage, implement and account for results of policies and programmes' (para. 22). Indicators 4 and 6 measure donors' commitment to support capacity development through better programme coordination and the reduction in the number of parallel implementation structures. Donors have also pledged to make aid more predictable (indicator 7) and show signs of progress on untying aid (para. 31; indicator 8).

The Paris Declaration also commits donors to be more harmonized and collectively effective, for example by establishing common arrangements at country level for planning, funding and implementing development programmes (indicator 9). They are also urged to work to reduce separate, duplicative missions to the field and reviews (para. 32). In addition, donor and recipient countries pledge to make use of donors' comparative advantage at sector or country level (para. 33-35) by letting the most suited donors take the lead in various sectors. Indicator 10 measures the proportion of field missions and/or country analytic work such as diagnostic reviews that are joint.

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[11] If not, imposed conditions should have a 'sound justification' (para. 16).

The fourth principle, managing for results, means that both donors and recipient countries should improve decision-making processes so that they are more likely to lead to successful outcomes. In order to achieve this, donors should support developing countries' efforts in implementing transparent and monitorable performance assessment frameworks (PAF) that measure progress against key elements of national development strategies and sector programmes (para. 43-46; indicator 11).

The last principle, mutual accountability, means that donors and poor countries should hold each other mutually accountable for development results. Recipient countries commit to increase the role of Parliaments in developing national strategies and ensuring budgetary overview, and to reinforce participatory approaches (para. 48). Donors for their part pledge to provide better information on aid flows. Recipient countries pledge to 'undertake mutual assessments of progress in implementing agreed commitments on aid effectiveness including those in the Declaration' (indicator 12). As Steinle and Correll (2008) highlight, result-based management and mutual accountability 'echo the MDGs' focus on results and a system of accountability'. Mutual accountability can also be seen as a recognition of power imbalances pertaining to aid relations (Droop et al., 2008). The overarching nature of the last two principles is clearly conceptualised in the Paris Declaration pyramid, reproduced below, which graphically expresses the intertwinement of the five Paris principles.
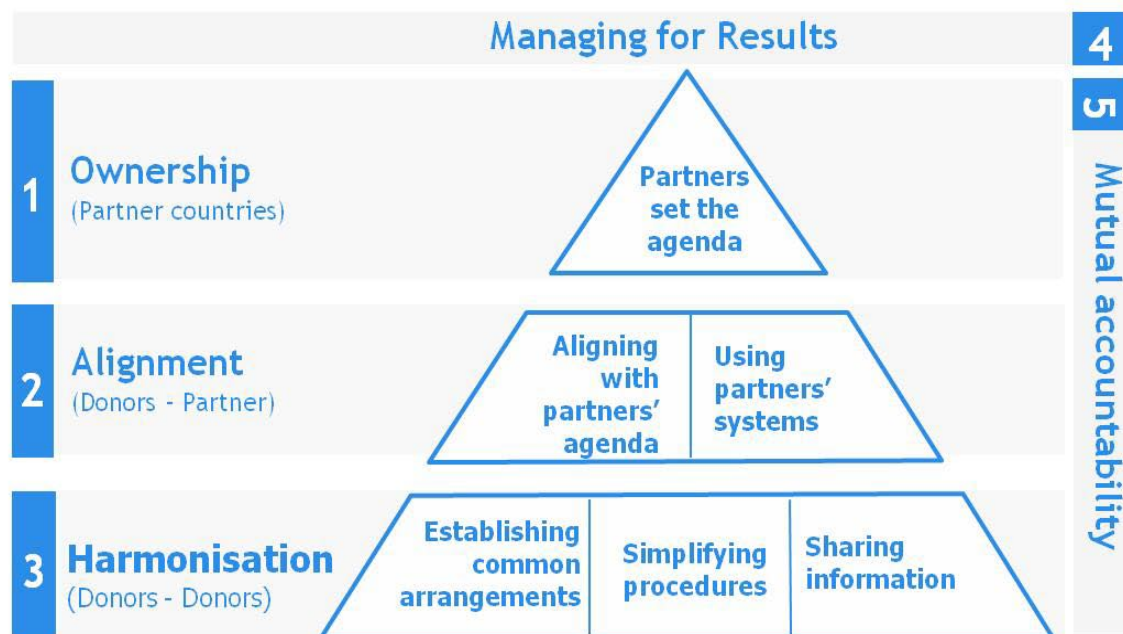
Figure 1. The Paris Declaration Pyramid (OECD, 2006)

It is worth noting however, that despite the far-reaching consequences of the Paris Declaration (for example in the way aid is structured and organised), support for the aid effectiveness agenda varies widely. While Northern European countries and the UK have embraced the agenda, other donors, such as the US, have been arguing that specific situations require various levels of ownership while supporting the spirit of the declaration by aligning and harmonizing where possible (Droop et al., 2008: 14).

2.3.3. The Accra Agenda for Action

The Third High Level Forum on Aid Effectiveness took place in Accra, Ghana in 2008. It is widely acknowledged that the ensuing Accra Agenda for Action (AAA, available in appendix I) failed to bring concrete improvements to the Paris Declaration (Eurodad, 2008a; Steinle and Correll, 2008, Wallace, 2009). The Agenda for Action was based on an appraisal of progress so far which included the 2006 and 2008 Monitoring Surveys of the Paris Declaration, as well as reviews such as the World Bank Aid Effectiveness

Review and an independent evaluation (Zimmermann, 2008). It recognised that the international community was unlikely to meet many of the Paris targets, notably those pertaining to ownership (OECD, 2008b) and also acknowledged new challenges such as the rise of non-Western donors and global funds which operate more or less outside the aid effectiveness agenda (para. 9; see also Hayman, 2009). It proposed measures to increase ownership (Rosser and Simpson, 2009) such as enhancing participation from parliaments, local authorities and CSOs in developing national development strategies, encouraging donors to promote country ownership, including by investing in recipients' human resources and institutions (para. 8) and urging donors to intensify their use of country systems (para. 15).

The AAA uses strong language in places. For example, it states that 'even when there are good-quality country systems, donors often do not use them' (para. 15) and urges:

> *'Donors will immediately start working on and sharing transparent plans for undertaking their Paris commitments on using country systems in all forms of development assistance [...] They will finalise these plans as a matter of urgency.'*
>
> (OECD, 2008a: para. 15d)

There are also mentions of gender, human rights and environmental sustainability which are described as 'cornerstones for achieving enduring impact' (para. 3). However, some feel that donors backtracked on areas such as reducing aid conditionalities, improving aid predictability, reforming technical assistance or increasing mutual accountability (e.g. Eurodad 2008b). The AAA also fails to explicitly acknowledge CSOs as more than aid funding sources and recipients (Steinle and Correll, 2008). The politics behind the drafting of the AAA appears to have prevented any significant advances. Civil Society Voices for Better Aid (2008) reports that US influence at the World Bank sought to ensure that any stronger commitment would be watered down. Wallace (2009) in her description of a multi-stakeholders workshop in the process leading to the

Third High Level Forum recalls how participants were told that 'there was no chance of challenging the Paris Declaration at Accra; politically there was very little room for manoeuvre' (Wallace 2009: 762).

2.3.4. From aid effectiveness to new aid architecture

The aid effectiveness agenda with its focus on country ownership, and the alignment and harmonisation of donors, has been accompanied by a new organisation of aid, or aid architecture. While many donors' overseas development assistance (ODA) used to be channelled through a number of development projects, often implemented through international NGOs (INGOs) or CSOs, this strategy has increasingly been seen as too fragmented and unsustainable (Kees van Donge, 2007) and not consistent with the aid effectiveness agenda. Instead, donors have turned their focus to state systems, opting to finance large governmental programmes, or contributing directly to national budgets (through direct or general budget support) or specific sectors (in the case of sectoral budget support and its many variations such as Sector-Wide Approach and pool- or basket-funding mechanisms). Although budget support is not a new modality (Unwin, 2004) it has gained prominence thanks to the Paris agenda and has become one of the preferred tools for administering foreign aid in the past decade (Kees van Donge, 2007). There are however important variations between donor countries: some have favoured this aid modality for a number of years (Nordic countries, the Netherlands, the UK), while others have come to it more recently (Finland, Germany, the EC, Ireland, Canada) or are still reluctant to use it such as Japan and the US (Dijkstra, 2005).

Budget support has a number of advantages: by allowing greater predictability, stability and flexibility for country recipients and providing a mechanism for donor coordination, it reduces duplication, budget fragmentation, and transaction costs and

thus in theory increases aid effectiveness (de Haan and Everest-Phillips, 2007). It is also a cost-effective way for donors to disburse the increased aid promised since 2000 without having to foot ballooning management costs (Woll 2008; de Renzio, 2006). One drawback of this aid modality however, and a major cause for concern for donors, is that it makes it impossible to track down the money and show what precisely has been achieved with it. Performance management has thus become a central issue (Rocha Menocal and Rogerson, 2006). There is also a perception that budget support might increase corruption; for this reason, many donors insist that conditions of good governance be met before budget support can be put in place (Dijkstra, 2005). 'Sound' public financial systems, including accounting and auditing, and procurement procedures, have thus become the cornerstone of budget support, enabling donors to ensure that funds are properly used (Rocha Menocal and Rogerson, 2006). Indeed, Public Financial Management (PMF) often constitutes a pre-condition to budget support (for example for DFID, Unwin, 2004).

Thus budget support is seen by donors as a way to engage with recipient countries at policy level and to encourage reforms (Mosse, 2005; Unwin, 2004), while sustaining country ownership. Indeed this approach appears to favour donor-recipient relationships based on cooperation and flexibility (Kees van Donge, 2007: 475). It enables donors to move away from conditionalities that have proved rather ineffective while gaining support for their preferred policy environment (de Haan and Everest-Phillips, 2007). However, this approach has also been perceived to lead to donor micro-management, loss of sovereignty and the bypassing of democratic institutions. (Rocha Menocal and Rogerson, 2006). These critiques and others are developed in more detail in section 2.4. in relation to the aid effectiveness agenda.

2.3.5. The Busan Summit: from aid effectiveness to development effectiveness

The research presented in this thesis was carried out prior to the Fourth High Level Forum in Aid Effectiveness which took place in Busan, South Korea between 29 November and 1 December 2011. However, by analysing recent developments, this section aims to provide some perspective on its likely evolution.

While the 2008 Accra Agenda for Action (AAA) could be seen as a continuation and reaffirmation of the Paris principles, with a few adjustments, the Partnership for Effective Development Cooperation (Fourth High Level Forum on Aid Effectiveness, 2011, in appendix J) adopted by participants at Busan has been viewed as sanctioning 'the end of aid effectiveness as we know it' (Hayman, 2012: 1). In many respect, the summit was indicative of the rapid changes that had taken place since 2008: the impact of the global financial crisis on traditional donors and the pressure they have been facing justifying aid budgets in this context, the increased importance of (re)emerging donors, particularly China, as well as a more confident and vocal presence from aid recipients (Mawdsley et al., 2013). These changes are encapsulated in the shift from a language of 'aid effectiveness' to 'development effectiveness'. This can be seen as a consequence of the summit's attempt to be inclusive of Southern donors as a large part of their development assistance lies outside the strictly defined scope of overseas development assistance. However, Hayman (2012: 9) also argues that this change is suggestive of a new vision of aid as a 'catalyst' with other kinds of resource mobilisation for development such as 'taxation and domestic resource mobilisation, private investment, aid for trade, philanthropy, non-concessional public funding and climate change finance' (High Level Forum on Aid Effectiveness, 2011: para. 10, see also para. 9) called to play a greater role. Mawdsley et al. (2013) note that the development agenda appears to be moving away from poverty-reduction and increasingly

(re)focusing on economic growth. The inclusion of (often high-level) private sector representatives at Busan suggests that private companies are likely to play an increasingly important role in development in the years to come.

However, the new aid landscape that emerged at Busan is still unclear. On paper, the Partnership document outlines a two-tier system where DAC donors reiterate their commitments to follow the principles established at Paris and Accra (para. 16), as well as those developed at the Busan summit while 'the principles, commitments and actions agreed in the outcome document in Busan shall be the reference for South-South partners on a voluntary basis' (para. 2). The language of development effectiveness is perceptible in two of the four principles promoted by the Busan Partnership, advocating a renewed focus on development results and a vision of inclusive partnerships. Transparency and mutual accountability has somehow replaced alignment and harmonisation. However, country ownership remains central and the indicator-based model on which this is measured seems unchanged: the Partnership endorses the use of country-led result frameworks to allow 'all concerned actors to assess performance based on a manageable number of output and outcome indicators' (para. 18(b)). Overall, the document offered few firm commitments (Hayman, 2012) and many of the recently published proposed indicators lack numerical targets. The Busan summit can thus be seen as outlining the basis of a weaker but 'broader and more inclusive' partnership (para. 1), leaving the future of aid 'extremely unclear' (Hayman, 2012: 12). The next section examines some of the critiques that have been directed at the aid effectiveness agenda.

2.4. Critiques of the aid effectiveness agenda: a technocratic and biased strategy

Critiques of the Paris agenda have come from a variety of points of view. Some of them focus on technical aspects of the new aid architecture, seeking to assess some of its advantages and drawbacks (for example with regards to reducing transaction costs, see USAID, 2005). Another group of critics deals with the broader processes involved in the interactions between various actors (e.g. donors, NGOs, recipient countries' institutions, etc.) within the aid effectiveness agenda. This section concentrates mainly on the latter set of critiques, which appears to be the most relevant to the argument developed in this thesis. These critiques centre principally on three key issues: the limited scope and excessively technical nature of the aid effectiveness agenda, the apparent paradox of its broad political bias and effects and finally the need to extend the concept of ownership of the Paris Declaration to make it both political and democratic.

2.4.1. A technical solution to a political problem

With its 'excessively narrow agenda of management' (Droop et al., 2008: 16) concerned with transaction costs, auditing, administrative procedures and efficiency, some feel that the Paris declaration has replaced the end with the means (Sen, 2007; Wallace, 2009). As such the emphasis seems to be on efficiency rather than effectiveness (Sen, 2007: 7). Critics also see the Paris agenda as a missed opportunity to grapple with real issues hindering to aid effectiveness: 'political struggle is an intrinsic component of the aid process and not an alien element compromising the purity of plans made.' (Kees van Donge, 2007: 492; see also Fritz and Rocha Menocal 2007). While the new aid architecture and instruments such as budget support could be seen as an opportunity to better understand and engage in political dialogues at the level of recipient countries

(Kees van Donge, 2007), the aid effectiveness agenda remains firmly removed from issues pertaining to power, politics and institutional dynamics (Sen, 2007; Fritz and Rocha Menocal, 2007).

Yet, political issues are crucial to the goals of the Paris Declaration. Limitations to this technocratic approach are visible in the contradictions surrounding one of its central concepts: country ownership. The aid effectiveness agenda fails to acknowledge that both donors and recipient governments are political players (de Haan and Everest-Phillips, 2007). The former are accountable domestically through elections, audit institutions, legislative committees and civil society (Droop et al., 2008). As a result, aid might be shaped by a variety of political and social forces and, for example, can be seen as a way of using economic surplus (e.g. Diven, 2001, on the role of food producers in shaping the US aid policy ; see also Rosser, 2008) or furthering political and economic agendas (Rocha Menocal, 2007). Aid is not neutral and as a consequence, donors cannot 'let go' (Rosser and Simpson, 2009): their commitments to the aid effectiveness agenda and country ownership in particular, are always to some extent subordinated to domestic pressures (Droop et al., 2008). Donors tend to be risk averse and so reluctant for recipient governments to take full ownership of development (Booth, 2008).

In recipient countries, leaders are often dependent on aid to maintain their grip on power by generating political support through the delivery of goods and services, (Fraser and Whitfield, 2009; de Renzio et al., 2008). As a result, they often find themselves in a subservient position to donors, with the fear of losing aid constituting a strong feature of many governments (de Renzio et al., 2008). Yet, conditions imposed by donors in exchange for aid can be unpopular. Fraser and Whitfield (2009: 13) explain that some leaders have been invoking pressure from donors to justify policy decisions to domestic constituents, some of which have been advantageous to the ruling

elite (see also Anders, 2005). But such tactics can also be politically dangerous. As a result many recipient governments tread a fine line and will sometimes approve conditions on paper to please donors but with little intention to change current practices (see for example Woll, 2008, about Ghana in the early 2000s; de Renzio, 2006). Often, as Bergamaschi (2011) shows, the gap between donors' expectations and the actual reforms carried out is the result of the interplay between actors, interests, norms, and resources. She argues that each new measure produces specific trajectories of assimilation as the various persons involved deploy strategies in order to deal with the new opportunities and constraints that they represent.

Domestic accountability both for donors and recipient countries thus produce complex relationships of dependency that the aid effectiveness agenda fails to address. On the one hand, donors are constrained by the need to sell development success stories to their electorate (Harrison, 2010; de Renzio, 2006). As a consequence, although the balance of power may be skewed in their favour, donors may not always be in a position to challenge the behaviour of recipient partners due to the need to protect their relationship with country leadership, especially in the absence of realistic political alternatives (Fraser and Whitfield, 2009). They may thus lack incentives to raise issues such as corruption and funds misuse (see for example Wallace, 2009 on Mali). By failing to address these issues, the aid effectiveness agenda may not bring about the expected results. In addition, harmonization and alignment may actually contradict country ownership as recipient countries find themselves reluctant to challenge a more unified front of donors (Droop et al., 2008). As Woll (2008: 85) explains 'harmonising agendas reduces the plurality of opinions and leaves the recipient with no choice but to pick the most suitable development partner. The result is an externally defined agenda and, consequentially reduced government ownership'. The pressures that donors are under to make the new aid effectiveness agenda 'work', may also contradict the principle of

country ownership. This is illustrated for example by Hayman (2009: 593) who shows this with regards to Rwanda, where donors, pushed by time and in the absence of policy directions from the government, 'forge[d] ahead with establishing harmonisation frameworks and Sector Wide Strategies', with the World Bank writing most of the Health Strategy.

In addition, by not addressing issues of power, the Paris Declaration might lead to limited results. The above mentioned pressures mean that donors 'in spite of their support for greater accountability […] can find frank assessment of their performance uncomfortable' (Droop, 2008: 14). At the same time, as Cammack explains (2007: 607) while donors might 'gain a "seat at the table" through their provision of budget support, they are not privy to those meetings where high-level decisions are really made'. In this context, they may find alignment and harmonisation particularly challenging (Droop, 2008). Maybe as a result of its technocratic approach, the Paris agenda has had limited success in some areas. For example, Lawson et al. (2005), in their evaluation of general budget support in Tanzania, show that there were few signs that it could be linked to improve efficiency of public spending or better domestic accountability. The Paris Declaration has also been unable to reverse the proliferation of aid mechanisms for example in health (Whyms and Buse, 2008) and many important bilateral donors such as the US, France and Japan have not wholly subscribed to it.

Although engaging with these issues is difficult and complex, the literature offers a few suggestions of measures that would help in that regard. While some countries such as the UK with its Drivers of Change studies and the Swedes with their power analysis have taken steps to develop a better understanding of networks of power in recipient countries, human resource practices have been perceived to undermine these efforts (de Haan and Everest-Phillips, 2007). A number of studies have highlighted the importance

of personal relationships in making projects such as the Paris agenda work. Hayman (2009) for example shows that the commitment of specific individuals is often key. Indeed, the Paris Declaration works principally on a collaborative accountability model in which sanctions for non-compliance 'tend to be social, political, reputational and relational' and where norms emerge from 'shared ideas, values, beliefs or evidence and become embedded over time' (Droop, 2008: 17). Pomerantz (2004), Eyben (2009), and Whitfield and Fraser (2009) have all underlined the centrality of building trust between staff from donor agencies and government. Drawing on the work of Rosser (2009) in Timor-Leste, Rosser and Simpson (2009) argue that it is 'political and social relationships rather than aid management structures and aid modalities that matter in shaping the degree of recipient country ownership'. However, building these relationships takes time and energy. Although the Paris Declaration recognises this, for example by committing signatory members to address 'insufficient delegation of authority to donors' field staff, and inadequate attention to incentives for effective development partnerships between donors and partner countries' (para. 4iii), it is seen as not going far enough. It failed to significantly address practices such as the reduction of personnel ratio (Eyben, 2009), the high staff turnover in country, lack of local language knowledge and the 'pressure on staff to demonstrate short-term visible results' (Wathne and Hedger, 2009: 3), preventing staff from donor agencies to engage in meaningful ways with the power dynamics in recipient countries. The Paris agenda also missed the opportunity to recognise the need for a more serious understanding of country contexts by donors (Booth, 2005) and the need to wean donors from their reliance on 'blueprint approaches' (de Haan and Everest-Phillips, 2007: 17). As Rocha Menocal and Rogerson (2006) argue, international experts are still too often favoured at the expense of local ones, even when they have very little understanding of local issues (Rocha Menocal and Rogerson, 2006). Another set of suggestions to address power and accountability issues and meaningfully improve aid effectiveness entail measures to

enable donors to make long-commitments including reforming parliamentary procedures so as to allow multi-year pledges in ODA, or educating public opinion about the need for a long-term strategy (see for example, Wathne and Hedger, 2009).

2.4.2. Biases in aid effectiveness: an agenda led by donors

Although the aid effectiveness agenda is presented as technocratic and 'missing out' on power and politics, some argue that it is not apolitical as it is skewed in favour of maintaining the current power status-quo between rich and poor countries. Despite the fact that aid effectiveness is supposed to benefit recipient countries by putting them in the driver's seat, reducing transaction costs and increasing the level of aid, many commentators acknowledge that the argument for the Paris agenda was developed from a donors' perspective (see for example, Unwin, 2004; Rocha Menocal and Rogerson, 2006). Indeed most discussion fora on the aid systems such as OECD's DAC or the EU are dominated by donors' views and northern perspectives (Rocha Menocal and Rogerson, 2006). A number of other factors such as lack of financial resources, the fear of criticising donors, scepticism at being able to make changes as well as the technical and complex nature of the issue, have been curtailing the inclusion of Southern perspectives in the debate (Rocha Menocal and Rogerson, 2006). The fact that the Paris Declaration was developed chiefly by the OECD rather than the UN, a more representative forum, is symptomatic of this imbalance and some Northern CSOs have questioned the legitimacy of DAC as the home of the aid efficiency and accountability mechanisms (Droop et al., 2008). The creation of the Global Partnership for Effective Development Co-operation as an outcome of the 2011 Busan Summit may provide a more inclusive forum. However, it is worth noting that the OECD secretariat will continue to coordinate the data analysis of the global monitoring of the Busan commitments (OECD, 2013).

The focus of the aid effectiveness agenda on technocratic issues and the avoidance of politically-loaded ones have also been read as reflecting donors' considerations and interests instead of the priorities of recipient countries. Issues such as human rights, gender equality, indigenous rights, inequalities, environmental sustainability or even poverty reduction were entirely overlooked in the Paris Declaration (Steinle and Correll, 2008, Civil Society Voices for Better Aid, 2008) and paid lip service in the Accra Agenda for Action (OECD, 2008a)[12]. Rogerson (2005) argues that the Paris Declaration should have included indicators showing its impact on these issues. In addition, 'the Paris Declaration objectives, commitments and assessment indicators have also been artificially separated from any consideration about how aid actually affects the conditions that sustain poverty and inequality' (ISG, 2007: 3).

The aid effectiveness agenda fails to properly address issues pertaining to the quality of aid. Although policy conditionalities and tied aid are mentioned in the Paris Declaration, the mechanisms to enforce improvements in these areas are weak or non-existent; for example the target for untying aid is excessively vague[13] (Wallace, 2009; Steinle and Correll, 2008; Sen, 2007). Debt, while it constitutes an important part of ODA in the form of loans and an immense strain on recipient countries' development is not even mentioned (ISG, 2007; Wallace, 2009). Indeed, the aid effectiveness agenda fails to address structural issues that contribute to poverty such as world trade agreements, primary commodity pricing, the undemocratic nature of IFIs, or the unbalanced aid allocations across countries (Wallace, 2009; Sen, 2007; Rogerson, 2005).

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[12] The Busan Partnership Agreement however highlights international commitments on 'human rights, decent work, gender equality, environmental sustainability and disability' (para. 11) and gender equality and women's empowerment are discussed in greater length in para. 20.

[13] The OECD has estimated that as much of half of all aid is in the form of technical assistance (ISG 2007: 7) most of which is not demand-driven.

In addition, the aid effectiveness agenda shows little regard for the impact and outcome of aid on the ground, focusing instead of the modalities of dispersion up to the level of recipient governments (Rajani, 2008; Wanyeki, 2006). The Reality of Aid Global Network (in Sen, 2007: 5) thus feels that Paris Declaration may not change the fact that aid does not reach the most vulnerable.

Moreover, the current monitoring process for the Paris Declaration and the Accra Agenda for Action fails to involve recipient countries substantially but focuses primarily on their performance, while donors in effect monitor themselves (Droop et al., 2008; Sen, 2007; ISG, 2007). Northern CSOs have also voiced concerns with regards to the independence and data quality of the Monitoring Survey, which assesses countries' performance against the indicators set out in the Paris Declaration (Droop et al., 2008: 16). Wallace (2009) commented:

> *'… [N]o serious account is being taken of the criticisms, analysis and alternatives proposed in response to questions such as who is monitoring the Paris Declaration, and the need for independent monitors; who sets the results and are they the important or valid ones for the long-term development and poverty reduction; or to issues such as the lack of any real accountability or responsibility for success or failure in the PD; and the stories of negative impact.'*

(Wallace, 2009: 762)

While there has been a rapid growth of mechanisms available to donors to monitor the performance of, and sanction and reward, partners[14] (Droop et al., 2008: 12), there are as yet 'no means for recipient governments to take action against donors except through peer pressure' (Hayman, 2009: 594). As such, donors are still relatively unaccountable for pledges and aid performance (Rocha Menocal and Rogerson, 2006). To some extent,

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[14] These include the World Bank's Country Policy and Institutional Assessments (CPIA), IMF economic assessments, the Transparency International Corruption Perceptions Index, the Performance Reports of the Public Expenditure and Financial Accountability (PEFA) programme and the World Bank Institute's Kaufmann-Kraay-Zoibo-Lobaton (KKZ) indicators (Droop et al, 2008: 12).

this reflects the 'implicit assumption that the ideal of consensus and stability is not achieved because of shortcomings on the government's side' (Kees van Donge, 2007: 475). Therefore, the Paris Declaration is seen as largely imposed by donors on aid dependent countries (Unwin, 2004).

2.4.3. Critiquing ownership

Another critique, linked to the one detailed in the previous section, deals with how country ownership, the central tenet of the Paris Declaration is conceptualised. Hickey (2009: 478) for example states: '…the language of ownership is highly normative, implying that international development agencies have the answers to poverty reduction and that national governments simply need to adopt this agenda and implement it'. As Hayman (2009:584) puts it: 'provided donors are satisfied with the strategy, they will allow the government to 'own' it'. Otherwise, negotiations will ensue. Ownership is thus narrowly defined and operating within a specific framework of upward accountability (Sen, 2007). For instance, the 'ownership' assessment of the Paris Declaration is based on whether or not recipient countries have drawn an 'operational development strategy' prioritising result-oriented programmes and presenting medium term expenditures and annual budgets, as specified by the aid effectiveness agenda (Rosser and Simpson, 2009).

Some feel that despite its rhetoric, the Paris agenda has actually caused country ownership to regress. For example, there is evidence that conditionalities have expanded under the new aid architecture (Booth and Fritz, 2008), both in numbers and scope. As Hayman (2009: 591) explains: 'the use of programme-based instruments has led to greater and broader donor oversight over budgetary processes and hence priorities. This is no longer just the domain of the World Bank and the IMF but a

primary concern of all bilateral and multilateral donors providing general or sectoral budget support'. In addition, the Paris agenda has led to a concerning change in the nature or scope of some of these conditionalities. The rise in soft conditionalities (also called process conditionalities) which determine how policy processes should take place has been analysed as institutional micro-management on the part of donors. As Dijkstra shows (2005: 457), these policy conditions are often handpicked from the PRSPs (for ownership's sake) but clearly show prioritisation by donors. Mosse (2005: 5) argues that these new conditionalities have far reaching effects: 'Indeed as its ends have narrowed to the achievement of quantified targets on poverty or ill-health, the *means* of international aid have expanded from the management of economic growth and technology transfer to the reorganisation of state and society needed to deliver on targets'. Policy conditionalities are seen as severely undermining democracy, especially as these are often the outcome of 'secret policy dialogues' (ISG, 2007).

Indeed, the Paris agenda seems to favour a form of technocratic ownership. Aid negotiations and policy discussions between donors and recipient governments have become increasingly technical (CARE and ActionAid, 2006), with the use of instruments such as Performance Assessment Frameworks (PAF) or Public Financial Management (PFM) reforms becoming ubiquitous. The involvement of civil society has also been made more difficult under new aid architecture by the increased lack of transparency surrounding aid negotiations, which tend to be a private bureaucrat-to-bureaucrat (B-2-B) process that often bypasses the scrutiny of democratic institutions and civil society (Rocha Menocal and Rogerson, 2006). As CARE (2008: 5) remarks, 'negotiations on budget support and decisions over budget allocations are often carried out by a small group of donors and finance ministry staff, without broader consultation and debate' (see also Sen, 2007). Crucial issues such as conditionalities, budget

allocations and spending limits thus escape parliamentary control and supreme audit institutions (de Renzio, 2006).

This is compounded by the lack of publicly available information and documents on aid flows, conditionalities, spending priorities, donor disbursements, and debt which seems to have been worsened by the new aid architecture (Wathne and Hedger, 2009; CARE, 2008; ISG 2007; CARE and ActionAid, 2006). It is worth noting that both the Paris Declaration and Accra Agenda for Action include commitments for donors to increase information on aid flow. However, there are no specifications as to how detailed the provided information should be. The secretive nature of aid negotiations is thus seen as making monitoring of recipient governments and donors more difficult for NGOs, increasing the risk of corruption (Fritz and Rocha Menocal, 2007). Eurodad (2008a) also argues that the Paris Declaration itself is difficult for civil society to monitor as some indicators are constructed in a way that makes it hard to measure performance. It also reports 'strong indications that some donors and governments have provided inaccurate data' (Eurodad, 2008a: 14). According to critiques, the aid effectiveness agenda is thus conducive to a lack of transparency, accountability and participation (Wallace, 2009), undermining democratic processes and marginalising the poorest (CARE and ActionAid, 2006). This is all the more so when used in countries known for the undemocratic nature of their government such as Bangladesh (Wallace, 2009).

Another hindrance to democratic ownership is the absence of civil society and non-governmental organisations in the way the new aid architecture has been conceptualised. Rocha Menocal and Rogerson (2006) argue that this is due to the pro-government bias present in organisations such as the OECD or the EU, leading them to overlook the contribution of civil society organisations. Others are more critical of this shortcoming. Sen (2007: 7) for example states: 'the absence of civil society inclusion and

engagement indicates a lack of political will and commitment to social participation from donors.' Many NGOs have been feeling sidelined by the new relationship between recipient governments and donors (Sen, 2007). CARE and ActionAid (2006) for example, believe that the new aid architecture has put strain on their access to and ability to lobby donors, an issue reinforced by the pervasive staff cuts in many agencies (e.g. DFID's 'Doing more with less'). In addition, they report that 'experiences in both Tanzania and Malawi suggest that the more effective and influential NGOs become in advocacy, the less willing governments are to engage with them' (CARE and ActionAid International, 2006: 22). As Sen (2007) highlights, there is a risk for CSOs to become marginalised in decision-making processes. Organisations that manage to be involved in the process tend to be large, international NGOs who talk the 'aid speak' and use tools, language and aesthetics which are congruent with that of donors (Wallace, 2009). As a report by CARE and Action Aid (2006) also remarks, under the new architecture, consultative policy meetings and documents are more often in English than local languages, reflecting the fact that they are primarily aimed at donors rather than citizens. Small grassroots organisations which are often the closest to the poor and vulnerable are thus often marginalised under the Paris agenda (Wallace, 2009). The need for the aid effectiveness agenda to be based upon democratic ownership where parliaments, civil society and citizens drive the policy process and outcomes is advocated by many critiques (e.g. Eurodad, 2008a; CARE, 2008; Booth, 2008; Steinle and Correll, 2008; ISG, 2007). In other words, political ownership should replace technocratic ownership (Booth, 2008).

2.5. Conclusion

This chapter has examined the discursive roots of the aid effectiveness agenda, showing how concepts such as country ownership and poverty reduction have evolved out of mutations of international institutions in response to internal and external pressures. It also highlighted the importance of the new commitments to increase aid and reach the MDGs that have been made since the new millennium, in making aid effectiveness a pressing concern. The chapter then related the recent history of aid effectiveness and analysed the content of some of its most relevant documents, particularly the Paris Declaration (2005) detailing the meaning of the main commitments made by donors and recipient countries, and showing how this has affected the way ODA is disbursed and used. Finally this chapter presented some of the critiques of the aid effectiveness agenda. More specifically, it showed that it was perceived as too technocratic, failing to grasp the importance of power relations and personal rapport in increasing aid effectiveness. At the same time, the Paris agenda could be seen as having broad political effects through its lack of engagement with important aid-related issues such as debt or conditionalities and its implicit role in maintaining a status quo between donors and poor countries. However, some analysis found that the Paris Declaration participated in undermining the sovereignty (or ownership) of recipient countries to a far greater extent than was previously the case. It was felt that process conditionalities in particular, 'increased powers of surveillance and control over sovereign states' through more invasive monitoring procedures (Mosse, 2005: 8). Many thus call for a more democratic understanding of country ownership and the need for donors to seriously commit to improve the quality of aid (Civil Society Voices for Better Aid, 2008).

Chapter 3 :

Global AIDS governance and Malawi

3.1. Introduction

Few studies have critically examined the impact of the new aid architecture on global AIDS policies. Yet, as this chapter explains, the pandemic has been the target of considerable funding from international donors in the past decade or so. In addition, the global AIDS response has long been critiqued for being largely donor-driven, making the analysis of the effects of the implementation of the new aid architecture and its principle of country ownership in the area of AIDS particularly significant. This chapter examines the context of AIDS interventions in Malawi. It starts, in section 3.2., by outlining the development of a global AIDS governance and examining some of its critiques, particularly those pertinent to Sub-Saharan Africa. Section 3.3 provides a short political history of Malawi, as well as some information on the country's economy and society. Section 3.4. focuses more specifically on aid in Malawi, providing background to the intervention of donors, before detailing the current arrangements pertaining to the AIDS response.

3.2. The global AIDS governance in Sub-Saharan Africa

This section presents contextual information on the development of international AIDS interventions. It first provides a brief overview of the discursive changes that have taken place in the past 25 years or so and introduces some of the major international actors in the field. It then moves on to some of the critiques that have been formulated

with regards to the deployment of the current global AIDS governance, notably the imposition of specific types of interventions by donors, their excessive focus on behaviour-change and biomedical perspectives at the expense of broader socio-economic dynamics, as well as the collusion of AIDS-related assistance with neoliberalism.

3.2.1 Global AIDS narratives: a short historical perspective

The international response to the AIDS pandemic has gone through many transformations and paradigm shifts in the past 25 years. Arguably, AIDS has grown to receive more global attention than any other disease (Whiteside and de Waal, 2004), spearheading a change in the place occupied by Health in international development and politics.

One of the fist milestones of the rise of a global AIDS governance can be identified as the establishment of a Global Program on AIDS (GPA) within the World Health Organisation (WHO) in 1986. Under the aegis of Jonathan Mann, the Program began to 'establish an international discourse around HIV/AIDS which emphasised the language of empowerment and participation' (Poku, 2002: 287) and garnered support from donor countries for a multilateral response integrating the non-governmental sector (Poku, 2002). In 1996, the Joint United Nations Programme on HIV/AIDS (UNAIDS) was set up and replaced the GPA. However, UNAIDS is not an implementing agency. Its role is to provide support and coordination to originally six UN agencies, in relation to the AIDS pandemic (Poku, 2002). It has been playing a central role in defining the global response through its compilation and dissemination of 'best practices' (Seckinelgin, 2007).

The late 1990s saw the arrival of a new global player in the guise of the World Bank. The Bank had started to focus on Health in the early 1990s, spending more in the sector than both the WHO and the United Nations Children's Fund (UNICEF) combined (Sandusky, 2006). As its 1993 report '*Investing in Health'* indicates, the Bank has been an advocate for the role of the private sector beyond a small package of essential health services delivered through the state (Sandusky, 2006). This focus on the role of the private sector and local communities is also perceptible in the Bank's approach to AIDS. Although it had been involved in the AIDS response since 1986, by the late 1990s the pandemic became a new area of focus. In 1999, it developed a new strategy for '*Intensifying Action Against HIV/AIDS in Africa: Responding to a Development Crisis'* (World Bank, 1999)*,* in which it declared its intention to scale up its commitment to fight HIV/AIDS, by promoting a 'multi-sectoral response by focusing on HIV/AIDS as a development issue and by engaging both local communities and the private sector' (World Bank, 2011b). In 2001, it launched its Multi-Country AIDS Program which was until 2003 the only major global source of funds for AIDS response (World Bank, 2007) and up to April 2010 provided over US$ 2bn for HIV/AIDS programmes in 35 countries (World Bank, 2011b).

The new millennium can be seen as representing a turning point in the global response to AIDS. The Millennium Development Goals identified AIDS as one of the key issues to be addressed to improve social and economic conditions in poor countries. Two out of the three targets of Goal 6 relate to the fight against AIDS with target 6A aiming to 'have halted and begun to reverse the spread of HIV' by 2015 and target 6B focusing on providing 'universal access to treatment for HIV for all those who need it' by 2010. A year later, the United Nations General Assembly held a Special Session (UNGASS) on HIV/AIDS and made a Declaration of Commitment (UNGASS, 2001). Seckinelgin argues that this resolution, together with the UNAIDS *Report on the State of the*

Epidemics (2002) set up a roadmap for global initiative, focused largely on scaling up prevention, treatment and care. He wrote: 'since its release this document has been adopted as the reference point by many countries in their funding arrangements as well as in the creation of many national AIDS councils in Sub-Saharan Africa' (Seckinelgin, 2004: 291).

The UNGASS also created a momentum for scaling up AIDS-related interventions. It called for an increase in 'annual expenditure on the epidemic of between US$ 7 billion and US$ 10 billion in low and middle-income countries (UNGASS, 2001: art 80). Ten years, later, the UN General Assembly High Level meeting on HIV and AIDS noted that the decade had seen 'an over eight-fold increase in funding from US$ 1.8 billion in 2001 to 16 billion in 2010, the largest amount dedicated to combating a single disease in history' (United Nations High Level meeting, 2011: art 13).

Indeed, the new millennium saw the establishment of large funds dedicated to AIDS. The Global Fund to fight AIDS, Tuberculosis and Malaria was created in 2001, as an outcome on the UNGASS meeting. The Global Fund is public-private partnership between governments, civil society, the private sector and affected communities and acts as an 'international financing institution dedicated to attracting and disbursing additional resources to prevent and treat HIV and AIDS, TB and malaria' (Global Fund, 2012a). It has become one of the largest sources of funds for AIDS-related activities, having disbursed to date (August 2012) over US$ 17bn (Global Fund, 2012b). Another heavy-weight of AIDS financing was also born early in the new Millennium: the U.S. President's Emergency Plan for AIDS Relief (PEPFAR), launched in 2003 by US President George W. Bush. The establishment of PEPFAR as a distinct and dedicated structure reflects the unique status accorded internationally to AIDS. With funding to date just under US$ 46bn (PEPFAR, 2012), PEPFAR has played a major role in shaping

the response to the epidemics, notably through its Christian-right influenced promotion of abstinence and faithfulness and the funding of faith groups (Nauta, 2010).

Perhaps part of the rationale of this increased funding is to be found in the framing of AIDS as a security issue (Elbe, 2009; Ingram, 2005). In 2000, the UN Security Council devoted two sessions to the pandemic and adopted Resolution 1308 (United Nations Security Council, 2000) highlighting the potential impact of AIDS on social instability as well as in relation to the health of international peace keeping personnel. As Ingram argues, the resolution

> *'marked a major change in the way global health issues were framed at the highest political level: they constituted a declaration that what was previously a matter of domestic public health and international development was now an imminent threat to international peace and security.'*
>
> (Ingram, 2005: 531)

This rationale is clearly visible in the launch of the PEPFAR which was heavily influenced by the findings from the 2002 report of the U.S. National Intelligence Council *The Next Wave of HIV/AIDS: Nigeria, Ethiopia, Russia, India, and China*, viewing the spread of AIDS as a threat to US security and interests (Barnett and Whiteside, 2002: 314). However as Ingram (2005) and de Waal (2006) note, evidence to link health and security remains weak.

Since the 2001 Declaration of Commitment, the 3 by 5 initiative (3 million people on treatment by 2005), launched initially by WHO and UNAIDS in 2003, has 'helped to mobilize and support governments and their partners to scale up access to treatment' (UNAIDS and WHO, 2006). The 2005 Gleneagles G8 Summit, the United Nations General Assembly 2005 World Summit Outcome, and the United Nations General Assembly resolution on the implementation of the Declaration of Commitment on HIV/AIDS (UNGASS, 2006) have contributed to keeping AIDS and particularly access

to treatment, at the top of the development agenda. The global economic downturn that has taken place since the research fieldwork was conducted has however impacted on donors' ability and willingness to fund the global AIDS agenda. In 2011, the Global Fund to Fight AIDS, Tuberculosis and Malaria had to cancel its next funding round totalling some £930m (Commons Select Committee, 2012) due to severe underfunding caused by constraints on aid budgets and corruption scandals (Boateng and Oxley, 2011; Boseley, 2011). While the Gates foundation has since pledged US$ 750 million to help support the Fund (UNAIDS, 2012c), the financial pressure on many western countries' budgets may be signalling the decline of 'AIDS exceptionalism'.

At the time of my fieldwork in 2008, 60 million people had been infected by HIV and 25 million had died of HIV-related causes (UNAIDS and WHO, 2009). Sub-Saharan Africa was and is still bearing the brunt of the pandemic, with 67% of all people living with HIV worldwide living in the region in 2008 (UNAIDS and WHO, 2009). Whilst the international response to AIDS has shown some success, for example by slowing down the incidence of infection worldwide from 3.3 million in 2001 to 2.5 million in 2011, it has also been the object of critiques, some of which are outlined in the next section.

3.2.2. Critiques of international AIDS interventions

The Global AIDS governance has been the subject of many critical appraisals. One set of analyses focuses on how the international donor community has imposed a set of 'global' solutions to the variety of contexts in which the pandemic has unfolded. As Barnett and Whiteside (2002) argue this trend was visible from the early international response to the epidemic where the Global Programme for AIDS (GPA) set up medically and epidemiologically-driven programme packages that were 'all more or less the same' and 'were manufactured and exported from Geneva to the countries of Africa,

Asia and Latin America' (Barnett and Whiteside, 2002: 74). Ever since, the top-down, prescriptive nature of AIDS interventions in the Global South has been decried (Kelly and Birdsall, 2010). As Seckinelgin (2009) argues, donors have often focused on seeking to transform poor countries' understanding of their national interest.

The large number of externally-funded interventions is key to understanding this characteristic. As de Waal (2006: 114) noted half a decade ago, 'at present about 80 per cent of Africa's HIV/AIDS programmes are financed from international sources, and that proportion is certain to rise as pledged monies come on-stream'. As a consequence, in poor countries, policy frameworks have been 'by and large, developed by international actors' (Seckinelgin, 2007: 1219). In addition, although a large proportion of work is carried out by grassroots NGOs and CSOs, their dependence on international funding has created a tendency for 'donorism', the 'overriding sensitivity to the concerns of funders' (de Waal, 2006: 55), thus making them more inclined to reflect global priorities than to challenge them. As a result, the global AIDS governance has been seen as constructing affected countries as 'passive recipients to be managed and monitored, and in need of having (Western) technology and knowledge (read "globalisation") bestowed upon them' (Jones, 2004: 394).

As a consequence, O'Manique (2004) explains, the global response to the pandemic has been largely rooted in the Western experience of AIDS and approaches focused on behavioural change and biomedical perspectives were exported to Africa. As O'Shaughnessy (2007) states, knowledge production about the AIDS epidemic in Africa was rooted in Western medical science, rather than in the experience of local people living with HIV and AIDS (PLWA): 'African governments, organisations and communities were constructed as takers of knowledge in this system, not as a source of information and innovation' (O'Shaughnessy, 2007: 3). Thus, international AIDS

funding often fails to take into consideration community interests (Edström and MacGregor, 2010). Furthermore, because of the lack of cure, and the expensiveness of treatment in the context of poor countries, interventions in the first two decades of the pandemic have focused on behaviour change as well as self-help and empowerment, which, Nauta (2010) argues, has tended to display a misplaced emphasis on African culture, sexuality and ignorance (Nauta, 2010). Campbell (2003) also notes that the international AIDS response has allowed the framing of the problem as a local, African one rather than a global one.

In addition, Whiteside and de Waal contend that the field of AIDS is characterised by many '"factoids" – claims that have acquired the status of indisputable fact through frequent repetition, even though their basis may actually be extremely shaky' (Whiteside and de Waal, 2004: 585). They cite the supposedly high HIV prevalence amongst the military as such factoid, based on unreliable evidence. As Seckinelgin (2008) notes, many interventions that have entered the AIDS intervention repertoire, such as condom distribution and voluntary testing and counselling (VTC) are believed to be working. Barriers to an effective response are typically perceived by the Global AIDS community to be revolving around funding gap and the need to scale up the implementation of these tools. Thus, change is 'measured by increased quantities of interventions and funding similar to those of the past, without taking stock of whether what was done produced overall positive outcomes' (Seckinelgin, 2004: 284). Moreover, international funding often emphasises short-term programmes, with numerical targets attached to them, at the expense of long-term investments in local infrastructures (Campbell et al., 2012). Thus Campbell (2003) argues that money tends to be wasted on short term, unsuitable projects.

More recently, with the PWC and the return to a state-centred approach to government, the imposition of models from donors has extended from interventions and policies to para-statal and government institutions and systems. As Swidler (2006: 273) notes, the global AIDS governance has created a form of 'institutional isomorphism', a 'homogenisation of organizational forms across the AIDS terrain'. For example, the imposition of the creation of a National AIDS Commission (NAC) as a precondition to receiving funds from the World Bank has remodelled the institutional landscape of many African countries. However, Rau (2006) argues that small-scale grassroots CSOs often find large scale bureaucracy engendered by the NAC system at odds with their capacity. Both Putzel (2004) and Swidler (2006) also contend that this new organisation template shows bias for action outside of government structures, with the creation of NACs often marginalising Ministries of Health, whilst decentralisation, also promoted by the World Bank and donors such as UNAIDS, has led to the creation new regional and local governing bodies such as DACCs (District AIDS Coordinating Committees) and VACs (Village AIDS Committees) (Swidler, 2006). Public-private partnerships have been largely prescribed by international donors as well (Putzel, 2004). The new aid architecture has also contributed to the shaping of in-country systems of AIDS governance. For example, Swidler (2006) explains how, in Malawi, the establishment of a NAC monitoring and evaluation framework was a prerequisite for grants from the Global Fund and from an international donor pool supporting access to antiretrovirals (ARVs). The framework was then developed by consultants funded by the World Bank. She concludes that 'to get resources from global donors, Malawi has to mobilize local actors to enact organizational forms and procedures required by global actors' (Swidler, 2006: 271).

As a result of this unidirectional flow of knowledge, policy and tools for tackling the AIDS pandemic, Seckinelgin (2004: 297) states that global AIDS governance is

characterised by a 'mismatch between the psychosocial context of the disease and the mechanisms of intervention' which has been detrimental to an effective response. In particular, the biomedical framing of AIDS programmes and focus on behaviour change has been seen as ignoring 'the wider context of sexual behaviour, the ways it is shaped by political, socioeconomic and cultural forces, and the possibility of other factors contributing to vulnerability in southern Africa' (O'Shaughnessy, 2007: 4). A compelling account of the failures of the programmes promoted by the international AIDS community was provided by Campbell in her study of a mining community in South Africa. In it, she highlights how interconnected factors such as poverty, lack of opportunities and gender inequalities can undermine the behaviour-change model of intervention. She writes:

> *'Sexual behaviour, and the possibility of sexual behaviour change, are determined by an interlocking series of multi-level processes, which are often not under the control of an individual person's rational conscious choice. […] Thus, for example, one's innermost needs for trust and intimacy are often symbolized by the closeness of flesh-to-flesh sex. This may become a particularly compelling option in life situations that offer scant opportunities for the development of secure and stable relationships. […] Many people use the psychological defences of denial or fatalism in the face of overwhelmingly frightening threats, of the kind represented by HIV/AIDS. Such defences may be particularly common among people who are persistently faced with difficult life situations over which they have little control, or who have had few experiences of situations in which they have succeeded in meeting their hopes or achieving their aspirations. In strongly patriarchal societies, where socialization often encourages men to be macho risk-takers and to crave social power, frequent and unprotected sex with multiple partners may often be one of the few ways in which men can act out their masculinity. This might be the case particularly in situations where men, at best, work in difficult conditions over which they have little control or, at worst, have little access to jobs or money.'*
>
> (Campbell, 2003: 183-184)

Programmes driven by the Global AIDS industry appear to be based on an exaggeration of personal agency (Cunha, 2007: 212) whilst structural causes of socio-economic inequalities remain inadequately addressed. As Barnett and Whiteside argue:

> *'Neither public health nor clinical medicine pays sufficient attention to what does improve health – escaping from poverty, access to good food, clean water, sanitation, shelter, education and preventative care. Clinical medicine has only marginal effects on people's long-term health.'*

<div align="right">(Barnett and Whiteside, 2002: 27)</div>

In addition, the 'catastrophe narrative' (Whiteside and de Waal, 2004: 586) and 'AIDS exceptionalism', the idea that AIDS has attracted disproportionate attention compared to other similarly important development problems, have been criticised for reconfiguring development in Sub-Saharan Africa around the pandemic (England, 2008) and diverting focus from other important issues, including international policies and agreements sustaining global inequalities (Youde, 2005). The disjuncture between the international AIDS control regime's messages and the history and identity of recipient countries can lead to a resistance to these messages. This has led to some backlash, most notably the 'counter-epistemic' reaction (Youde, 2005) of Thabo Mbeki, the President of South Africa between 1999 and 2008, who questioned the link between HIV and AIDS and banned the use of antiretroviral treatment (ART) in public hospitals.

Some of these backlashes can also be read as a reaction to what Nauta (2010) sees as the depoliticisation of AIDS by global interventions. For example, international donors have failed to acknowledge the effects of the implementation of Structural Adjustment Programmes (SAPs) on the spread of HIV in Africa. Yet, by introducing cutbacks in public service provision such as health and education, as well as introducing the levy of fees, they have contributed to undermining national health systems (Nauta, 2010). In addition, some of the policies advocated by the IFIs have been seen as creating

increased poverty and inequalities (Nauta, 2010; Poku 2005) as well as unemployment with the shrinking of public sector workforce (O'Shaughnessy, 2007). As Sandusky states:

> *'Specific policies such as reorienting agriculture for food crops to exports, reducing education spending and relaxing labour regulations undermined access to good nutrition, education and stable income, all essential requirements for maintaining good health and utilising health care services.'*
>
> (Sandusky, 2006: 5)

Indeed, poverty has been associated with higher risks of contracting HIV, through both its socio-economic and biological effects. For example, Hunter (2007) explains how rising unemployment have left some groups, especially poor women, more vulnerable. In South Africa, the implementation of neoliberal policies have been concomitant to reduced marital rates, an increase in women-headed households, women's migration, all factors that make women more prone to contracting HIV (Hunter, 2007). Poverty is also associated with increases in sex work (O'Shaughnessy, 2007). Mtika (2007) has also shown as well how the lack of human capital development in rural Malawi has been pushing young people into circular migration that increases AIDS risks. In addition, Nauta (2010) highlights how malnutrition weakens the skin and mucous membranes, increasing susceptibility to sexually transmitted diseases (STDs), which also makes HIV infection more likely. With the scaling up of treatment, malnutrition can also be an issue as antiretroviral treatments (ARTs) require increased calorie consumption. As a result, the very poorest might stop taking treatment because it makes them too hungry.

The framing of AIDS as a development problem by many of the global actors such as the World Bank, UNAIDS, the Global Fund and the Gates Foundation has recognised the AIDS-poverty nexus, where poverty is seen as a factor increasing vulnerability to HIV whilst the pandemic also causes impoverishment at household, community and national levels. However, whilst such an understanding is valuable, it has also tended to

obscure the fact that in some countries such as Ethiopia, Kenya and Tanzania, HIV prevalence is highest amongst the middle-class and more educated people (England, 2008). Access to money and positions of power can also lead to an increase in concurrent partnerships and constitutes a risk factor (Lwanda, 2004), a dynamic that can be masked by a focus on AIDS as a development issue. In addition, policies focused on poverty can fail to take into account the complexity of people's lives. For example, Tawfik and Cotts Watkins (2007) found that while donors in Geneva and Lilongwe saw rural women's engagement in marital relations outside marriage as linked to poverty and their survival needs, women's motivations were far more varied including a desire for consumer goods, passion and revenge on husbands' infidelity.

Moreover, the understanding of AIDS as a development issue has been framed by neoliberalism and focused on growth (O'Shaughnessy, 2007) with little attention paid to the role that redistribution of political and economic resources would need to play in tackling inequalities. The Global AIDS governance thus appears to favour programmes which are not only in line with their experience of the pandemic but also compatible with their values and interests. As Barnett and Whiteside state:

> *'The development of the human rights discourse has been important for the protection of some. But its placement at centre stage has much to do with the agendas of US politics and what is acceptable in the US policy discourse where social inequality and the distribution of income and wealth are by and large excluded from the political agenda.'*
>
> (Barnett and Whiteside, 2002: 73)

Neoliberal rationales were also seen as having prevented access to affordable treatment in poor countries for the first two decades of the epidemics. As Poku (2002) explains, pharmaceutical companies were able to set their own prices for medications in various countries which produced the perverse effect of making ART more expensive in poor countries where competition was less. For example, a Médecins Sans Frontières report

found that Ciprofloxacin (an antibiotic anti-retroviral) was twice as expensive in Uganda as in Norway (MSF, 2000, in Poku, 2002). Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreements have also made it more difficult for countries to access generic ARTs (see box 3 for more details) and the insistence of PEPFAR, at least in its early days, on the use of non-generic ARTs has been seen as a way of boosting national pharmaceutical companies (Nauta, 2010). The lack of market incentives has also been linked with the failure to develop a vaccine (Nauta, 2010) and the neglect of the development of microbicides that would give more control to women, especially poor ones (Barnett and Whiteside, 2002).

Box 3: Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreements and ARTs

(after Sandusky, 2006)

The Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement came into force in 1995, during the Uruguay Round of the World Trade Organisation (WTO) negotiations. It established standards for the protection of intellectual property rights. Before the full implementation of the TRIPS agreement in 2005, countries such as Brazil, Thailand, and India did not grant patents and were major producers of low price generics; India was the primary exporter of affordable antiretroviral medicines.

The 2001 Doha Declaration on the TRIPS agreements and Public Health acknowledged concerns about the cost of patented medicines for poor countries. It reasserted that developing countries should make use of all the flexibilities in the TRIPS agreement to promote public health and extended the transition period for least developed members to enforce patent protection for pharmaceutical products until January 2016. Flexibilities include allowing a government to import a product sold at lower prices in

another country. The TRIPS agreement also authorises member countries to issue mandatory or compulsory licenses, allowing companies to produce generic versions of patented products without the consent of the patent holder, in situations of national emergency or for public non-commercial use. In 2002 the government of Zimbabwe declared the AIDS epidemics a national emergency and issued compulsory licenses to local companies to import or produce antiretroviral drugs (ARVs), leading to treatment price reduction. For instance, the price of one ARV drug (Zerit) went from US$ 400 in 2001 to US$ 30 in 2002. These licenses, however, were only to be used domestically and many poor countries, especially small ones like Malawi, do not have the production capacity to manufacture complex medicines and are reliant on imported ones.

In 2003, the WTO's 'August 30th decision' allowed members to issue compulsory licenses for patented medicines for export to eligible importing members. However these compulsory licenses are granted on a country-by-country, drug-by-drug and case-by-case basis and their scope and lifespan is limited. As a result, it divides the market in a way that is unattractive to potential generic pharmaceutical producers. In addition, the US has used technical assistance and bilateral trade agreements to pressure poor countries to adopt 'TRIPS Plus' which provides stronger patent protection.

However, the literature also highlights examples of subversion of and resistance to donors' pressure. As Cornish et al. (2012) and Morfit (2011) argue, local actors have demonstrated creativity in negotiating global norms and appearing to comply with donors' prescriptions while adapting them to the context they work in. Some countries have also transgressed global standards. For example, Botswana, which struggled getting patients to come forward for treatment, made AIDS testing 'routine' – though the option of opting-out was offered - rather than voluntary, which appeared to have helped to alleviate the stigma attached to ARVs (Swidler, 2006). This initiative was

validated by the World Health Organization in 2007 and adopted by the Malawian government (Meldrum, 2007). As O'Shaughnessy (2007: 4) notes, the few African countries that successfully mounted early campaigns did so from an African perspective. In that context, the country-led approach promoted by the new aid architecture appears particularly worthy of examination. The next section presents an overview of Malawi's recent political, economic and social history and situation at the time of my fieldwork.

3.3. A short overview of Malawi

Malawi is a small but densely populated landlocked country bordering with Mozambique, Zambia and Tanzania. As many other African countries, its borders are a product of colonisation and were established in 1907, when the British Central African Protectorate was divided into two separate entities: Northern Rhodesia (now Zambia) and Nyasaland, the colonial name for Malawi. Its capital is Lilongwe but Blantyre, in the South, is the largest city. The country is divided into 28 districts within three regions: Northern, Central and Southern (see map in figure 2). This section provides a brief introduction to the recent political history of Malawi, and gives some perspectives on the country's economy and civil society. It is worth noting however that whilst there is a rich literature on aid and development in Malawi, there is a relative dearth of accessible material analysing the country's political and economic development outside donor-funded reports. Thus this section is based on a relatively small pool of literature, a large proportion of which was developed by Western academics with the support of donor agencies. This may thus reflect an 'outsider's view' of the country.
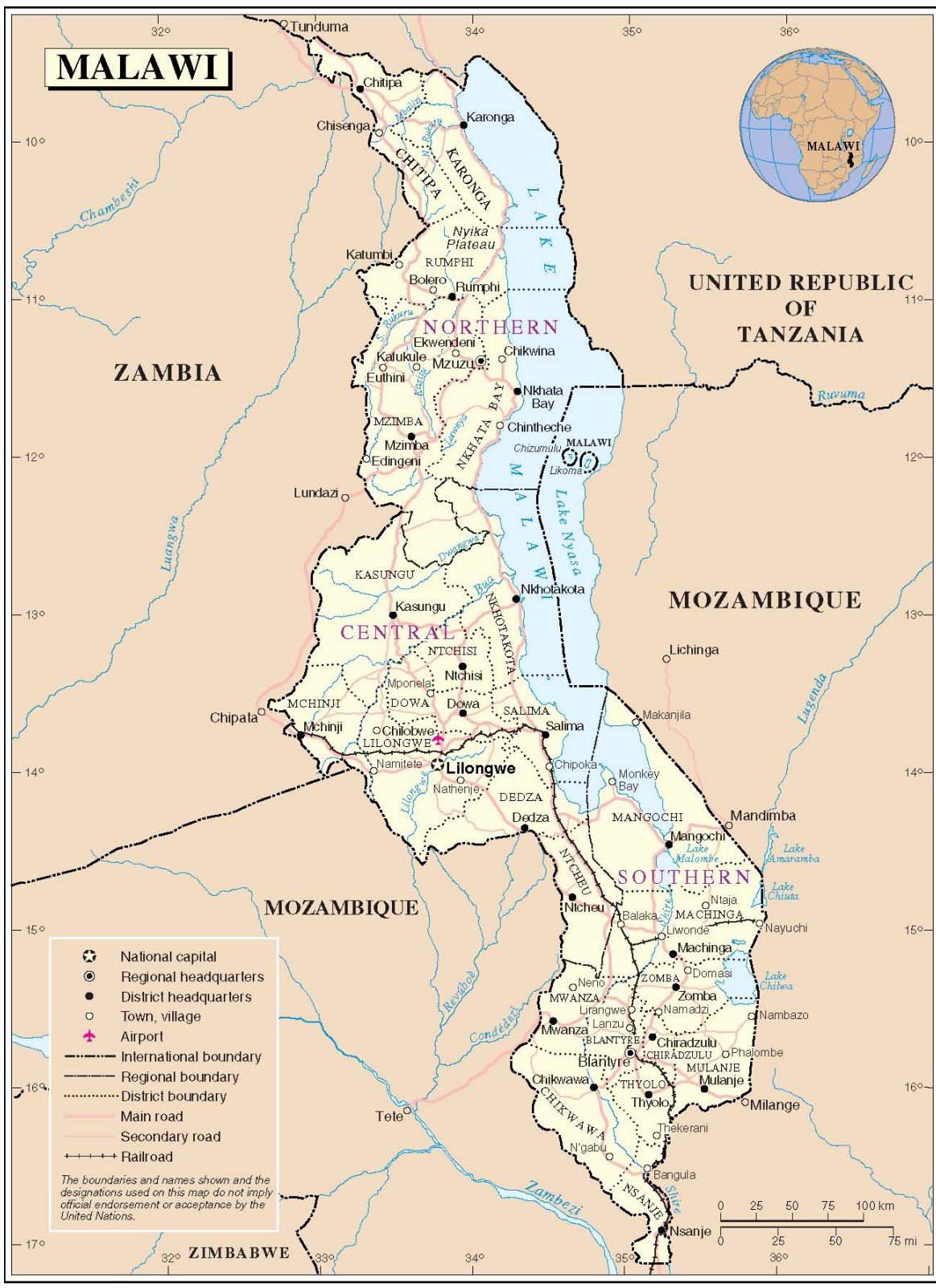
Figure 2. Map of Malawi (Source: United Nations)

3.3.1. A young democracy

Malawi gained independence from Britain in 1964, having been a protectorate since 1891. Its first President, Hastings Kamuzu Banda from the Malawi Congress Party (MCP) instituted a one-party state and authoritarian rule (Jubilee Debt Campaign, 2012). Under increased popular pressure and demand for democratic change in the late 1990s, Banda organised a referendum in 1993 which he lost, ending the one-party state and allowing multi-party elections to take place in 1994 (Loquai and Klavert, 2011). Malawi is thus often characterised as a 'young democracy'. The 1995 constitution guarantees basic human rights and freedom and sets up a presidential system with the legislature and the judiciary providing, on paper, a check on executive power (Rakner et al., 2004).

The 1994 election was won by Bakili Muluzi and his United Democratic Front (UDF). However, the UDF did not secure a parliamentary majority. As Rakner et al. (2004) note, the electoral geography of Malawi shows strong regional affinities. In 1994, three parties emerged in Parliament: the Alliance for Democracy (AFORD) won seats in the less populated Northern region, the Malawi Congress Party (MCP) in the central region, and the UDF in the densely populated southern region. AFORD initially formed an alliance with the MCP before being persuaded to join the UDF in a coalition allowing Muluzi to benefit from a majority in Parliament (Rakner et al., 2004).

The UDF won re-election in the 1999 presidential and parliamentary elections (the latter thanks to an alliance with independent candidates). However, some UDF MPs left the party to create the National Democratic Alliance, forcing the UDF to form coalitions to secure legislation. As Rakner et al. (2004) note, the peaceful

accommodation of a 'divided' government, with the Presidency and Parliament being controlled by two (or more) different parties is a striking characteristic of Malawi. Towards the end of his second term in office, Muluzi attempted to change the constitution in order to run for a third mandate but this move was met with strong protests and demonstrations organised by civil society organisations, and was rebuked by parliament (Loquai and Klavert, 2011).

The 2004 elections were won by Bingu Wa Mutharika on a UDF ticket. Mutharika had been groomed by Muluzi as his replacement but soon showed signs of independence, refusing to nominate some of Mulizi's protégés for key posts and committing to fighting corruption. After months of internal strife, Mutharika resigned and founded the Democratic Progressive Party (DPP) (Booth et al., 2006). A number of MPs followed him which caused a major crisis as their legitimacy in Parliament was challenged under section 65 of the Malawian Constitution, which prohibits defections by MPs without seeking a fresh electoral mandate. Thus Mutharika operated with a minority government with Parliaments blocking reforms as well as protesting against the lack of application of section 65 by threatening, for example, not to approve budgets.

In 2009, Mutharika won a landslide election, providing the Presidency with a stable Parliamentary majority for the first time in the country's democratic history (Loquai and Klavert, 2011). However, the increasingly autocratic attitude of Mutharika as well as his economic policies leading to fuel and foreign exchange shortages as well as high inflation, sparked protests in 2011 (Mapondera and Smith, 2011). In April 2012, Mutharika's sudden death brought the Vice-President, Joyce Banda, to power, becoming the first female President in Southern Africa (Smith, 2012a).

As a consequence of the *Local Government Act* (1998) and its decentralisation policy, local councils were elected in 2000. The 40 local governments[1] (which include non-elected members without voting rights such as MPs, traditional authority and CSO representatives) had some political authority devolved to them (for example the ability to raise local taxes) and were set to play an important democratic role by planning and implementing various activities and public services (Simwaka, 2004). However, their mandates ran out in 2005 and new elections have been continually delayed, mainly for fear of political defeat from the ruling party. They are now set to take place in 2014 (Loquai and Klavert, 2011). As a result, there has been a 'de facto recentralisation' (Cammack et al., 2007) as devolution has been reversed. However, local councils still fulfil some planning and policy implementation functions.

The experience of democracy in Malawi has so far been marked by a number of characteristics that have undermined the depth of changes. One of them is the weak institutionalisation of parties. As Booth et al. (2006: viii) remark, there are still 'very little signs of a more issue-based, performance-oriented politics'. Parties are often based on particular personalities, and indeed there has been a personalisation of power in the hands of the President ever since Banda (Rakner et al., 2004) with Muluzi, and Mutharika in his second term, emulating Banda's style to some extent. The lack of issue-based politics can be seen as reflecting the control of the political sphere by a very small, privileged, elite which controls large parts of the country's economy. As Rakner et al. (2004) remark, both ruling party and opposition MPs have economic interests in large-scale farming, transport, tobacco, fertilizer, and construction. Thus their interests are ultimately convergent beyond party divisions. As a result, there is a lack of

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[1] Twenty-Eight district assemblies, eight town assemblies, one municipality (Zomba) and three municipal councils (Blantyre, Lilongwe and Mzuzu).

articulation of alternative political vision, notably one that would reflect poor people's voices (Rakner et al., 2004).

Moreover, according to Booth et al. (2006: viii) Malawi incarnates a hybrid 'neopatrimonial' state, in that 'there is a framework of formal law and administration but the state is informally captured by patronage networks' where 'the distribution of spoils from office takes precedence over the formal functions of the state, severely limiting the ability of public officials to make policies in the general interest'. More particularly, Malawi is seen as a case of 'big man syndrome', with 'a systematic failure to distinguish between private sector resources, state resources and the resources of the ruling party' (Booth 2006: viii). As Rakner et al. (2004) argue, this may explain the existence of peaceful 'divided' governments: shifting alliances and coalitions ensure that power and spoils are regularly shared by all political actors.

Another related issue has been the actual lack of checks and balances to executive dominance. Both Parliament and the National Audit Office are dependent on funds made available by the executive branch of government which have often been kept purposefully insufficient thus considerably hampering their capacity. As a result, the effectiveness of the legislature has suffered from low frequency of session and committee meetings, lack of parliamentary administration and research service, inexperienced MPs and until 2010, the absence of a building (Loquai and Klavert, 2011). Although parliamentary work has received some support from donors, it has been sporadic and has failed to lead to the development of a Malawi-owned programme (Loquai and Klavert, 2011; Rakner et al., 2004). As Rakner et al. (2004: 9) note: 'committees do not have their own staff to assist them in their work, but instead rely on donor-provided researchers, with unclear lines of authority as to who they really are answerable to.' However, since 2009, there has been an increase in the frequency of

committee sessions and a new building financed by the Chinese government was made available in 2010. The judiciary, while relatively independent and competent suffers from capacity constraints (Loquai and Klavert, 2011).

A notable impact of the features of the Malawian democracy has been the country's inability to design and implement coherent policies (Booth et al., 2006). This contrasts with the years of Banda's rule where a long-term (if self-serving) development vision was consistently articulated and implemented by a competent civil service (Booth et al., 2006). The Muluzi administration, on the other hand, was marked by the multiplication of policy documents and a lack of consistent implementation (Booth et al., 2006; Loquai and Klavert, 2011). High-level corruption, the sidelining of senior public servants by Muluzi's cronies, resource constraints and a lack of incentive for performance also led to a loss of ethic and professionalism in public service (Booth et al., 2006). Civil service salaries were also negatively affected with average pay in 2001/2002 less than half the 1980 level in real terms (DFID, 2007a), thus encouraging qualified personnel to leave for jobs in NGOs and donor offices. Under Muluzi, corruption also spread to the lowest echelons of public service (Booth et al., 2006).

Civil society is relatively recent in Malawi. Before 1994, civil society associations were banned, with the exception of faith-based ones (Rakner et al., 2004). In addition, after the end of the one-party system, large funding by donor organisations channelled through NGOs with low capacity led to the creation of a number of 'briefcase NGOs' and undermined the sector's claims of representativeness (Booth et al., 2006). As Rakner et al. (2004) note, NGOs have often been perceived to be anti-government and relations between civil society organisations and politicians have sometimes been strained. Since 2003, organisations have had to receive official approval (Morfit, 2011). However, given the recent history of the NGO sector, it is relatively buoyant and has

proved its ability to mobilise the population, as the organisation of demonstrations protesting against Muluzi's attempt to reform the constitution and run for a third mandate, showed. Funding for HIV and AIDS has provided a considerable boost with Morfit (2011) noting that close to half of all NGOs' employment opportunities from 2000 to 2005 were AIDS-related. Some national organizations seeking to represent PWLA have emerged, such as the National Association of People Living with HIV and AIDS in Malawi (NAPHAM) or the Malawi Network of People Living with HIV/AIDS (MANET+). In addition, the Lighthouse Trust or Banja la Mtsogolo has been key in providing AIDS-related services and care. Malawi benefits from freedom of press and a number of independent printed media and radio (Loquai and Klavert, 2011) though they came under increased pressure from the government in 2011.

3.3.2. A vulnerable economy marked by social inequalities and widespread poverty

Malawi is one of the poorest countries in the world. In 2011, it ranked 171 out of 184 in UNDP's Human Development Index, which captures levels of economic and social development by combining indicators of life expectancy, years of schooling and income per capita. The economy is dominated by agriculture which in 2009 represented 36% of the GDP (Loquai and Klavert, 2011). Three quarters of total agricultural production comes from smallholders (Rakner et al., 2004). About 90% of households are engaged in agriculture with 81% of the active rural population classified as subsistence farmers (DFID, 2007b). The sector is also the main source of foreign exchange, making up for about 80% of exports (MEPD, 2006). This reliance on agriculture makes the country and its population particularly vulnerable to shocks due to low rainfall. Government-delivered services also dominate the economy (Loquai and Klavert, 2011) and manufacturing and mining account for about 17% of the GDP (Rakner et al., 2004).

The fast growth in population, which rose from 4 million in 1964 to about 12 million in 2008, has been leading to high population density, especially in the Central and Southern regions where it reaches 206-207 inhabitants per sq km (Booth et al., 2006). This has also created pressure on the land and impacted negatively on soil fertility. In addition to the lack of access to land, the lack of employment opportunities, access to credit, as well as low levels of health and education are seen as the main factors of poverty (Rakner et al., 2004).

The first fifteen years after independence were characterised by a period of rapid growth based on agriculture, and policies benefiting large estates, often acquired by the ruling elite (Booth et al., 2006). The economy was also boosted by trade with South Africa, as Banda was the only African ruler to establish diplomatic relations with the apartheid government (Jubilee Debt Campaign, 2012). However, the lack of restructuring of the agricultural sector, as well as international shocks and rapid population growth made progress unsustainable. The creation of large estates also put further pressure on the land available to smallholders. In addition, whilst the period brought some social improvements, it fuelled rising inequalities, with 10% of the population earning over half of national income in the late 1960s (Booth et al., 2006: 5).

The 1980-1998 period was marked by economic liberalisation, poor growth rates and inconsistent policies that failed to address the major structural issues the country faced such as population growth, soil erosion and unequal land distribution (Booth et al., 2006). Exogenous shocks such as the rise of oil prices, the deterioration of terms of trade and the 1980s civil war in Mozambique which led to an influx of over 1 million refugees and reduced access to key ports and trading opportunities, also had a negative impact on the economy (Jubilee Debt Campaign, 2012). In addition, Malawi had accumulated large debts in the 1970s and the rise of interest rates from 1.9% in 1976 to

over 9% in 1981 put strain on the country's finances: debt repayments through the 1980s and 1990s averaged US$100 million (Jubilee Debt Campaign, 2012). Income per capita fell to one of the lowest in Africa (Booth et al., 2006). In the 1990s, public expenditure was reoriented towards social sectors but barriers such as low growth, 'one of the most severe HIV/AIDS outbreaks' and environmental degradation impeded progress (Booth et al., 2006: 5).

The 1998-2004 period corresponds to Muluzi's second term and showed even greater deterioration of the economy with growth averaging 1.6% per year in the period (Booth et al., 2006: 6). By 2000, Malawi's international debt burden had reached 150% of its national income (Jubilee Debt Campaign, 2012). High population growth, widespread corruption, macroeconomic instability, high inflation rates, the collapse of public service provision as well as bad weather all contributed to a significant worsening of living conditions for most Malawians. In addition economic slow down in neighbouring countries which had traditionally been a destination of migration for Malawians affected the level of remittances (Booth et al., 2006). The bleakness of the period culminated in 2002-2003, with an extremely severe famine (due in part to poor weather conditions as well as structural and policy-related issues). The United States Agency for International Development (USAID) estimates that in February 2003, nearly a third of the country was dependent of food aid (USAID/Malawi, 2004).

At the time of my fieldwork in 2008, though the situation was bleak, there had been some progress. Economic management had improved under Mutharika and the country was experiencing strong growth (as high as 9.7% in 2008) (Loquai and Klavert, 2011). Malawi had finally been granted a US$ 2.3 billion debt cancellation in 2006 by the IMF, the World Bank as well as some rich governments, freeing up finance from the national budget for public services. As the Jubilee Debt Campaign (2012) notes, in 2005, Malawi

was spending 9.6% of national income on debt servicing and 4.6% on public health care. Poverty had somewhat been alleviated: in 2004, over half (52%) of Malawi's population lived below the poverty line (Integrated Household Survey, 2004 in DFID, 2007b), while in 2008, this had been reduced to 40% (CABS development partners, 2010). However, prospects for further amelioration are hampered by continuous population growth and increasing density, the AIDS epidemic, weak infrastructure, lack of qualified human resources, dependence on agriculture and energy constraints (Loquai and Klavert, 2011). Social and economic inequalities are still considerable with the wealthiest 10% being 8 times richer than the 10% poorest segment of the population (DFID, 2007b). In this context, foreign aid has often been seen as key to the provision of basic services.

3.4. Overseas assistance for AIDS in Malawi

This section provides an overview of donors' involvement in the AIDS sector in Malawi. It starts by giving a brief historical perspective on the development of the pandemic in Malawi, before turning to the establishment of the current funding architecture governing the AIDS response.

3.4.1. AIDS in Malawi: from silencing the threat to scaling to up treatment

The first case of AIDS in Malawi was confirmed in 1985 (Lwanda, 2004). The same year a USAID-funded survey found a 2% HIV prevalence amongst a sample of 200 pregnant women (Lwanda, 2004). A committee to ensure the safety of blood transfusion was set up but it was not until 1987 that the first national AIDS campaign was launched and Malawi's first AIDS policy was issued in 1988 as a basis for donor funding (Lwanda,

2004). However, until the demise of Banda, the epidemic was deliberately silenced. As Booth et al. (2006: 23) explain, until 1994 'medical staff and the Ministry of Health were forbidden from keeping records, and journalists were warned against reporting on the advance of the infection or the illness, which would be treated as an act of treason'. The National AIDS Control Programme was set up but Banda nominated his personal physician Hetherwick Ntaba to head it, which allowed him to control and politicise decision-making (Lwanda, 2004). Indeed, the HIV virus sat awkwardly with Banda's institutionalised sexism mixing prudery and sexual exploitation. Under this rule, strict gender-based dress codes were enforced and family planning services were banned until 1982 (with limited access thereafter). At the same time, a culture of sexual exploitation was rife within the MCP, using women to perform songs and dances for leaders' personality enhancement, as well as expecting sexual favours as part of the service to the elite and/or in order to secure business and positions for male family members (Booth et al., 2005; Lwanda, 2004). The culture of sexual exploitation in politics persisted under Muluzi.

The AIDS epidemic in Malawi was fuelled by the war in Mozambique, during which Malawi had 500 men, rotated every 6 months between 1985 and 1993, posted in the neighbouring country to defend the Nacala rail line. Many of them frequented brothels both in Mozambique and Malawi (Lwanda, 2004). In addition, practices amongst the male elite, whose power and money enabled them to have mistresses, also fuelled the pandemic. The spread of AIDS has, more generally, been driven by social and cultural attitudes such as gender inequalities and sexual violence, trans-generational sex, stigma, discrimination and denial, some cultural practices and inhibitions to talk openly about sex, as well as by structural issues including high mobility (inter- and intra-national), economic inequalities, illiteracy and low levels of education (NAC, 2008b). According to estimates from the 2004 demographic and health survey (in NAC, 2008b), the main

mode of transmission of the virus is heterosexual (88%), whilst mother to child transmission is estimated at 10%. 'Other' modes are deemed to be at 2% but it is worth noting that homosexuality, like prostitution, is illegal in Malawi and represents a tremendous taboo.

By 1994, Lwanda (2004) notes, AIDS had become a prominent issue and the issue was included in the UDF's election manifesto. By 1995, AIDS-related illnesses accounted for a third of hospital admissions. Yet, the government did very little until 1999, when a sentinel survey indicated a prevalence of 8.8% in the population. By then, the UDF had lost over 20 of its MPs and senior activists, many allegedly to AIDS (Lwanda, 2004). By 2000, life expectancy had declined from 48 to 41, largely due to the pandemic (DFID, 2007b) and it was estimated that Malawi had about one million orphans, half of them as a result of AIDS (DFID, 2007b). In 2003, the government issued a national HIV/AIDS policy which was supplemented in 2005 by the National Action Framework (2005-2009), guiding a multi-sectoral response based on public health, community empowerment and human rights approaches and seeking to involve PLWA (NAC 2008b). HIV has been relatively stable in the late 2000s, with a prevalence of 11.2% by 2008. Since the mid-2000s, treatment has been considerably scaled up, with the number of people on ARVs increasing from less than 4,000 in 2004 to 85,000 in 2007 (DFID, 2007b) and over 165,000 (68% of those in needs) by June 2008 (NAC, 2008b).

However, the biomedical response is severely constrained by inadequate health infrastructures and human resources. Malawi has one of the worst health worker to population ratio in the world, with 2 doctors and 59 nurses for every 100,000 people and a vacancy rate of 60%. This is attributed to the pandemic itself as well as low investments leading to high attrition rates due to heavy workload, poor pay and working conditions (for example medicine and equipment shortages) as well as the

more attractive employment opportunities within the NGO sector and abroad (DFID, 2007b). A 2002 study showed that less than 10% of all health facilities satisfied the requirements for the delivery of the Essential Health Package (EHP), promoted by the government and donors through the Health SWAp (MoH/JICA, 2002). In addition, access to health services is an issue with only 54% of people living in rural areas having access to a health care facility within a 5 km radius. Moreover, not all health centres are public. In 2003, it was estimated that the MoH only operated about 60% of the 617 available health facilities (Republic of Malawi, 2004b: 7), with a quarter of all health centres being managed by the Christian Health Association of Malawi (CHAM), which levies fees at point of service delivery, hence 'posing a serious threat to equity amongst the rural poor' (Republic of Malawi, 2004b: 7). The poorest households are estimated to spend between 7 and 10% of their income on health care consumption (Republic of Malawi, 2004b) and the National Health Account exercise showed that 20% of all health care costs are covered by out-of-pocket expenditures (Republic of Malawi, 2004b).

3.4.2. Aid relations in Malawi

Malawi is a highly aid-dependent country. In 2009/2010, overseas development assistance represented 35% of national revenues (Loquai and Klavert, 2011), a decrease from 40% in 2006/2007 (DFID, 2007b). The country is often considered as a 'donor darling' and has been the recipient of high levels of donor funding historically (Morfit, 2011). It was one of the first African countries to introduce structural adjustment loans in 1980/1981 (Clapham, 1996) and during the first part of the 1980s was seen as one of the 'most compliant structurally-adjusted countries in the region, implementing many of the reforms advocated by the IMF and World Bank (Booth et al., 2006: 31). However, Malawi's relations with international donors has also been marked by non-

compliance, mistrust on both sides, and on-off patterns of funding (Booth et al., 2006).
For example, in 1986, the government violated donor conditionality and reintroduced
fertiliser subsidies. However, neither USAID not the World Bank withdrew their
funding. As Booth et al. (2006: 31) put it: 'having touted Malawi as the shining star of
adjustment in Africa, the Bank would have found it very difficult to pull out'. The Bank
subsequently reviewed its agricultural policy. Even under Muluzi, where donor
conditionalities were agreed to but often not implemented consistently, many donors
continued to disburse funding (Booth et al., 2006). However, in 2001, the IMF, the
World Bank and donor countries involved in budget support suspended their
disbursements, following the failure by the government to abide by the conditions
specified in its Poverty Reduction and Growth Facility (PRGF) programme as well as
concerns regarding governance (Tan, 2010; Unwin, 2004). Aid and loans were resumed
in 2003, motivated not so much as a result of improvement on the part of the
government but rather by the deterioration of the situation (Rakner et al., 2004).

Although the Muluzi era was characterised by tremendous issues of mismanagement,
donors' attitudes are also critiqued in the study by Booth et al. (2006). In particular,
donors have tended to use conditionalities to make up for the lack of governmental
policy process. In addition, these interferences lacked consistency as divergences
amongst various donors emerged and some of the decisions they pushed, such as the
privatisation of the Agricultural Development and Marketing Corporation (ADMARC),
the national grain marketer, were seen by the government of Malawi and other
commentators, as inadequate in the context of Malawi. Moreover, the frequent use of
technical assistance by donors was resented by the government and civil service. As a
result, relations between the government and donors were marked by a 'high level of
mistrust' and lack of mutual respect (Booth et al., 2006: xi). However, in 2000, Malawi
was identified as a potential candidate for debt relief. In 2000, the Malawian

government put into place an interim Poverty Reduction Strategy Paper (PRSP), with the view of fulfilling the Heavily Indebted Poor Countries (HIPC) conditions. A full PRSP was issued in 2002, though debt relief was not granted before 2006 due to Malawi's failure to meet the conditions detailed in its HIPC completion point.

Relations between donors and the government of Malawi appear to have improved during Mutharika's first term. In addition, the 2005 Paris Declaration and the new aid architecture it supports strengthened dialogue and coordination mechanisms between donors and the government. Malawi's Development Assistance Strategy (2006-2011) has provided a plan outlining various ways through which donors can contribute to implement the aid effectiveness agenda. It also set up the High-Level Forum on Aid Coordination through which the government and heads of donor organisations can address policy issues and ensure good coordination. The government also issued a second PRSP called the Malawian Growth and Development Strategy (2006-2011) which focused on economic growth as well as social issues, and also addresses a number of cross-cutting issues such as AIDS. In 2008, Malawi's main donors were the European Commission, the UK, The World Bank, Norway, the Global Fund, the United States, Japan, Germany and Ireland, as well as the UN institutions (notably UNDP, UNICEF, WHO, and WFP) (OECD, 2012c).

It is worth noting that the aid landscape in Malawi has undergone some tremendous changes since 2008, when the fieldwork informing this thesis was conducted. China established diplomatic ties with Malawi in 2007 and its role as a donor has been rapidly growing ever since. This may partly explain Mutharika's increasingly autocratic rule and hostile attitude to Western donors during his second term. These issues, as well as concerns about economic mismanagement led many of Malawi's donors, including the World Bank, the European Union, the African Development Bank, Germany, Norway

and the UK, to end or suspend their contribution to direct budget support in 2011 (Tran, 2011). Since Mutharika's sudden passing in 2012, his successor Joyce Banda has taken a number of measures to win back donors' sympathy and funding – with some success so far. These issues are developed in greater detail in the afterword of this thesis.

3.4.3. Donors and the AIDS response in Malawi: incarnating the new aid architecture

Since the beginning of the Millennium, many donors working in Malawi have displayed attempts to follow the principles outlined by the aid effectiveness agenda. The PRSP process in particular contributed to galvanise some donors into creating joint working arrangements such as the pool funding mechanisms within the National AIDS Commission, the SWAp at the Ministry of Health as well as a coordinating framework for direct budget support (Claussen et al., 2006). All these mechanisms have made substantial contributions to AIDS funding and are examined, in turn, in this section.

The National AIDS Commission was created in 2001, as a condition for becoming a World Bank MAP recipient. The government restructured the then National AIDS Control Programme (NACP) located in the Ministry of Health and set up the National AIDS Commission (NAC) as a semi-autonomous trust. Although the creation of NAC was also seen as a means to acknowledge the multi-sectoral aspect of HIV and AIDS, Putzel (2004: 1136) argues that it was established at the expense of the Ministry of Health: 'personnel, vehicles and even buildings were reallocated to the new Commission, leaving the Ministry of Health in a shambles'. Although donors wanted the trust to be independent, in August 2002 it was moved from under the authority of the Ministry of Health to the Office of the President and Cabinet, demonstrating the political will to tackle the epidemics. The role of the NAC is to coordinate the National

AIDS response. It has research, policy, monitoring and evaluation functions, and was at the time of my fieldwork in the process of updating Malawi's chief AIDS strategy, the National Action Framework (2005-2009) in order to integrate new developments such as the Universal Access targets as well as objectives included in the Malawi Growth and Development Strategy.

In 2002, several donors entered a basket-funding agreement with the government of Malawi. Basket, or pool funding, is defined by 'the joint funding by a number of donors of a set of activities through a common account, which keeps the basket resources separate from all other resources intended for the same purpose' (Government of Malawi, 2007: v). In contrast to sector budget support (as we will see in the Ministry of Health for example with the Sector Wide Approach), the planning and other procedures and rules used to govern this type of funding mechanism do not necessarily need to be in line with those of the recipient government. In addition funds can be earmarked to a specific set of activities, rather than fund a sector at large (Government of Malawi, 2007). At the time of my fieldwork, pool donors included the Canadian International Development Agency (CIDA), the UK Department for International Development (DFID), the Norwegian Agency for Development (NORAD)[2] and the World Bank (though it cannot co-mingle funds, the MAP mechanism is flexible enough to fund any areas required in the NAC work plan). The Global Fund had recently joined the pool funding mechanism at the time of my fieldwork and had created some tensions with the government and other pool donors by adding conditions to funds disbursement and requiring amendments to key documents pre-dating their entry to the pool (for example, spelling out that funds should not be used to support terrorism).

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[2] NORAD also managed funding from the Swedish International Development Agency (SIDA) by virtue of delegated funding arrangements.

The NAC's activities are planned through an integrated annual work plan (IAPW) which is based on the National Action Framework (2005-2009), the guiding policy document for all national AIDS programmes at the time of my fieldwork. The 'IAWP contains activities and milestones to be achieved in a specified time period' (NAC, 2008a: 4), hence facilitating coordination. Indeed, the workplan is formulated in such a way that even discrete donors are able to find 'a niche in the implementation of the various interventions' (NAC, 2008a: 4), in effect funding specific activities detailed in the IAWP. Donors such as the UNDP, the US Centers for Disease Control (CDC), and the African Development Bank, although not pooled were thus able to align their activities on NAC's plans. Other major discrete AIDS donors included the US Agency for International Development (USAID), the Japanese International Co-operation Agency (JICA) and the German Technical Cooperation (GTZ).

The NAC finances the AIDS response in several ways. A large proportion of funds (45% in 2008/2009) is channelled through the district assemblies and used to finance District Implementation Plans and grants to CSOs (NAC, 2008a). However the application and reporting format used by NAC has been found to be quite complex and directive for grassroots organisations (Edström and MacGregor, 2010). In addition, the decentralisation policy and the devolution of powers and responsibilities to local assemblies (such as the formulation of District Implementation Plans) has faced many hurdles, not least the lack of capacity at district level. Thus, the government had to use 'umbrella NGOs' (Canadian Physicians for Aid and Relief, PLAN and Save the Children (USA) as well as ActionAid International, which was later dropped) as a mean of implementing the 'complex new reporting system at district level and training trainers required to teach local organisations the forms of reporting required' (Swidler, 2006: 279). The NAC also channels funds through the Ministry of Health to support some of the biomedical aspects of the response.

Indeed, whilst the NAC coordinates the response, the Ministry of Health is in charge of implementing the biomedical facet of the AIDS response, for example by managing infrastructures or the distribution of medicines. While the Ministry interacts with a number of donors financing health-related expenses, it has also set up a group of donors who agreed to operate within the Sector-Wide Approach (SWAp). The idea of a Health Sector-Wide Approach initiative was initially adopted by the Government of Malawi in 1999. However, the process of formulating its Programme of Work and other governance documents, proceeding to a costing exercise, mobilising funding and finalising agreements with donors was time-consuming and the SWAp's Memorandum of Understanding between the GoM and donors was only signed in October 2004 (Republic of Malawi, 2004b). The Health SWAp has been successful in attracting donor support and in 2008, had been channelling an average of 95% of total donor funding for the sector (Carlson et al., 2008: viii). SWAp signatories include DFID, which is the largest donor in the health sector, the Norwegian Embassy (with SIDA), the UNFPA, the World Bank and the Global Fund (DFID, 2007b). The GoM is a SWAp member and contributes about half of the health sector budget. The SWAp has also led to a significant increase in ODA for the Health sector with funding increasing eight-fold between 2004/2005 and 2006/2007 (Carlson et al., 2008: 12). In 2009/2010 sectoral support provided through the Health SWAp and NAC's pool funding mechanism accounted for 15% of total aid (Loquai and Klavert, 2011).

Direct, or general, budget support (DBS) has also been a source of support to social expenditures including Health and AIDS. DBS means that aid is 'channelled into a general treasury account [...] where, as an integral part of the resources therein, it co-funds the national budget. The support is thus not earmarked, and it is used according to the national public expenditure management, rules and procedures' (Government of

Malawi, 2007: v). Donors involved in DBS, called the Common Approach to Budget Support (CABS) group, originally included Britain, Norway, and Denmark. Denmark withdrew in 2002 but the European Commission (EC), the World Bank and the African Development Bank had joined by 2008. Germany (GTZ) had also become a CABS member by 2010 and Ireland and UNDP have participated as observers. The rationale for such an approach was to create better harmonisation amongst donors and improve dialogue amongst donors and with the government, as well as to reduce transaction costs (Clausen et al., 2006). The CABS group and the government have developed a Performance Assessment Framework (PAF) which contains a 'jointly agreed set of indicators for measuring progress' (World Bank, 2012b). Despite the 2001-2003 hiatus, budget support has been successful in attracting donors and accounted for 22% of all ODA in 2008/2009 and 30% in 2009/2010 (World Bank, 2012b). However, as explained above, in 2011, DBS was suspended following concerns with Malawi's economic governance and failure to meet IMF conditions (World Bank, 2012b).

The AIDS response in Malawi can thus be seen as displaying a good example of the implementation of the Paris principles, with a large number of donors either contributing funds to the government budget through direct budget support, or through sectoral support or pool funding mechanisms within the NAC and the Ministry of Health.

3.5. Conclusion

This chapter has examined the deployment of a global AIDS governance and the increased importance granted to the pandemic by the international community. It has traced how international financing for AIDS prevention, mitigation and treatment in

Sub-Saharan Africa has been accompanied by a number of biases in favour of a biomedical model and behaviour-change, at the expense of an understanding framed by socio-economic considerations. The chapter has then provided a brief outline of the political, economic and social context to AIDS interventions in Malawi, a young democracy suffering from substantial levels of poverty and an unstable economy. The last section has focused on the international financing of the AIDS response in Malawi, first providing a brief summary of the spread of the HIV virus in Malawi before sketching the fluctuating relationship between donors and the government in the recent past. Finally, this chapter has presented the various mechanisms through which donors fund the AIDS response in the country and highlighted how the principles from the Paris Declaration have been largely built upon in that regard.

Chapter 4:

Neoliberalism, governmentality and development

4.1. Introduction

Many critical analyses seeking to make sense of the deployment of the Post-Washington
Consensus (PWC) have viewed this new paradigm as an extension of neoliberalism. This
chapter briefly reviews some of these contributions before interrogating the meaning
and usefulness of the term neoliberalism. It then moves on to examine the perspectives
offered by neoliberal governmentality, a concept based on the idea of power as working
through freedom. This involves going back to its roots and examining the work of
Michel Foucault (1926-1984), before exploring more recent theorisations and
investigating the main critiques that have been directed at the concept. Finally, this
chapter considers some of the ways governmentality has been used in the field of
international development. I conclude by sketching how I intend to extend
governmentality to the relationship between international agencies and the
Government of Malawi in the area of HIV and AIDS to show how the deployment of a
new technology of power working through recipient countries' greater autonomy and
self-regulation has been supported by the implementation of the 'Paris principles'.

4.2. The Post-Washington Consensus: a new era of neoliberalism?

While the Post-Washington Consensus (PCW) appears to break with some of the
previous diktats imposed by international agencies on poor countries, many critiques

have regarded this new paradigm, with its state-centred and participatory approach, as a new incarnation of neoliberalism, rather than a radical shift. Ruckert (2006: 37), for example, argues that the PWC is an attempt to resolve contradictions that neoliberal policies face, notably in poor countries, and should be read as a first step towards 'inclusive neoliberalism', which involves subsidizing the poorest segments of society. In a similar vein, Murray and Overton (2011) see the shift away from Structural Adjustment Programmes (SAPs), the return of the state, participatory approaches, the primacy of consensus-based policies and a more holistic style of development thinking, as reflections of the extension of a reworked version of neoliberalism rather than a new departure.

The new instruments promoted by the PWC are thus seen as supporting a more palatable and functional version of the same ideology. Harrison (2004) sees the emphasis on governance as a construction of what he calls 'governance states', which attempts to further embed neoliberalism by promoting a more intricate relationship between state and global actors. Similarly, Gould (2005b: 65) analyses the 'partnership mentality' developed as part of the PWC as a mode of governing, which ensures the complicity of key actors in a policy regime that reflects the aims of external creditors. Anders (2005: 55) also views ownership as 'legitimising strategy for a particular political ideology' while Crawford and Abdulai (2009: 110) consider the rolling out of Poverty Reduction Strategy Paper (PRSPs) as an 'effort to embed and consolidate neoliberal hegemony'. They ague:

> 'Governance measures do clearly demonstrate an ongoing project of state transformation […]: [o]ne is the continued downsizing of the state and of the public sector generally, the other is the transformation of the notion of public service through its reorientation to serve business.'
>
> (Crawford and Abdulai, 2009: 109)

Mosse (2005: 3) concurs and explains that the poverty reduction agenda 'helps to re-legitimise continuing donor emphasis on policies of trade liberalisation, macro-economic stability and fiscal discipline overseen by the IMF, while mobilising new aid resources'.

While these studies usefully highlight the continuities between the PWC and its more orthodox predecessor, they also raise questions around the use of the term neoliberalism. Indeed, as Peck and Tickell (2002) and Clarke (2008) note, neoliberalism has become near-ubiquitous in academic writing in the past two decades. It has been used to account for such a wide array of practices, policies, and phenomenon that it is at risk of becoming meaningless (Clarke, 2008; Ferguson, 2010). As Peck articulates:

> *'In effect,* neoliberalism *seems often to be used as a sort of stand-in term for the political-economic zeitgeist, as a no-more-than approximate proxy for a specific analysis of mechanisms or relations of social power, domination, exploitation, or alienation.'*
>
> (Peck, 2010: 14)

Yet, as Ferguson (2010) argues, there are huge variations in the way the word is used and understood. Hence, neoliberalism has be seen as a macroeconomic doctrine favouring private enterprise (Ferguson, 2010), a class project, aimed at restoring profits after the accumulation crises of the 1970s (Harvey, 2005: 31), a new form of statecraft (Peck, 2003), or even a mobile assemblage of practices and technologies (Ong, 2007). Another definition given by Clarke (2008: 136) describes neoliberalism as involving 'both the *direct* expansion of the scope and reach of corporate capital, and the *indirect* "economization" of areas of social and political life (public functions to be either privatized or "run like a business", for example)'. In addition, while some (critical) understandings of neoliberalism take their roots in different theoretical perspectives,

notably the Marxist and Foucauldian traditions of thought, a number of scholars have been using a mix of these perspectives (see for example, Li, 2007).

However, it is not surprising that neoliberalism eschews a clear definition and works across theoretical boundaries. While, as we will see later in this chapter, Foucault traces the roots of neoliberalism back to the 16th century, most accounts (see for example, Leitner et al., 2007) situate the origin of neoliberalism as a reaction to 1930s totalitarianism. As Peck (2004: 400) argues, it is a combination of disparate intellectual currents such as Hayekian economic rationalism, Chicago School monetarism and Ayn Rand's individualism, 'many of which seem to have been held together by little more than their shared ostracism during the Keynesian-developmentalist period of the 1950s and 1960s'. With neoliberalism being implemented in a variety of geographical settings from the 1970s onwards, its meaning has become increasingly muddled (Leitner et al., 2007). From the 1972 CIA-backed military coup in Chile which offered the first 'opportunity' to translate these ideas into policies, to their implementation by Reagan and Thatcher in the 1980s, and the SAPs imposed on poor countries from the early 1980s as well as the shock therapy of the Eastern block in the 1990s, practices of neoliberalism have become diverse and paradoxical (Leitner et al., 2007). Indeed, one of the strengths of neoliberalism appears to be its immense adaptability. As Peck explains:

> *'The "neoliberal state" […] has demonstrated a capacity to morph into a variety of institutional forms, to insinuate itself into, and graft itself onto, a range of different institutional settlements, and to absorb parallel and even contending narratives of restructuring and intervention, in response both to internal contradictions and external pressure.'*
>
> (Peck, 2003: 226)

For example, it is widely acknowledged that while neoliberalism is generally seen as promoting the rolling back of the state, 'projects like privatization, devolution, de-

unionization, and deregulation involved significant *extensions* of state power, together with the construction of new bureaucracies and modalities of government' (Peck and Tickell, 2007: 33). Thus the doctrine of 'less government' does not necessarily entail less state intervention or cheaper running costs. However claims of the mobile, adaptable, flexible, variegated, fluid, multidimensional and hybridized nature of neoliberalism (see, for example, Peck, 2004) have given rise to further questions with regards to the term's vagueness and continued relevance as well as the risk of exaggerating its power (Larner, 2000; Ferguson, 2010; Clarke, 2008).

Yet, neoliberalism remains a powerful term which is difficult to replace (Clarke, 2008). It is particularly relevant – though not necessarily the only enlightening perspective - in analyzing policies adopted by African governments, under the influence and pressure of international agencies. Harrison (2010: 19) even argues that Africa displays 'cutting edge' neoliberalism-in-practice, as countries are often compelled to implement neoliberal reforms in their purest unadulterated form. Hence, in order to retain neoliberalism as a useful tool and avoid the pitfalls of a vague and all-powerful concept, I will strive to follow Ferguson's suggestion as he contends that an 'insistence on specificity and precision would undoubtedly improve the analytical clarity of many of our discussions' (Ferguson, 2010: 172). Larner (2000) provides a useful distinction in this respect. She differentiates between neoliberalism as a policy (derived from principles of the individual, freedom of choice, market security, laissez faire and minimal government), an ideology (often linked with critical work using a Marxism-inspired framework) and a governmentality (after Foucault). Although not always a perfect fit, studies on the PWC cited earlier tend to draw on the second definition. They seek to attend to the rationale behind the deployment of new tools and discourses, and focus on uncovering the ideological continuities of the PWC with previous policies and their effects. The present study however sees the PWC as introducing new technologies of

power fostering processes of neoliberal subjectification of recipient countries. In that regard, the third definition, namely neoliberalism as governmentality appears to be particularly useful.

4.3. Michel Foucault and governmentality

Michel Foucault introduced the concept of governmentality in his 1978 series of lectures at the College de France entitled 'Security, Territory and Population'. Governmentality, a neologism created from the words 'government' and 'mentality', seeks to illuminate the development of a certain governmental rationality in the Western world since the sixteenth century. One lecture 'On Governmentality' was published in English in 1979 in the journal 'Ideology and Consciousness' (see Gordon, 1991 or Huxley, 2007, for more details), and influenced a number of publications in fields as diverse as psychology, economy, political science or accountancy (Rose, 1985, 1988; Miller and Rose, 1990). A new publication of the lecture in 'The Foucault Effect' (Burchell et al., 1991) gave further impetus to the use of the concept in an increasing number of areas. However, the rest of the series was for long only available as recordings in the Foucault archive at the Bibliothèque du Saulchoir in Paris and later commercialised in cassette tape format[1]. It was not before 2004 that the whole series was transcribed and published in French. The full translated series of lectures from 1978 entitled 'Security, Territory and Population' was finally published in English in 2007, while the following series 'The Birth of Biopolitics' which elaborates on the concept of governmentality was made available in 2008. Thus, despite the flourishing of publications using and extending the concept of governmentality to various fields, its full potential and limitations are still

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[1] The recording of the Birth of Biopolitics lecture series is now available online at http://michel-foucault-archives.org/?Naissance-de-la-biopolitique.

being explored. Before briefly summarising these lectures and exploring some of the ways they feed into some of the work on neoliberalism and international development, it is useful to contextualise it in Foucault's work.

4.3.1. Towards governmentality

Michel Foucault (1926-1984) is well known for his work on power, which evolved throughout his life. In the so-called 'archaeological' period (1961-1969) Foucault focused on investigating the historically contingent rules and other discursive practices that define, delineate and shape specific fields of knowledge (Legg, 2005). For example, in his work on madness (Madness and Civilisation, 1973, published in French in 1964), Foucault examined how the articulation of normative and discursive mechanisms on the one hand and systematic institutional rules and practices on the other are involved in the construction of categories of subjects such as 'the insane'. By detailing how scientific discourses were made historically possible, Foucault exposed the artificiality of the idea of Science as a progressive and stable 'truth' (see The Order of Things, 1970, published in French in 1966; Archaeology of Knowledge, 1972, published in French in 1969). By historicising and highlighting the contingent and discursive nature of the process of subjectification, Foucault also argued that there are no pre-discursive subjects (McNay, 1994: 11). But, although in this archaeological phase Foucault drew attention to the ways in which power relations have shaped discursive formations, knowledge and 'truths', thus developing the formulation of a power-knowledge nexus, the concept of power he deployed there remains principally repressive and under-theorised from his own admission (McNay, 1994 :111)

In what is known as his 'genealogical' period (1970-1984), Foucault embarked on further investigating power relations and the processes of subjectification through which we

govern others (political arts) and through which individuals internalise governance (ethical practices). This period is marked by Foucault's attempt to reformulate power as positive and productive and 'circulating' in all social relations (e.g. The History of Sexuality volume 1, 1978, published in French in 1976). As McNay (1994: 2) articulates: '[Foucault] was concerned to examine how power relations of inequality and oppression are created and maintained in more subtle and diffuse ways through ostensibly human and freely adopted social practices'. As a consequence, Foucault dismissed approaches focusing on top-down, centralised forms of power (McNay, 1994: 3). Instead he advocated an exploration of its 'microphysics', its mundane, localised and dispersed manifestations (e.g. in his lecture series Society Must Be Defended 1975–1976, published in English in 2003).

Critiques highlighting the limits of this approach to address what were seen as large or 'global' issues such as state power and institutions (Gordon, 1991: 4) led Foucault to refine the classification and clarify the definition of the various technologies of power that had emerged through his work, namely sovereignty, discipline and biopower/government. Sovereign power can be conceptualised as a foundationally violent power which once pacified operates to protect itself against outside acts of aggression. In this economy of power, the only distinction within the population is the one operated between the royal power and the masses (Foucault, 2003b). Disciplinary power, however, attempts to individualise, identify and classify its subjects according to various discourses and criteria in order to govern them through a process of normalisation. Indeed, as Rose (1999: 22) notes, disciplinary power is not only repressive but endeavours to produce individuals through normalising exhortation for in-depth examination within global systems of knowledge/power (for example through psychiatry or school exams). Disciplinary power works though various technologies by investing the body and time of subjects through the institutionalisation of particular sets

of rules and discourses and the supervision/surveillance of individuals (for example as in a professional army, a school, a prison, etc.) until they become normalised as social functioning. Foucault's concept of 'disciplinary power' was criticised on a number of points. It was seen as bleak and paralysing, conceptualising subjects as produced by and embedded in this economy of power to an extent that left no room for freedom, agency or possibilities for resistance (McNay, 1994). This formulation also failed to adequately theorise and explain the possibility for (and history of) social change.

The conceptualisation of biopower is seen as Foucault's attempt to address these critiques (though this is developed in more depth through his lectures on governmentality). He first developed this notion in his 1975 series of lectures, 'The Abnormals', in which he describes the psychiatrisation of 'social danger', showing how psychiatry evolved from a focus on curing patients to a concern about detecting and preventing disorders linked to heredity or 'race'. The concept is also mentioned towards the end of 'History of Sexuality' volume 1 (1978, 1976 French publication) and in his 1975-1976 series of lectures entitled 'Society Must Be Defended' (Foucault, 2003b). Biopower is characterised by its focus on 'man as species' (Foucault, 2003b: 242) where discipline sees 'man as body'. While discipline is concerned with producing certain bodies and behaviours in practical terms, biopower is a regulatory mechanism whose purpose is 'not to modify a given individual insofar as he is an individual, but, essentially, to intervene at the level at which these general phenomena are determined, to intervene at the level of their generality' (Foucault, 2003b: 246). It seeks to influence patterns of seemingly random and individual events such as sexuality, diseases or birth rates, which are only perceptible at a macro level and through instruments such as statistics (Gordon, 1991: 5). Because of this scalar dimension, biopower requires large institutions such as the state in order to operate. Foucault thus asserts that the same structures of enquiry of microphysics of power that he uses to analyse practices and

technologies at the local institution level such as prisons and asylums could be used to analyse practices and technologies of state power; he argued that the local and the global levels should not be seen as separate but rather as interdependent:

> *'No "local centre", no "pattern of transformation" could function if, through a series of sequences, it did not eventually enter into an over-all strategy. And inversely, no strategy could achieve comprehensive effects if it did not gain support from precise and tenuous relations serving, not as its point of application or final outcome, but as its prop and anchor point. There is no discontinuity between them, as if one were dealing with two different levels (one microscopic and the other macroscopic); but neither is there homogeneity (as if the one were only the enlarged projection or the miniaturization of the other); rather, one must conceive of the double conditioning of a strategy by the specificity of possible tactics, and of tactics by the strategic envelope that makes then work.'*
> (Foucault, 1978: 99-100)

He thus argued that the study of microphysics of power enabled an understanding of how 'diverse power relations come to be colonized and articulated into more general mechanisms that sustain more encompassing forms of domination' (Jessop, 2007: 36). It is following this idea, and before focusing the forms and modalities pertaining to self-conduct and subjectification (his 'ethical period', 1980-1984), that Foucault undertook a genealogy of the modern state leading him to elaborate on the notion of biopolitics and formulate the concept of governmentality.

4.3.2. Governmentality: the emergence of a new art of government

In 1970 Foucault obtained a Chair in the History of Systems of Thought, especially created for him, at the College de France in Paris and delivered 13 series of lectures until 1984. Every year, Foucault was not to teach a set syllabus but to report on his research findings. The lectures from 1978 and 1979 respectively entitled 'Security, Territory and Population' and 'The Birth of Biopolitics' are particularly interesting as Foucault seeks to

address critiques of his previous work and develops the concept of governmentality. However, as Gane (2008: 357) notes, the work of Michel Foucault can be difficult and confusing as he does not offer a definitive and coherent theoretical framework and instead re-worked, refined and adjusted his ideas throughout his life. This is particularly the case for the concepts of biopower and governmentality, as they are largely based on a series of lectures that was influenced by the progression of his research, questions from the audience, etc.

In his first series: 'Security, Territory and Population', Foucault explores various forms of government and their rationalisation, from the early Christians and the Ancient Greeks to 18th century liberalism. In particular, Foucault describes the evolution of an economy of power distinguishable from (though concurrent to) discipline and sovereignty which he calls government. The term however refers to an older meaning of the word which could be applied to the conduct of others but also to the running of families and self-conduct (Foucault, 2007a: 121).

Foucault finds the origin of the idea of this rationality of government amongst the early Christian cultures also called pastoral cultures. This 'mentality' is encapsulated by the image of a shepherd caring for its herd. In contrast to the forms of power having currency in Ancient Greece, pastoral power is not static: it is exercised over a population, rather than over a territory. Pastoral power is also a power of care (Foucault, 2007a: 128). It is based on thoughtfulness and justice, and aims to ensure the salvation of the population (or its souls) and to protect against enemies both from inside (dissidents) and outside. However, its mission requires the individualisation of those in its care, the knowledge of 'each and one' (omnes et singulatim) of its members (Foucault, 2007a: 128), as salvation can only be achieved through the confession and scrutiny of souls (Foucault, 2007a: 126). Pastoral power is thus an individualising power, which infiltrates

and produces one's conduct. As Foucault explained later: 'Governing in this sense is to structure the possible field of action of others[2]' (Foucault, 2001: 1056). Thus pastoral power can be seen as the origin of government as 'the conducting of conduct' (Miller and Rose, 2008: 16).

However, Foucault argues that the institutionalisation of this rationality of power or governmentality was contained until the sixteenth century where various historical factors, state centralisation and religious dissidence in particular, enabled it to develop and evolve (Foucault, 2007a: 100). He describes how a series of scientific discoveries introduced the idea that God did not directly rule the world but rather governed it through principles that had to be deciphered. With the waning of its theological foundations, the state required new justification to its existence, a *raison d'Etat,* which it found in the idea of the care of its population. In contrast with pastoral societies however, the care was now focused on the preservation of human life rather than on the salvation of souls.

These changes find a reflection in a shift taking place in the area of the education of rulers, which moved from an emphasis on the *savoir faire* of government illustrated by Machiavelli's 'The Prince' (1532) which was concerned with conserving a delimited power, to an art of government. The latter is exemplified by a 1555 text by Guillaume de la Perrière, entitled 'Le Miroir politique' ('The Political Mirror'). As Foucault explains in his lecture delivered on 1st February 1978 (subsequently published under the title of 'On Governmentality'), this text displays a more global approach to government as encompassing both how the Prince governs himself and his patrimony (pedagogy) but also the ways in which the family, the church and the society at large operate, which

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[2] Author's translation: 'Gouverner, en ce sens, c'est structurer le champ d'action éventuel des autres'

Foucault calls police[3]. 'One must try to identify both an upwards and downwards direction' explains Foucault (2007a: 94) because this approach is based on the rationale that: 'when a state is governed well, fathers will know how to govern their families, their wealth, their goods, and their property well, and individuals will also conduct themselves properly' (Foucault, 2007a: 94). The goal of this new form of government, La Perrière explains, is 'the right disposition of things, arranged so as to lead to a convenient end' through a focus on the 'relations between men and things' (Foucault, 2007a: 96). To this end 'wisdom … as the knowledge of things, of the objectives that can and should be attained and the disposition one must employ in order to attain them' (Foucault, 2007a: 100) becomes more important qualities for a ruler than force. One characteristic of this art of government is that it employs a series of tactics, including but not being limited to the law in order to reach its goal (Foucault, 2007a: 99).

Historically, the development of this economy of power was stifled throughout the late sixteenth and early seventeenth centuries by war (the Thirty Year War) and lack of resources (Foucault, 2007a: 101). The unfolding of the eighteenth century, with Europe enjoying wealth and population growth enabled the development of a state apparatus and the use of new tools, such as statistics, that revealed aggregated phenomena in the population. Indeed, Foucault highlights the importance of these technologies to the emergence of political economy as a form of knowledge and the deployment of government as an technology of power: 'the constitution of a knowledge (savoir) of government is absolutely inseparable from the constitution of a knowledge of all the processes revolving around population in the wider sense of what we now call the economy' (Foucault, 2007a: 106).

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[3] After the *Polizeiwissenschaft* which developed in Germany in the second part of the seventeenth century.

This art of government however did not reach its full potential before the second half of the eighteenth century as liberalism progressively replaced the *raison d'Etat* and its appending police as a rationality, re-inventing governmentality around the idea of freedom (Foucault, 2007a: 101). Since the schism between religion and state in the sixteenth century, the sovereign had attempted to legitimise its existence through the circular and self-referring logic of the *raison d'Etat* in which the finality of the state was linked to its continued existence and expansion: the end of sovereignty was sovereignty itself (Foucault, 2007a: 99). In order to preserve itself, the state used two main apparatuses of security, namely a militaro-diplomatic apparatus to deal with outside threats and the police, which regulated all levels of social life within the state in order to maximise internal growth. However, the Physiocrats (a disparate group of economists) viewed the state's regulatory and coercive system as a hindrance to what they saw as the natural phenomena of economic and biological processes (see Collier, 2009 for further analysis). They argued, against the *raison d'Etat*, that state interventions and regulations should be reduced so as to maximise growth and the welfare of the population; they explained that 'the ends of government cannot be effectively achieved by means of the law' (Foucault, 2007a: 99).

4.3.3. Liberal and neoliberal governmentalities

Foucault's 1978-1979 series of lectures, 'The Birth of Biopolitics' is largely devoted to liberalism and neoliberalism. However, Foucault explained that what should have only been the series' introduction had progressively expanded into the whole set of lectures (Foucault, 2008: 217). As Gane (2008) and Collier (2009) highlight, Foucault appears to have been undergoing an intellectual crisis at the time. Gane (2008) argues that he had lost interest in biopolitics but was unsure as to what his new problematic was. Collier (2009) however, contends that the shifts were linked to a methodological break

implying the gradual move from the power/knowledge nexus and an 'epochal' reading of various technologies of power (from sovereignty to discipline to government) towards a more 'topological analysis' exploring how various heterogeneous elements (such as techniques, technologies of power, institutional structures, etc…) are configured and re-worked by new deployments, in this case, different liberal rationalities.

While the police is based on the idea that 'not enough attention is given to things, too much escapes control, too many domains lack rules and regulations, order and administering are lacking' (Foucault, 2008: 318), liberal rationalisation relies on the suspicion that there is too much government. Instead of assuming an inherent need for the state, liberalism presupposes that its existence is subordinated to its use to society. It is worth noting that Foucault does not analyse liberalism as a theory or an unrealised utopia; instead he views it as a critique of other forms of government rationality and as a 'principle and method of the rationalization of the exercise of government' (Foucault, 2008: 338), which is guided by political economy. Yet, Foucault shows that liberalism or the question of 'too much government' has been reworked and transformed since the eighteenth century. In particular he contrasts German liberalism in the years 1948-1962 and American neoliberalism of the Chicago School in order to illustrate more recent mutations. Post-war German liberals' thinking (also called Ordo after a journal they published) is anchored in an anti-naturalist conception of the market where capitalism is not seen as singular or natural, but as a product of history and society necessitating political intervention for creating and sustaining the conditions of existence of market competition. This includes corrective mechanisms such as welfare provisions and social interventions. The Ordo aimed to find ways in which the state could be rationalised by using the principle of economic freedom as a way to both legitimize it and to delimit its activity (Lemke: 2001 196). Thus the Ordo liberals saw the state as a key element ensuring the correction and protection of a market-based economy.

Partisans of the Chicago School however reversed the logic of classical liberals where the state regulated the market and advocated instead an organisation of the state by market-based principles (Lemke, 2001). They sought to:

> 'extend the rationality of the market, the schemas of analysis it offers and the decision-making criteria it suggests, to domains which are not exclusively or not primarily economic: the family and birth rate, for example, or delinquency and penal policy'.
>
> (Foucault, 2008: 322)

This encoding of the social as economic also entails a redefinition of the neoliberal subject as an entrepreneur of him/herself, in charge of optimizing the use of their 'human capital' so as to maximize their value (Foucault, 2008; Lemke, 2001). This theorization of the homo economicus leads to a second marked difference with the classical version of liberalism: while for the latter freedom of individuals is a foundation of the rational state, the neoliberals view liberty as artificially arranged: the behaviour of the rational homo economicus can be manipulated through incentives and disincentives (Foucault, 2008: 268). The following quote by one of the 'founding' members of this advanced/neoliberal rationality, Friedrich von Hayek is telling in this regard:

> 'Man has not developed in freedom ....Freedom is an artefact of civilization... Freedom was made possible by the gradual evolution of the discipline of civilization which is at the same time the discipline of freedom.'
>
> (Hayek 1979: 163, original emphasis, cited in Rose, 1999)

Thus Foucault shows that, contrary to the roll back of the state rhetoric, this thinking opens up new domains of state intervention necessary to (re)produce suitably responsible self-entrepreneurial individuals. Hence, Foucault's 'The Birth of Biopolitics' highlights the ways in which the American neoliberal incarnation of government relies on a link between political formation, economic exploitation, and the production of a

subject made responsible for him/herself through a series of techniques (Lemke, 2001: 103).

4.4. Neoliberal governmentalities and their critiques

Foucault's concept of governmentality, particularly his discussion of its later, (neo)liberal incarnations, has spawned a vast array of studies. This section examines some of the more notable contributions with regards to this research. It is worth noting however that governmentality is used to denote both as a technology of power and as an analytical lens, though this distinction is often blurred by the fact that the latter is often employed to analyse the former. The section then turns to explore and assess some of the critiques that have been directed at the concept and its use.

4.4.1. Studies in governmentality

Foucault's insights have inspired such a vast amount of work that it has gained the label of studies of governmentality (Rose, 1999). While inspired by Foucault, this body of work builds on and extends various elements of governmentality. As Rose explains, studies of governmentality are:

> *'…studies of a particular "Stratum" of knowing and acting. Of the emergence of "regimes of truth" concerning the conduct of conduct, ways of speaking truth, persons authorized to speak truths, ways of enacting truths and the costs of so doing. Of the invention and assemblage of particular apparatus and devices for exercising power and intervening upon particular problems. They are concerned, that is to say, with the conditions of possibility and intelligibility for certain ways of seeking to act upon the conduct of others, or oneself, to achieve certain ends.'*
> (Rose, 1999: 19)

Foucault's work into American neoliberal governmentality was particularly significant and chimes with many contemporary concerns. In February 2009, the journal 'Foucault Studies' dedicated a special issue to the topic of neoliberal governmentalities.

One of the most relevant elements to this field of study is concerned with the idea of governing through freedom (in particular work by Nikolas Rose, 1999, but see also in Cruickshank, 1999 for example). However the term freedom can be confusing, as it evokes the idea of the absence of constraints, of not being subjected to power - in its 'negative' understanding. Rather, freedom in this sense has to be understood, not as boundless liberty, but as a governmental technique built around the compulsion to make choices. As Rose explains:

> *'Modern individuals are not merely "free to choose", but obliged to be free, to understand and enact their lives in terms of choice. They must interpret their past and dream their future as outcome of choices made or choices still to make. Their choices are, in their turn, seen as realizations of the attributes of the choosing person – expressions of personality – and reflect back upon the person who has made them'.*

(Rose, 1999: 87)

Studies in governmentalities have pointed out the vast array of techniques and social mechanisms employed to, on the one hand, create 'free' subjects that are able to make calculative and rational choices (homo economicus), and on the other, devise incentives to help them make appropriate choices (Hamann, 2009). Indeed, this is the irony of neoliberal governmentality: the 'freer' subjects become, the more trained they become to 'navigat[e] the social realm using rational choice and cost-benefit calculations grounded on market-based principles' (Hamann, 2009: 37), the more easily they can be manipulated into making the 'right' choices. Indeed, the homo economicus is 'sensitive to modifications in the variables of the environment and […] responds to this in a non-random way, in a systematic way' (Foucault, 2008: 269). Thus, Harrison articulates

(2010: 24), 'neoliberalism discursively produces subjectivities of individualised entrepreneurialism, which, whilst not necessarily being subject to large amounts of state authority, are subjects of market governmentality within all social realms.'

But neoliberal governmentality works both *on* and *through* subjects' agencies (Shore, 2008). Techniques involved in this process of subjectification include the inculcation of an ethos of moral responsibility, autonomy, self-determination, 'encouraging [subjects] to see themselves as active subjects responsible for improving their own conduct' (Shore 2008: 284). This ethos instilled by equipping subjects with 'languages and techniques of self-understanding and self-mastery' at the level of the individual but also in terms of political organisation (Rose, 1999: 69; see also Hamann, 2009). It takes the form of psychology, organizational and (self-)management skills, the pre-eminence of planning and auditing, but also more localized and participative decision-making processes (see Rose, 1999 for more details). Rose (1999: 87) highlights the role of independent experts in articulating the new norms of conduct. However, governing through freedom is not prescriptive; instead it works through people's own interest, agency, desires and motivations. It 'operates by educating desires and configurating habits, aspirations and beliefs' (Li, 2007: 5)[4].

As a consequence of these new subjectivities, responsibility for failures or risk previously socialized by the welfare state is shifted from the state to individuals or communities and re-coded as faulty decision-making processes or problems of self-care. As Lemke (2001: 201) puts it the neoliberal state 'characteristically develop[ed] indirect techniques for leading and controlling individuals without at the same time being

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[4] According to Hamann (2009: 38) Foucault distinguishes between the government of others (subjectification) and the government of one's self (subjectivation), which is the work that individuals perform upon themselves in order to become certain kinds of subjects.

responsible for them'. Hamann (2009) also highlights how the marketisation of all areas of life at the exclusion all other ethical values and social interests contributes to increased competition and social insecurity, thus reinforcing the inclination to behave as self-responsible subjects.

4.4.2. Critiques and limits of governmentality

Despite the insights it offers, the concept of governmentality is not without issues. An important one revolves around questions of freedom, agency and resistance. Interestingly, critiques fall in two opposite camps: those who feel governmentality is bleak and paralyzing on the one hand, and those, on the other, who view this rationality of government as 'weak' and open to contestation. Illustrating the first camp, McKee (2009) argues that Foucault's governmentality reduces politics to a coherent and programmatic rationality which, as a consequence, appears to be omnipresent and all-powerful. The definition of freedom as a technology of government is also seen as problematic (Rose et al., 2006), paralyzing any politics of resistance without offering any convincing alternatives. Thus McKee (2009: 471) views governmentality as signalling Foucault's 'scepticism, and indeed rejection, of emancipatory projects'.

On the other hand, both Li (2007) and Rose (1999) insist on the contingent nature of various governmental rationalities, and view them as emerging from available language, strategies and practical observations of past failures. Li (2007: 270) also argues that the dynamic nature of the target of governmentality i.e. the relation between population and things, means that there are no guarantees specific goals will be reached. As she explains (Li, 2007: 18): 'rather than exercise total control, the objective of government is to sustain and optimize the processes upon which life depends. But beneficial outcomes cannot be guaranteed'. In addition, by operating through freedom, liberal

governmentality leaves itself open to resistance, counter conducts and the emergence of new discourses (Mc Nay, 1994: 130).

These divergent interpretations are likely to be due, in part, to some of the difficulties and potential contradictions in using the concept of governmentality (Fraser, 2003), as well as to the possible methodological changes pointed out by Collier (2009) and outlined in the previous section. In his two lecture series: 'Security, Territory, Population' and 'The Birth of Biopolitics', Foucault showed how (neo)liberal governmentality emerged as a critique of a previous rationality, namely the *raison d'Etat* (Foucault, 2008: 312). Foucault is careful about analysing the contingent mix of historical, political, economic and scientific circumstances that led to the emergence of this new rationality and its appending apparatuses of security[5]. However, in his accounts, attempts for greater autonomy, such as the delinking of politics and religion, or the endeavour to free civil society from the state have contributed to alter the rationality of government – and to extend its reach – rather than fundamentally challenged it. In this sense, governmentality does raise the question of the possibility of social change, especially as Foucault is known in his later work (his ethical period) to have located it in the invention and performance of new subjectivities (McNay, 1994). This is critiqued by some as leading to a politically sterile form of dandyism (Barnett, 2011). Others, such as Fraser (2003: 165) argue that Foucault became entangled in a contradiction where the creation of these new subjectivities depends for 'its critical power on the very humanist norms, above all autonomy, that it wants simultaneously to unmask'. McNay (1994: 132) concurs highlighting that the idea of new subjectivities falls back on an opposition between structures and agency.

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[5] Apparatus (dispositif) of security is defined as: 'a thoroughly heterogeneous ensemble consisting of discourses, institutions, architectural forms, regulatory decisions, laws, administrative measures, scientific statements, philosophical, moral and philanthropic propositions' (Foucault, 1988: 194)

However, it seems that Foucault's conception of freedom and power is perhaps less bleak and paralyzing than often assumed. In 'The Subject and the Power' (originally published in 1982, cited in 2001: 1055), Foucault explains that he defines power relations, not as a way of acting directly and immediately on others, but rather a way of acting on their own actions (as opposed to a relationship based on violence – or the threat of violence - where individuals are physically constrained into acting in certain ways). He thus conceives freedom and power not as an exclusionary relationship (where there is power, freedom disappears) but as an interdependence, an 'agonism': 'a relationship which is at the same time reciprocal incitation and struggle; less of a face-to-face confrontation which paralyzes both sides than a permanent provocation[6]' (Foucault, 2001: 1057). While government as a technology of power, works through freedom, it appears to be more tentative and incompletely realised than is perhaps sometimes understood. As Foucault explains:

> *'Governing people is not a way to force people to do what the governor wants; it is always a versatile equilibrium, with complementarity and conflicts between techniques which assure coercion and processes through which the self is constructed or modified by himself.'*
>
> (Foucault , 1993: 203-204)

Thus, although Foucault's governmentality might have its limits, I argue that it can be a much more flexible analytical perspective than sometimes conceived of.

However, such a perspective raises a number of epistemological and methodological issues. One set of critiques has been directed to governmentality's 'functionalism', defined as 'the neo-Foucauldian tendency to over-emphasise the coherence and effectiveness of political projects' (MacKinnon, 2000: 309; see also McKee, 2009;

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[6] 'Un rapport qui est à la fois d'incitation réciproque et de lutte; moins d'une opposition terme à terme qui les bloque l'un en face de l'autre que d'une provocation permanente'. Translation from Foucault, 1982.

Weidner; 2009). As a consequence, these studies are seen as unable to attend to the issue of successes and failures of specific governmentalities to create the desired subjectivities (Weidner, 2009: 391). However, as Miller and Rose (2008: 84) argue that 'whilst "governmentality" is eternally optimistic, "government" is a congenitally failing operation'. Indeed, it could be stated that the failures of governmentality to shape suitable subjects justify the perpetuation or expansion of its programmes (Li, 2007; Ferguson, 1990). Yet, this critique points to the need to be alert to the risk of totalizing the power of governmentality.

Other critiques of governmentality include gender blindness (McNay, 1994) and a lack of attention to social differences (McKee, 2009). As Weidner explains:

> *'Governmentality scholars tend to view neoliberalism as a heterogeneous set of governmental practices which formulate different responses to the problem of rule – "who can govern; who is to be governed; what is to be governed, and how" - that are not ultimately functional to the interests of any social group or class'*
> (Weidner, 2009: 390

Hence, Weidner (2009) argues that governmentality studies have failed to address the link between capitalism and forms of neoliberal governmentality. Critiques have also suggested that his history of governmentality as the progression towards a more sophisticated form of power originating in the West constitutes 'an ethnocentrist replay of modernisation theory' (Li, 2007: 12). Geographers have argued that Foucault has overlooked the ways in which the ordering and the production of knowledge about spaces have been central to governmentality (O'Tuathail, 1996 in Rose-Redwood, 2006). For example Rose-Redwood (2006: 470) states that 'geocoding' has been a prerequisite to most of biopolitics.

Finally, other critiques have claimed that Foucault underestimated the importance of sovereignty in governing (e.g. Hardt and Negri, 2000; 2004). Agamben for example argues that sovereignty - defined as the ability to declare a 'state of exception' – and biopolitics are always implied in one another; he states: 'the production of a biopolitical body is the original activity of sovereign power' (1998: 6, in Rose-Redwood, 2006). Yet it can be said that governmentality extends beyond the analysis of sovereignty by introducing discipline and government as distinct technologies of power (Rose-Redwood, 2006). Thus, while some of these critiques are worth keeping in mind, governmentality still appears as a useful analytical perspective. The next section examines some of the ways the concept has been used in the field of international development.

4.5. Governmentality and international development

Many governmentality studies are concerned with current issues unfolding in the West. It might be, as Ferguson (2010) argues, that the concept is not as relevant in other geographical locations such as Africa. He contends that the policy measures that were forced on African states in the 1980s by international agencies (in particular, the SAPs), reflect 'an old-style laissez-faire liberalism in the service of imperial capital' (Ferguson, 2010: 173) rather than a display of sophisticated technologies of government aiming to foster self-regulated subjects. However, in the past few years, a number of studies have applied the concept of governmentality to international development.

For instance, Ansell et al. (2012) have analysed how youth policy in Malawi can be seen as a form of transnational governmentality seeking to produce suitable neoliberal

subjects. Li (2007), in one of the most comprehensive studies using governmentality[7] to analyse international development, shows how, despite the conceptual disconnects between imperialism and technologies of government, manifestations of a certain governmentality can be found in colonial times under the guise of 'the will to improve' (Li, 2007: 15). As colonisation unfolded, Li (2007) notes that the importance of sustaining population and the economy became more central, leading to an increasingly governmentalised form of power (though coexistent with sovereignty and discipline). The formulation of a 'civilising mission' of the West, in particular, encapsulated this trend but also gave rise to a paradox of colonisation: if the colonized were seen as radically different, as 'others', then the hope to reform them was elusive; but if they were seen as equals, then the idea of trusteeship could not be supported. One of the ways the colonial rule attempted to solve this contradiction was the rhetorical device of 'permanent deferral' through which the colonised were 'rationalized and racialised', 'destined to become rights-bearing individuals, but always too immature to exercise those rights' (Wilder 1999: 47, in Li, 2007). As Li (2007) notes, this tactic is still largely present within current international development agendas, where poor countries are often seen as being 'behind' rich nations on a modernist time-development continuum. In this framework, the promise of development seen as a process of 'catching up' is constantly postponed. Following Ludden (1992: 252), Li argues that late colonial state and development donors share an 'institutionalised configuration of power' with progress as their goal; a population in need as their target; a system of scientific and technical knowledge to plan and measure improvements; and 'progressive' leaders using their ability to achieve progress as political capital.

Yet, Li (2007) contends that the process of decolonisation and the deployment of an international development regime have given further impetus to the pre-eminence of

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[7] In connection with a Gramscian framework (see Li's 'The Will to Improve', 2007 for more details).

government as a technology of power. The lack of formal control over territories and the stigma attached to the recourse to violence has led to a greater focus on populations and the importance of securing their support. She notes (Li, 2007: 16): 'acquiescence is crucial. Lacking access to the means of violence, they [the development apparatus] can operate only by educating the desires and reforming the practices of their target population'. Although Li seems to underestimate the ways in which the trade and aid systems can be used as punishing and coercive regimes, her exploration of the use of the 'will to improve' is insightful. She explores how by defining and delimiting the issue to be 'corrected' and making solutions to these problems technical, this governmental rationality has a de-politicising effect, not dissimilar to the one analysed by Ferguson in *'The Anti-politics Machine'* (1990). She goes beyond his conclusions however and conceives improvement as a 'deliberate measure to contain a challenge to the status quo' (Li, 2007: 8): assistance as (political) containment. In this light, the tactic of constant deferral used by the development industry also operates as a diversion whereby many critiques concentrate on the flaws of the scheme and how to address them rather than questioning the larger system. However, she argues that reducing development to a power tool obscures important features and the sometimes contradictory finalities of the process: she stresses that processes of depoliticisation and technicalisation should be seen as 'project[s] open to contestations rather than a secure accomplishment' (Li, 2007: 10).

Another noteworthy study using governmentality to explore development issues comes from Ferguson and Gupta (2002). While, as noted at the beginning of this section, Ferguson is critical of the relevance of governmentality to analyse the relations between state and population in Africa, in this (earlier) paper, Foucault's concept is extended by un-tying it from the sovereign nation-state and conceptualising a 'transnational governmentality' which encompasses the 'modes of government that are being set up on a global scale' (Ferguson and Gupta, 2002: 990). Many African states, they argue, are no

longer able to exercise many of the prerogatives associated with sovereignty; they note that to a large extent, a 'transfer of economic sovereignty' (Ferguson and Gupta, 2002: 992) has been operated, allowing international corporations and international agencies such as the IMF to impose their undemocratic policies. However, they remark that this transnational governmentality operates at multiple scales, highlighting how NGOs and other non-state agencies have also been used to outsource state functions. This coincides to a large extent with what Fraser calls 'globalizing governmentality' (2003: 169) which works through increasingly dispersed, flexible and autonomous networks.

AIDS programmes have also been seen as constituting an unprecedented expansion of surveillance of, and intervention targeted at the population (de Waal, 2006). Ingram (2010), for example, has analysed the deployment of PEPFAR through the prism of governmentality, showing how interventions 'designed to shape the conduct of people living with or at risk of infection by HIV […] by marking out a series of populations in need or at risk, and [seeking] to manage their exposure to HIV' operate through seeking to alter 'their relationships with things like customs, habits, ways of acting and thinking' (Foucault, 2007a: 96).

A number of analyses have extended the concept of governmentality to international relations, particularly in the context of foreign aid. As Joseph (2010), Fougner (2008), Best (2007) and Abrahamsen (2004) have observed, under the Post-Washington Consensus, the increasing use of non-juridical tools (benchmarking, metric indicators, monitoring systems, etc.) to produce compliance from poor countries with international norms through the promotion of an ethos of self-responsibility has drawn on the repertoire of governmentality. As Joseph (2010: 46) has elucidated, this international governmentality targets states but is sustained through 'the claim to be concerned with the health, wealth and well-being of the local population'. Joseph reformulated

Foucault's concept and defined global governmentality as 'a complex ensemble of institutions, procedures, analysis and tactics that has the state as its target, and a political economy of poor populations as its main form of knowledge' (Joseph, 2010: 48). The present study draws on this definition of international governmentality and extends the concept to interactions between donor agencies and the government of Malawi in order to explore the ways in which the new aid architecture has contributed to reconfiguring aid relations.

4.6. Conclusion: the new aid architecture and the governmentalisation of aid

This chapter has taken a winding journey through the ideas of neoliberalism, governmentality, and international development. It has shown that while neoliberalism still imposes itself as a powerful lens to critically analyse aid relations, it can be imprecise and, to some extent, ineffective. Foucault's theorisation of neoliberal governmentality offers a perspective providing new insights. It can however also be confusing as its use varies in the different accounts Foucault makes, as well as in its application by 'governmentality scholars'. Foucault appears to use governmentality as a general and polysemic concept which designates in turn the historical tendency towards the pre-eminence of government over other forms of power such as discipline and sovereignty; the result of a process of mutations where the state has progressively been governmentalised (in contrast with the state of justice of the Middle Ages and the administrative state of the fifteenth and sixteenth centuries which focused on regulations and discipline) (Foucault, 2007a); the 'rationalization of governmental practice in the exercise of political sovereignty' (Foucault, 2008: 2); and also:

> *'… the ensemble formed by the institutions, procedures, analysis and reflections, the calculations and tactics that allow the exercise of this very specific albeit complex form of power that has the population as its target, political economy as its major form of knowledge, and apparatuses of security as its essential technical instrument'*

<div align="right">(Foucault, 2007a: 108)</div>

Foucault has also defined governmentality as a triangle of sovereignty-discipline-government (in Elden, 2007: 30). As this last definition shows, there are often overlaps between the use of the terms governmentality and government, the technology of power that is characteristic of liberal and neoliberal rationalities of government. However this lack of clarity reflects the dynamism of Foucault's thinking and should not necessarily be seen as an issue. As Foucault (2003a: 246) explains:

> *'What I say ought to be taken as 'propositions', 'game openings' where those who may be interested are invited to join in; they are not meant as dogmatic assertions that have to be taken or left en bloc. My books aren't treatises in philosophy or studies of history: at most, they are philosophical fragments put to work in a historical field of problems.'*

Here, I have been particularly inspired by the ideas of power working through freedom and the processes of subjectification this involves. However, the present study extends the concept in a new direction to examine power relations between institutions. It intends to show that, to some extent, Ferguson (2010: 273) is mistaken to think that 'neo-liberalism-as-rationality' does not apply to Africa. On the contrary, I argue that the post-Washington consensus, and particularly the new aid architecture set up by the Paris Declaration, marks the deployment of an array of governmental technologies. Yet, rather than being directed at the population, these technologies aimed to produce African states as compliant and self-regulating neoliberal subjects. This is not to say that repressive forms of power, incarnated by SAPs, have entirely disappeared. However, I

show that we have been witnessing the deployment of a specific type of neoliberal rationality, working through African governments' increased autonomy.

Chapter 5: Methodology

5.1. Introduction

This qualitative research is largely based on 40 semi-structured interviews carried out in Malawi in a three-and-a-half month period in 2008. The study also draws on discursive readings of official documents and limited ethnographic observations. In this chapter, I discuss the epistemological and methodological underpinning of this study. In the first section, I clarify the philosophy of knowledge on which this thesis is based and consider its implication on the value and validity of research. I also describe the implications of using the analytics of governmentality and discuss the potential of extending it to the study of relations between donors agencies and aid recipient governments. In the second section, I reflect on these epistemological issues in the context of my own study, seeking to unpack the various discourses and power relations influencing the research outcome by telling the 'story' of this thesis and discussing my positionality during this process. In the last section, I provide information about the methods used to gather and analyse data and conclude by highlighting ethical considerations informing this research.

5.2. Epistemology: truth(s), power and the challenges of using a governmentality analytics

In this section, I explain the epistemological underpinning of this research and provide details on what constitutes a governmentality analytics. I then move on to discuss issues of positionality/ies and their implications for the research process. I also consider the

insights offered by the literature on studying 'elites' and carrying out oppositional research. Finally, I interrogate the radical potential of governmentality studies.

5.2.1. Post-structuralism and governmentality analytics

This study is based on a post-structural approach, and thus relies on the assumption that there is no 'pre-existing world that can be known or measured' (Dwyer and Limb, 2001: 6). Post-structuralism refutes the premise of the neutrality and objectivity of the research process. Indeed, many scholars have shown that research is always situated within power relations. Every stage of a study, from the kind of topic it investigates, the questions it proposes to answer, the selection of research methods, the dynamics established with research participants, to the analysis of data, is mediated, in part, by the researcher's subjectivity and positionality (Rose, 1997; Stanley and Wise, 1993; McDowell, 1992). Research is also inscribed in power relations dominating academia, which determines what is valued as knowledge (sometimes in economic terms if the work is supported by external funding). As McDowell (1992) highlights the choice of possible and acceptable research topics has long been influenced by the dominance of the interests of male, white and bourgeois academics.

From a post-structural perspective, knowledge is thus seen as a situated set of discourses produced by social constructions and representations competing with others to impose their 'truth' (Smith, 2001). Hence, knowledge production is viewed as constitutive rather than reflexive (Gibson-Graham, 1994; Rose 1997). The analytics of governmentality is rooted in such an approach and thus 'admits to being a perspective on questions of power and authority' (Dean, 1999: 33).

However, such a perspective raises the question of what constitutes good research. If any study should be considered a discourse about the world, how not to fall into a situation whereby research becomes a 'subjectivist, "anything goes" enterprise' (Dean 1999: 33)? Arguably, (good) research should distinguish itself by the rigour of its processes. This includes, for example, detailed consideration of the issues it chooses to examine, the methods used and its ethical implications, thorough data collection, careful reflection on data analysis, etc. Another yardstick to evaluate research is its explanatory power. As Rose (1999: 33) wrote: 'Foucault once described his works as fictions, which did not thereby weaken the force of the truths that they could make, remake and unmake'. Indeed, Dean argues with regards to governmentality:

> *'To admit its perspectival nature is to say that there is no absolute standard of truth by which this analytics can be judged. To evaluate it, we might simply compare the intelligibility and understanding it yields with alternative accounts.'*

(Dean, 1999: 33)

In this context, Dean (1999) argues that the strength of governmentality studies lie in that they seek to 'formulate and consistently employ a specific set of questions that follow from this concern with how regimes of practices of government operate' (Dean, 1999: 33). Dean proposes four insightful axes of analysis that can be used to analyse governmental regimes of practices:

1. The 'fields of visibility of government' (Dean, 1999: 41) which focuses on the objects, processes and actors made visible by the regimes of practices under study, as well as on those that are obscured.

2. The *techne* of government: by what 'means, mechanisms, procedures, instruments, tactics, techniques, technologies and vocabularies is authority constituted and rule accomplished?' (Dean, 1999: 42).

3. The *episteme* of government: the forms of knowledge, or episteme, that 'arise from and inform the activity of governing' (Dean, 1999: 42). This includes investigating the 'forms of thought, knowledge, expertise, strategies, means of calculation, or rationality […] employed in practices of governing' as well as the ways in which these practices 'give rise to specific forms of truth' (Dean, 1999: 42). It also analyzes the means through which knowledge/thought seeks to 'render particular issues, domains and problems governable' (Dean, 1999: 42). These include programmes of conduct, defined as 'all the attempts to regulate, reform, organize and improve what occurs within regimes of practices' (Dean, 1999: 43)

4. The formation of identities. Some of the questions raised by Dean (1999) which are particularly relevant to this study are:

'What statuses, capacities, attributes and orientations are assumed of those who exercise authority […] and those who are to be governed […]? What forms of conduct are expected of them? What duties and rights do they have? […] How are certain aspects of conduct problematized? How are they then to be reformed?'
(Dean, 1999: 43)

In this research, I have extended the governmentality analytics to relations between donors agencies (both bilateral and multilateral) and the government of Malawi, which raises a number of issues. The concept of governmentality developed by Foucault focused on the relation between the state and its population. Given the prominence of processes of subjectification (or shaping suitable subjects) in Foucault's theorisation, using governmentality to analyse relations between agencies and a state relies on conceptualising the government of Malawi as an individual-like entity. As MacLeavy and Harrison (2010) have argued, viewing the state as a unified actor is problematic in that it undermines a relational and socially constituted view of space. However, following Wendt (1999) and Hattori (2003), I contend that viewing states as a 'real agent, whose identities, interests, and power capabilities are constituted in relation to

other states' (Hattori, 2003: 231) can offer unique insights, without necessarily essentialising their existence. In the area of international development, it is particularly useful in shedding light on how the demands from donors shape aid-dependent countries. However, this (partial) perspective also obscures many dynamics such as the complex relations between (democratic) governments and the population they are supposed to represent or the importance of internal cultures at various levels of the state apparatus. Thus, the use of governmentality in such a context can be seen as offering a partial yet productive perspective on power.

But how to account for the power dynamics that are at the heart of the research process? As Stanley and Wise (1993) warn, researchers have the power to impose their own truth on people they study and to interpret the reality of the researched material in order to make it suitable for their own theory. This is particularly relevant in the case of governmentality studies which have been critiqued for their 'functionalism', defined as 'the neo-Foucauldian tendency to over-emphasise the coherence and effectiveness of political projects' (MacKinnon, 2000: 309; see also McKee, 2009; Weidner; 2009). Although qualitative studies drawing on governmentality are potentially more conducive to a nuanced account of the deployment of rationalities of government than research focused solely on document analysis, they bring the question of the positionality of the researcher to the fore.

5.5.2. Power and positionality/ies

The rejection of the researcher as a neutral, disembodied and objective outsider in post-structuralist research has led to a reflection on how researchers' own bias and their multiple positions in society (for example linked to gender, age, race, nationality, social and economic status, sexuality etc.) is constitutive of research outcomes and their

interpretation as knowledge (Maynard, 1994). In addition, power relations between the researcher and the researched have been under scrutiny. In particular, it has been thought that the relative position of the researcher and the researched influences to a large extent how the research is conducted, what the participants will reveal, what the researcher will see or hear and how the data will be interpreted. The exploration of collaborative and non-exploitative methods attempting to shift the balance of power between the researcher and the researcher so as to enable some form of 'connectivity' has been seen as a way to reduce the effects of their differentiated power positions (Kobayashi, 1994). It has also been suggested that the effects of these various positions and relations on the constitution of knowledge could be minimised by reflecting on one's position within the different constitutive power structures and how this might have affected the research. For example, McDowell (1992: 409) states that, as researchers, we should 'recognise and take account of our own position, as well as that of our research participants, and write this into our research practice'. Moser (2008) has argued that personality, particularly in terms of social skills and emotional abilities, should also be considered as influencing the research process and outcomes.

However, Rose (1997) has critiqued the trick of making one's position more 'transparent' by accounting for it and argues that it has been seen as a way of increasing the objectivity and the validity of the research. Yet, if there is no pre-existing social world existing outside our knowledge of or discourse about it (Butler, 1990), then objectivity has to be abandoned altogether. Drawing on Butler, Rose (1997: 316) affirms that 'our identities do not pre-exist our performances of them' and that there is no stable identity that can be made transparent through reflexivity. She argues that the researcher and the research subjects construct themselves in particular ways through the research process, ways that are then re-worked and re-presented in the process of

analysing and writing up. This makes it impossible for the researcher to define their positionalities through a reflexive process, leading to tensions and uncertainties:

> *'we are made through our research as much as we make our own knowledge, and that process is complex, uncertain and incomplete. Complex, because our position is a very particular mediation of class and gender and race and sexuality and so on; uncertain, because our performance of them always carries the risk of misperforming an assigned identity (Butler, 1990); and incomplete because it is only in their repetition that identities are sustained.'*
>
> (Rose, 1997: 316)

Taking a Foucauldian view of power as saturating the social world, some have argued that power relations thus cannot be escaped (Gibson Graham, 1994; Rose, 1997). Instead, Rose (1997) has concluded that these uncertainties and tensions linked to power differences and positionalities should be seen as spaces of reflection and negotiation rather than as problems. Others (e.g. Smith, 2001: 25) have claimed that the aim of research should be to put power to radical use in order to 'recover and centralise marginal voices and the issue is therefore which strategy to adopt to place non-dominant, neglected knowledges at the heart of the research agenda'. While this research seeks to build on these two points, the latter assertion raises a number of issues in the context of this thesis: namely, the implications of studying 'elites' and the question of the radical potential of governmentality studies.

5.2.3. Studying 'up' and 'against': some implications

This research focuses largely on donors and the government of Malawi. As a result, it is at odds with a large proportion of the literature discussing issues pertaining to epistemology, methodology and ethics which is based on the assumption that research participants are in a lower power position relative to the researcher (for exceptions, see Desmond, 2004; Duke, 2002; Cormode and Hughes, 1999; Hughes and Cormode, 1998;

Neal, 1995; McDowell 1992; Schoenberger, 1991). As Duke (2002) notes, contrary to other disciplines such as History or Political Science, Geography research, and particularly qualitative projects, has often focused on marginal groups, as a way to bring 'subjugated knowledges' (Foucault, 1988: 82 in Duke, 2002: 40) to the fore. However, as a result, studies focusing on those in positions of power have been, to some extent, neglected. Yet, as Neal argues, 'the paucity of inquiry into the ruling classes, the wealthy, the privileged and the powerful is in itself a simple testimony of the reality of a political research agenda' (Neal, 1995: 518). The lack of scrutiny into elites can be seen as leaving them 'unmarked' and naturalised while the disadvantaged groups are re-presented and made knowable. However, researching 'elites' or studying 'up' as it is sometimes coined (e.g. Desmond, 2004) presents a number of fresh challenges. One of the first dilemmas is perhaps about terminology: how to describe this unequal power relation without conveying and naturalising a contestable hierarchical imaginary? I have chosen reluctantly to use the word elite, here, defined by Desmond (2004: 264) as a status stemming from 'the control of human, capital, decision-making and knowledge resources'.

Although issues encountered are often thematically similar to the challenges met when conducting research with participants from marginalised groups, they often manifest themselves in different ways. For example, whereas most of the discussions around methodology and ethics deal with the need to ensure that a non-exploitative relationship is established with participants and a rapport is created to put them at ease, in the case of elite research, the asymmetry of power often favours those researched, leaving researchers little ability to establish relationships based on care and reciprocity. In addition, many studies focused on 'elites' stem from a critical position towards how power is exercised, thus making studying 'up' often also studying 'against', or 'behind enemy lines' as a *Geoforum* issue (2010, issue 41) devoted to the topic phrased it.

Access can be an issue as elite members often have little personal gains to make from being involved in the research or the research findings. However this is not always the case. As Desmond (2004) experienced during her research on legislation pertaining to genetically modified organisms (GMOs) in Ireland, a politically sensitive and topical research can lead elite participants to use their participation as a way of diffusing critiques and seeking to co-opt the researcher. In other cases, participants will open up to the researcher as s/he is seen as 'unthreatening' or 'unofficial'. However, the research can also be seen as a threat (Desmond, 2004) or a waste of time. It is worth noting that many pieces of research on elites have been carried out by researchers in relatively well established positions, sometimes having had previous connections with the institution researched or even benefiting from the status of 'insider' (for example, David Mosse's ethnography of the World Bank, Mosse, 2004). However, for PhD students who lack academic credentials and are often in a vulnerable and isolated position, access to elites can be difficult (Duke, 2002; Neal, 1995).

Thus, the relative positions of the researcher and the researched often make fieldwork challenging, though in a rather different way from those outlined by academics working with marginalised (or sympathetic activist) groups. In the context of interviews, research participants' attitudes to being studied can be problematic in a variety of ways: from the patronizing behaviours experienced by Duke (2002), the 'hostility and resistance' felt by Neal (1995: 526) whose interviewees questioned the validity of her questions, to unexpected openness bordering on cooption. For example Desmond (2004) explained how while doing interviews within a company dealing with GMOs, her taxi ride from the train station to the interview site was always paid for by the interviewee. Another common issue in interviewing elites is the existence of an 'official line' (Duke, 2002: 46) and the reluctance of some interviewees to speak openly

about their views. Dissemination can also present new dilemmas, forcing researchers to tread a fine line between critique and continued access to participants (Oglesby, 2010).

Thus, the differentiated positionalities of the researcher and the researched in elite studies require a different kind of performativity by the researcher during fieldwork. While research with marginal groups often entails creating a compassionate rapport, studying elites often requires researchers to try to conform to the expectations and values of the researched in order to bolster their status in their eyes of the respondents. Neal (1995) for example describes how she countered her socially lower position by making claims of intellectual authority, presenting herself as 'neutral, rational and objective' (1995: 524), and attempting to 'fit in' through the adoption of dress code and presentation that could be perceived as professional and non-threatening. Researchers studying elites are thus more likely to consider how positionalities are enacted and performed in various ways according to the position of respondents, in line with Rose's argument about the need not to essentialise positionality (Rose, 1997). As McDowell (1998) explains in an account of her research with elites in the city of London, interviews with this category of participants often entail a process of performing identities likely to lead interviewees to open up (to the extent of the limitations of one's gender, race, age, class, etc.). She explained:

> *'In some interviews I seemed to fall into the classic male-female pattern, for example with an older charming but rather patriarchal figure I found myself to some extent "playing dumb"; with an older and extremely fierce senior woman I was brusquely efficient, with other women I was "sisterly" in the sense of same age-same position, with some of the younger men I was super-fast, well informed, and definitely not to be patronised.'*
>
> (McDowell, 1998: 2138)

As this quote suggests, this process is often barely conscious at the time of the interview and depends largely on the inter-personal skills of the researcher. As a result of the

acknowledgment of the performative element of positionality, Hanson Thiem and Robertson (2010: 5) asserted that we should differentiate between 'political difference (which may be irreconcilable in a given research project), and positionality (which can be constructed strategically within certain bounds)'. However, the process of presenting oneself or a research project in a light that will be more agreeable to participants raises ethical issues which I will examine in section 5.4.3. I now turn to exploring the ways in which governmentality studies can (re)claim some radical potential.

5.2.4. Radical governmentality studies?

Studies drawing on Foucault in general, and governmentality in particular, have been seen as lacking potential for radical use because of their lack of normative framework. As Dean (1999: 49) states: 'there is no single standard for deciding whether a form of power or state of domination is contingent or necessary'. Indeed, Foucault has been seen as turning away from projects that claim to be emancipatory or radical (Foucault, 1986, in Dean, 1999) and his intellectual project has been described as paralyzing or anaesthetising (Foucault, 2003a). However, Foucault himself refuted this assertion, claiming that, in his view, his work appeared to have an 'irritant' effect (Foucault, 2003a: 257). In a 1978 Roundtable (later published under the title *'Questions of method'*), Foucault clarified the role of his research with regards to bringing social change. He stated[1]:

> *'It seems to me that "what is to be done" ought not to be determined from above by reformers, be they prophetic or legislative, but by a long work of comings and goings, of exchanges, reflections, trials, different analyses. […] The necessity of reforms mustn't be allowed to become a form of blackmail serving to limit, reduce, or halt the exercise of criticism […] Critique doesn't have to be the*

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[1] Foucault, here, discusses specifically the role of his work on prisons. However, these ideas are applicable to the rest of his work. It is worth noting that the Roundtable took place at the time where Foucault was giving his lectures on governmentality at the College de France.

premise of a deduction that concludes, "this, then, is what needs to be done". It should be an instrument for those who fight, those who resist and refuse what is. Its use should be in processes of conflict and confrontation, essays in refusal. It doesn't have to lay down the law for the law. It isn't a stage in a programming. It is a challenge directed to what is.[…] The problem [of what should be done], you see, is one for the subject who acts – the subject of action through which the real is transformed. […] [change] will be when those who have a stake in that reality, all those people, have come into collision with each other and with themselves, run into dead ends, problems, and impossibilities, been through conflicts and confrontations – when critique has been played out in the real, not when reformers have realized their ideas'

(Foucault, 2003a: 256-257)

Thus, for Foucault, the power of critique lies in its ability to 'remove the taken-for-granted character of […] practices' (Dean, 1999: 47), to allow transformation by making 'clear what is at stake and what are the consequences of thinking and acting in such ways' and thus 'how it might be possible to do things differently' (Dean, 1999: 48-49). The radical potential of governmentality studies lies in the ways they 'expand the terms of political debate' (Rose, 1999: 277). They offer tools to think things differently, which can then be seized upon by 'those who act' to operate political transformations. While I am not of the view that the dichotomy between the researcher – or critique – and the activist is always necessary, Foucault's conceptualisation of their relationship points to the radical potential of body of works that do not provide immediate and practical solutions to the questions they examine. In the next section, I seek to reflect on the issues discussed here, particularly with regards to power and positionality, in the context of the present research.

5.3. The 'story' of this PhD: reflections on research, positionalities, power and contingency

This section seeks to situate this work by unpacking issues relating to my positionalities, notably in relation to research participants. But it also attempts to locate this work in relation to dominant discourses within and outside of academia, making this thesis both very personal and decidedly a product of a specific time and place. I also highlight the contingent nature of the research process, showing how its outcomes are often shaped by elements that are outside of the control of the researcher. I examine these issues by telling 'the story' of this PhD, beginning by examining the emergence and evolution of the topic, before focusing on the UK-based part of the fieldwork and then moving on to data-collection in Malawi. More factual information about the methods used is provided in section 5.4.

5.3.1. Situating the research topic: positionalities and academia

The factors influencing the identification of a suitable research topic are seldom discussed in methodological accounts. Yet, as McDowell (1992) has observed, the definition of research topics ought to be problematised as they can reflect, and reinforce, the interests of dominant groups, both within and outside academia. As a result, I find it useful to situate my thesis as the intersection of my own positionality and interests, and dominant (or emergent) discourses within academia.

I started my PhD in 2004, while working as a researcher at Brunel University. I enjoyed my job carrying out London-based socially-oriented projects but was also keen to return to a more explicitly political/policy-based project (my first degree was in Political Science), particularly in the area of international development. After my

masters, I had done an internship with the International Organisation for Migration (IOM) in Geneva, and was subsequently given a contract as a researcher, in charge of a project aimed at studying programmes targeting internally displaced persons and developing guidelines to promote greater gender equality. I travelled to Colombia to carry out interviews and focus groups with civil society organisations and project beneficiaries. While I thoroughly enjoyed the job content, I was uncomfortable with many aspects of working in this organisation – including the ways funders influenced the agenda - and left after my research contract came to end. Doing a PhD on a development-related topic was a way to both revisit and analyse my experience working there, and further my interest in this field.

Noxolo et al. (2011), Jazeel and McFarlane (2010), Power (2009) and Massey (2004) to cite a few, have shown how the concept of responsibility can be fraught, legitimising the portrayal of those in lower power positions as lacking specific attributes, conferring authority to the privileged to dictate decontextualised 'top-down' solutions while failing to problematise the mutual constitutions of places and people. However, taking responsibility has also been seen as 'an ethical disposition that offers a way of taking account of inequalities and confronting power in a profoundly unequal postcolonial world' (Noxolo et al., 2011: 419). As someone from a relatively privileged background my interest in development stems, in part, from a sense of responsibility for my position to contribute to tackle the injustices on which my advantages are built.

However, both through my education and experience working in development, I had been alerted to some of the pitfalls associated with 'helping the Other'. In that light, I found it both less problematic and more productive (as a citizen and thus, in some way, as a stakeholder in these organisations) to focus on how the attitudes of Western-dominated institutions contributed to maintain global inequalities. Yet, as much as my

position is rooted in a critical perspective on donors, based on my education and life experience, this is also combined with a sense of belonging (or having belonged) to the same community as the donor representatives I interviewed. In many ways such as class, race, culture and educational background, my positionality is closer to theirs than to the ones embodied by Malawian civil servants. Thus, although this research can be qualified as oppositional, it is also built on an ambiguity which may have helped me cultivate a greater understanding of and empathy with the international donor community. In a sense, this research could be qualified as studying the 'enemy' within.

The idea of researching global AIDS policies was suggested by one of my supervisors after a few failed attempts at trying to find a suitably 'new' topic. Of course, identifying a subject offering an opportunity for original findings is often the first step of a PhD. I first turned my attention to the political and bureaucratic aspects of the international AIDS response, in particular DFID's policies, and how its corporate statements of intent where translated to, or interacted with, the national contexts in which they were deployed. I became interested in the linkages and disconnects between policy text and implementation, and the various discourses that operated at different scales. The rising importance of the Three Ones in AIDS[2] and, subsequently, the Paris Declaration made this aspect of AIDS policy implementation particularly interesting. But studying the working of an aid bureaucracy also appealed to me. Though it might be understandable given my interest in politics and power, I also felt that the process of the PhD allowed me to discover myself as a researcher and to better define areas that attracted my intellectual curiosity, though the reasons behind this interest still remain partly unclear. This echoes Rose's assertion that 'we are made through our research as much as we make our own knowledge' (Rose, 1997: 316). In that regard, the research process

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[2] One agreed HIV/AIDS Action Framework providing the basis for coordinating the work of all partners; one National AIDS Coordinating Authority; one agreed country level Monitoring and Evaluation System.

could be conceptualized as a dialogue (and sometimes a confrontation) between myself and my evolving PhD project, leading to reflection and mutual constitution.

However, this research can also be seen as situated in and by time and place. I had been searching for a theoretical framework, and had examined various possibilities including ontology/theory of scale, actor-network-theory, critical policy analysis and postcolonial theories. I had come across governmentality but it was not before I attended a two-day seminar organised by the Geography Department at University of Bristol that I was able to understand the possibilities this concept offered. Thus, in some ways, this thesis also reflects the growing interest in governmentality within academia, as the many recent publications I draw on in this research also indicate. Hence, the present work is also a manifestation of the ways in which specific theoretical formulations were dominant (or emergent) at the time of the research, in the English-speaking academic world.

5.3.2. The convoluted process of conducting research: 'failures' and readjustments

This section reflects on a first 'failed' interview which contributed to reorient my research to some degree. It does so by analysing the various factors such as positionalities and contingency that led to this problematic encounter and by considering the specificities of 'elite' research.

The first interview I conducted for this research was what could be considered a failure. Yet it provided a rich ground for reflection and was key in reorienting my research. I had decided to focus on DFID's policies both because it had been one of the leading donors in the implementation of the new aid architecture as well as for practical reasons, as I am a UK resident. I had emailed a network of friends working in the area of development and obtained a few contacts within the organization. I arranged an

interview with two DFID staff members involved in AIDS policy. However, on the day, one of them was called into a meeting and unable to attend. The person left (I have chosen not to provide the individual's name in this thesis in order to feel comfortable providing a frank account of our encounter) had a focus on psycho-social aspects of AIDS and was unable to answer most of my questions with regards to funding allocation and programme implementation (something her colleague would apparently have been better suited for). The interviewee also became irritated and uncomfortable when I started probing about the relationship between DFID and its US counterparts (despite having been guaranteed anonymity in any writing developed from the research). At the end of the meeting, the person inferred the interview had been a waste of time.

There are a few considerations stemming from this 'failed' interview. Although I had experience conducting qualitative research, participants had been either less powerful than (mothers from deprived neighbourhood, children, etc.), or on a relatively equal footing (such as council staff members) with, myself in my capacity of researcher. Though this is not without its challenges, interviewing a member of the 'elite' made for a very different experience, for which I was perhaps unprepared. In hindsight, I should probably have carried out interviews with staff members at DFID Headquarters after my fieldwork in order to bolster my intellectual authority and counter my lower position as a research student. In addition, although I had sent them both a short summary of my interests prior to the interview, this meeting made me realise that sending a more detailed outline or an interview schedule may have been of benefit. However, this experience also made me reflect on the contingent nature of the research process. The second person who was supposed to attend the interview would probably have been more appropriate to my area of investigation and may have found my questions more relevant. Finally, and this was later confirmed during my Malawi-based

fieldwork, DFID personnel appeared to be more wary of straying away from the 'official line' (Duke, 2002) than staff members from many other donor agencies. After this interview, the few other contacts I had at DFID Headquarters and who had agreed to meet me stopped replying to my emails. As Fitz and Halpin (1994) explain, elite research is often dependent on establishing good contacts with initial participants as they often constitute a close network and will exchange their views on your research and performance. This 'failure' to establish a first good contact within this 'elite' group led me to alter the framing of my research. I decided to focus largely on donors in Malawi, though initially retained an emphasis on DFID, which had a prominent role in the implementation of the new aid architecture in the country and was the lead donor in the health sector.

5.3.3. Data-gathering: positionalities and influences

Access to staff members at aid agencies and governmental ministries in Malawi was thankfully much easier. The new aid architecture was still fairly recent at the time of my fieldwork in 2008, and the lack of research material on its implementation in Malawi helped to stir interest about my study. I also got a sense that representatives of the GoM used interviews as a way to voice their concerns with regards to donors' attitudes, knowing that the findings would be disseminated to all participants. My international status (perhaps bolstered by my whiteness as a marker of power) combined with a relatively relaxed corporate culture, and a bold, no-nonsense style of expression which was common to most of the Malawians I interviewed, made these meetings fairly straightforward and productive. The 'official line' was more strongly enforced amongst donors though this varied tremendously. However, by focusing on technical aspects of the new aid architecture first and only then probing for more politically-loaded aspects of the research, the 'official line' was more easily crossed (or

blurred). In addition, donors appeared to instrumentalise the interview to air their opinion, particularly with regards to the behaviour of the Global Fund, which had recently joined the donor pool-funding basket at the National AIDS Commission but was seen as failing to embrace the principles behind it.

While most donor representatives were white, and many of them were from Western countries, a number were either from Malawi or other African countries. On the whole, their views were in line with those of white donor representatives. However, especially in the case of Malawians, they had a refreshing tendency to speak more frankly than other donors, which chimes with my experience talking to Malawian civil servants. In addition, African donor representatives often displayed a more holistic outlook, linking issues raised by the Paris agenda to macroeconomic questions or civil service reforms, thus providing a broader picture. Malawians also made use of 'we' to designate in turn both the donor agency they represented and the people of Malawi. Though it was usually clear which type of affiliation they were referring to, it was an interesting testimony to their dual sense of belonging. Access to civil society respondents was relatively unproblematic, hampered only by their busy schedule. Thus, power dynamics between interviewees and myself in Malawi were varied but, on the whole, marked by a greater sense of equality and reciprocity, as my research was of interest to many participants.

An important factor influencing the outcome of this research was my supervisor during my internship at Action Aid International Malawi, who provided me with contacts for interviews that few others suggested, notably orienting me towards questions pertaining to conditionalities, macro-economy and public financial management. I suspect these contacts were aimed at influencing the direction of the research, in line

with this person's own interest. This was immensely useful as this allowed me to investigate new grounds and articulate original findings.

In addition to the formal fieldwork however, I collected information in a more informal manner. I exchanged ideas with fellow residents at the Lodges I stayed in, the majority of whom were involved in development. A guest even transferred to my computer a vast number of official documents related to health in Malawi. Reading Malawian newspapers daily and watching the official television channel also allowed me to gain a deeper understanding of the political issues at the time and the representations of the AIDS response in the country. For example, the large number of official procurement notices in newspapers confirmed the points made by interviewees regarding the cumbersomeness of the procedures involved.

This section has attempted to locate this research in terms of the relative positionalities of interviewees and myself, showing how these have shaped the direction of this project. It has also situated this work in relation to the value accorded to specific theoretical perspectives within academia at the time of my research, influencing both access to greater knowledge and my readiness to adopt a generally well-regarded (though not unchallenged) framework. Finally, this section also sought to highlight the contingent nature of the research process, showing how elements beyond the power of the researcher can contribute to shape the final result significantly. I find it useful to acknowledge this contingent element, to decentre the (perhaps masculinist) construction of research as a plan that unfolds seamlessly. In many ways, this research has been shaped by the people I interacted with (as well as those who declined to be involved).

5.4. Research methods and ethical considerations

While the section above reflected on the complex and unpredictable nature of the research process, I now seek to provide more comprehensive information about the methods used to carry out this study, and to consider how the research is grounded in a reflection on ethical issues.

5.4.1. Research methods

As explained in section 5.2., this research is qualitative in nature and rooted in a post-structural approach and more particularly, in a governmentality analytics. It thus relies on identifying discourses and practices that construct and sustain specific identities, forms of authority, knowledges and techniques (Dean, 1999) and draws largely on interviews carried out with individuals involved in the area of AIDS in Malawi, particularly representatives from donor agencies, the government and civil society. This research is also based on secondary data analysis and on some limited ethnographic observations.

The first stage of the research consisted of literature reviews in order to familiarise myself with the available material on global AIDS interventions, the new aid architecture, as well as relations between donors and aid recipients and Malawi. As described above, I also read widely on the theorisation of these issues, particularly governmentality. This phase provided empirical and theoretical context to the study and allowed me to narrow its scope.

The second stage involved an attempt at UK-based fieldwork. As described above, this resulted in a 'failed' interview which spelled the end of further access to potential

research participants from DFID Headquarters. However, I also carried out a telephone interview with Action Aid UK's HIV/AIDS policy officer in September 2007, which was useful in identifying key issues to include in my interview schedules.

The third, and more intense, phase of this research consisted of fieldwork, conducted in Malawi (mostly in Lilongwe) between June and October 2008. This country was identified as a valuable location for this study for several reasons. The country has historically been the recipient of high levels of donor funding (Morfit, 2011) and is highly aid-dependent. Malawi suffers from high HIV prevalence rates at about 11.2% (UNAIDS, 2012a), combined with extreme levels of poverty, with 40% of the population living below the poverty line in 2008[3] (CABS Development Partners, 2010, in Loquai and Klavert, 2011). In addition development assistance targeted at AIDS has been highly harmonised since the beginning of the Millennium, with the National AIDS Commission (NAC) hosting a pool-funding mechanism through which donors operate. The Ministry of Health channels about 95% of total donor funding through a harmonised Sector-Wide approach (Carlson et al., 2008: viii). There is also a direct budget support mechanism through which donors contributing directly to the government budget coordinate their actions. In addition, one of my supervisors had recently conducted research in Malawi and was able to provide me with initial contacts amongst donors, ministries and civil society.

I used these names to carry out a first wave of interviews and asked respondents for further contacts of people they recommended I talked to, a method often coined as 'snowball sampling'. While in Malawi, I carried out 39 interviews with 42 persons. I also did a repeat telephone interview with one donor representative after my return to

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[3] The poverty line was defined as Malawi Kwacha (MK) 47 per person per day in 2005 prices, equivalent to US$ 0.3 (Chissinga, 2009).

the UK. Interviews were carried out with representatives of three broad groups (a list of the individuals and organisations can be found in appendix A):

- The Government of Malawi: including the National AIDS Commission, the Department of HIV/AIDS and Nutrition, the Ministry of Health, the Ministry of Finance, the Ministry of Economic Development and Planning, and Lilongwe District Assembly.

- Donors: both bilateral and multilateral agencies. Interviews were conducted with staff members from organisations that were part of 'aligned' structures such as the NAC pool-funding mechanism, the Health SWAp, and direct budget support group, as well as those operating outside these arrangements. Unfortunately, I was unable to meet with representatives of the Global Fund as they are based in Washington DC with PricewaterhouseCoopers acting as their agent in the country (and they did not give interviews, I was told).

- Civil society organisations, including international as well as national NGOs and associations, CSOs, a trust and a professional association.

Interviews were semi-structured, allowing issues raised during the course of the meeting to be probed further. An interview schedule, or topic guide, was formulated initially (see appendix C), but it was amended for each meeting according to the type of interviewee. However, this schedule was also altered as the fieldwork progressed and new issues arose. In some cases, where the tasks of the respondent were very specific (as in the case of the Ministry of Finance's Deputy National Authorising Officer), only a few key questions from the original schedule were asked, while the discussion focused more specifically on the complexity of their role and its challenges. Overall, a significant portion of many interviews were devoted to understanding the intricacy of

the institutional arrangements between donors and the GoM, reflecting the paucity of accessible secondary sources. But while questions around the relations between donors and the government of Malawi remained central to most interviews, their content varied quite widely, in line the variety of respondents and the information and opinions they volunteered. This flexibility allowed issues that were not initially envisaged to emerge, such as the importance of procurements and public finance management. Unfortunately however, these questions appeared rather late in the course of my fieldwork and this resulted in information gaps as well as a relatively narrow set of data to draw on in my analysis.

During most of this time, I was also an intern with Action Aid International Malawi (AAIM). This enabled me to get an 'insider's perspective', gain access to various meetings, carry out participant observations as well as gain further contacts for interviews. For example, I attended the Action Aid Programme Forum, which allowed me to learn more about the organisation and the way in which it its objectives are translated into strategies and programmes. I also participated in a report launch on education and Bretton Wood Institutions which enabled me to network and later conduct interviews with some of the participants. I took part in a consultative workshop on community and home-based care (CHBC), organised by WHO and VSO, and attended a meeting on the launch of a new website followed by a press conference on the treatment literacy project recently launched by AAIM. Maybe the most two important activities in terms of research outcomes were the participation in a one-day workshop in Blantyre on the HIV/AIDS legislation currently being drafted, during which I was able to make further useful contacts and get a sense of the legislative process in Malawi, and attendance at a task-force meeting on the National AIDS Spending Assessment (NASA) that Malawi was about to undertake. This gave me insights into the NASA process itself as well the as the relationships between the

various ministries and government bodies. However, at the time of my fieldwork, the AAIM office was suffering from cash flow problems and many activities had been put on hold, limiting the insights the internship could have provided.

Some informal ethnographic observations were made both through the internship and during the interview process. As Crang (2002: 650) argues, ethnography allows one to address the non-discursive and more performative aspects of policy delivery, by focusing on what people do and not only what they say. I made detailed observations of interview settings and interactions between individuals, for example amongst employees at Action Aid International Malawi, or between research participants when conducting a paired interview, and wrote these down later in the day. I also took notes on the dynamics between individuals or various groups of people at events and conferences I attended. However, in the end, I have used relatively little of this data in this thesis as interviews and document analysis often provided stronger and more detailed material. A number of observations also fell outside the focus of this thesis and would have distracted from its main points. Yet, these notes were illuminating in a few instances, for example in order to ascertain the variations in the material conditions under which some interviewees were working. In the Ministry of Health in particular, staff, even those in relatively senior positions, were crammed in small rooms. Files were piled against the walls showing a lack of office resources as basic as filing cabinets. In comparison, the NAC and the Ministry of Finance appeared to be better resourced.

A fourth, overlapping stage of this research was the analysis of secondary data. I first collated Malawi's official policy documents dealing with development (for example, the Poverty Reduction Strategy Paper and the subsequent Malawi Growth and Development Strategy) and Health/AIDS (e.g. Malawi's National AIDS Policy). Internet searches then allowed me to identify reports from donors as well as international,

national and local NGOs/CSOs on these themes. I also made a number of more specific searches pertaining, for instance, to public finance management or to policy conditions attached by the International Financial Institutions to Malawi's debt relief. Finally, a number of key documents, particularly those pertaining to the Health SWAp, the NAC and the Common Approach to Budget Support Group were provided to me by research participants. These documents were studied for discourses and practices, sustaining a governmentalisation of aid, using the axis of questioning proposed by Dean (1999) and outlined in section 5.2.1. The selection of documents comprised main policy especially those pertaining to My analysis was inspired by the Critical Discourse Analysis approach which views texts as 'social spaces' which 'constitute systems of knowledge and belief […] [as well as] social subjects (or in different terminologies, identities, forms of self) and social relations between (categories of) subjects' (Fairclough, 1995: 6). Policy documents were particularly useful in providing greater insights into what Dean (1999: 43) calls the 'formation of identities'. Texts were analysed with particular attention paid to questions such as: how are various subjects or groups of subjects constructed in the text? What are the roles and attributes ascribed to them? Which types of conduct are promoted by the documents, and which are either absent or presented as unsuitable? Document analysis was also useful in highlighting discourses pertaining to the relationships between the various groups of actors. For example, I was attentive to the ways in which the description of specific arrangements (such as mechanisms for dispute resolution) drew on particular semantic fields (in this case, openness and friendliness) and how this could be seen as part of the governmentalisation of aid relations. In addition, by providing specific information on more technical modalities relating to the new aid architecture (for example with regards to procurement or the use of indicators), policy documents allowed me to analyse the technologies and fields of knowledge governing aid relations.

Document analysis has a number of weaknesses however. Such texts are often the result of negotiation processes that are obscured in the official version (Gottweis, 2003). These documents thus reflect the outcome of a bargain between different discourses or 'truths'. Texts are also 'ideational' (Fairclough, 1995: 6) in the sense that they constitute 'systems of knowledge and belief'. As such, they construct a normative description of reality – what ought to happen – which is not always reflected in the ways in which policies unfold and are implemented. However, using document analysis in combination with interviews and ethnographic observations allows us to reduce these drawbacks by providing greater nuances. In this thesis, I have drawn primarily on interviews as they offered a source of rich and detailed material. Document analysis was nevertheless useful in giving further insights into the articulation of particular discourses, as well as in presenting more detailed information on the current arrangements.

5.4.2. Analysis: making sense, creating meanings

As Schiellerup (2008) states, while epistemology has received increased attention in the past twenty years, the process of analysing data and writing it up in a coherent form has often remained a 'black box' of qualitative research. This section aims to provide details on this process.

Data from interviews was transcribed and coded using Nvivo, a qualitative data analysis software which enables users, amongst other things, to code parts of an interview transcript according to various nodes, or themes. Coding was done according to pre-defined themes stemming from a preliminary analysis of the data. A few 'free nodes' with material not fitting in any of the categories were also added as the coding progressed. It is worth noting, however, that coding sought to cover both material for

the research report, a more practical assessment summarising the views of research participants on the successes and challenges of the implementation of the new aid architecture in the area of AIDS in Malawi, and the thesis itself, with its more theoretically-grounded perspective. The themes used were the following:

- HIV and AIDS policies in Malawi (report): successes and challenges (including implementation; lack of capacity; late disbursements; decentralisation; corruption; others).

- The new aid architecture in Malawi (report); positive aspects; negative aspects; challenges; changes in relations between donors and the GoM; suggestions to make funding more effective.

- The organisation of AIDS implementation in Malawi (PhD + for reference): roles of the NAC; the MoH, donors, districts; changes in recent years.

- The Governmentalisation of donor-GoM relations (PhD): power relations between donors and the GoM; greater autonomy of the GoM; the new role of donors.

- The means of governmentalisation (PhD): discursive truths (increased embedding of donors, creation of pool funding agreements, donor-defined procedures, technical assistance); ethical practices of the GoM; conditionalities.

- The neo-liberal 'mentality' of the new aid architecture (PhD): indicators (link between AIDS and indicators; the Malawi Growth and Development Strategy) variations amongst donors; resistance from the GoM; lack of capacity and failure.

However, the categories used were rather general and generated hundreds of pages of quotes. While the coding was useful in narrowing down the amount of material and operating an initial selection, the data needed to be further refined in order to become usable for the thesis (the report selection was narrower and more straightforward to structure in finer details from the content of the themes). In that respect, I found it

useful to take some time to familiarise myself again with my theoretical framework, re-reading through Foucault's lectures, as well as key books extending the concept of governmentality (Miller and Rose, 2008; Rose, 1999; Dean 1999) with my data in mind. The axes of analysis proposed by Dean (1999) which I had overlooked the first time were particularly useful. I took notes and drew diagrams in order to clarify how various elements of governmentality interacted with one another. Going back to my pre-selected data, I used coloured stickers to refine the themes, and rearranged the quotes on my electronic document accordingly, deleting quotes that seemed redundant. This provided me with a template to structure my chapters. However, the process of writing itself led to more restructuring and re-shuffling as the arguments unfolded. I found that having been through the process of transcribing, coding and re-coding provided me with a thorough knowledge of my data that allowed me to call upon specific quotes as I was writing, Thus, the analysis process mixed formal analysing strategies such as thematic coding and more intuitive connections enabled by a good knowledge of my data.

5.4.3. Ethical considerations

This study is informed by ethical principles. These have been largely drawn from those promoted by the Royal Geographical Society's Developing Areas Research Group (DARG) which include: 'honesty, integrity, sensitivity, equality, reciprocity, reflectivity, morality, contextuality, non-discriminatory, fairness, awareness, openness, altruism, justice, trust, respect, commitment' (DARG, 2003). However, in the context of this research, some of these principles have raised questions. Indeed, like much of the literature on the research process, these guidelines implicitly assume the coincidence of an 'ethic of care' based on interpersonal emotional relations with the researched and an 'ethic of justice' relying on the idea of fairness (Ansell and van Blerk, 2005). However,

the problems pertaining to the application of ethical guidelines to real-life research contexts has been recognized by geographers (Valentine, 2003; Ansell and van Blerk, 2005). This is particularly the case in oppositional research. As Han (2010: 11) asked: 'is it possible to engage in ethical and critical research when the subject is deemed the "enemy" from the outset?'

Research that stems from a critical perspective on the participants involved has thus entailed the reappraisal of some of these principles. For example, oppositional research raises a dilemma between obtaining, and maintaining, access to interviewees and honest and full disclosure of the research goals (Hanson Thiem and Robertson, 2010). In her study of Korean/American evangelical groups, Han (2010) makes the distinction between not volunteering her opinions (which were thus assumed to be in line with those of her research participants) and lying, which would be considered as unethical. Similarly, trust and respect can be problematic values in the case where research subjects hold views that are at odds with those of the researcher (such as the case of Blee's (2007) study of former, but unrepentant, members of the Ku Klux Klan). It has also been acknowledged that these guidelines 'offer topics for consideration rather than "blue-prints" for good practice' (Cree et al, 2002: 48). Oppositional research notably requires a balancing act and a thoughtful revisiting of commonly upheld ethical guidelines.

In my research, I have striven to stay as close as possible to the spirit of the DARG ethical guidelines. I have complied with all formal ethical requirements. The research gained ethical approval from Brunel University and has abided by the procedures and requirements in place in Malawi at the time of my fieldwork. This involved seeking and receiving ethical approval from the National Health Sciences Research Committee (see appendix D) as well as affiliating with the Centre for Social Research at University of

Malawi, to which I paid a visit, allowing me to discuss my research with some of its staff.

Research participants were provided with a leaflet outlining the study's objectives, methods, ethical approval and plans for dissemination, prior to being interviewed (available in appendix B). However, it is worth noting that the focus of the research has been altered somewhat as a result of the fieldwork. In addition, the leaflet was framed in neutral terms and focused to a great extent on technical issues. In that regard, it does fall short of DARG's expectations of constant 'open, truthful and full disclosure of the objectives and expected outcomes of the research' (DARG, 2003) since the research stemmed from a critical perspective vis-à-vis the organisations represented by some of the participants. Yet, as Han (2010) inferred, in the context of oppositional research, the silencing of one's critical standpoint may be necessary to the continuation of the research. In addition, the complexity of the theoretical framework used in this study would make a truly full disclosure of the research objective a probably mystifying experience for most research participants.

Written consent to participate in the research and be quoted in this thesis and subsequent publications was gained before starting interviews. Consent was also sought to record interviews (and was denied in one instance) and the opportunity to make 'off-the-record' comments was offered and, in many occasions, seized. Requests by interviewees to see and amend the transcript of our conversation were accommodated. Confidentiality was guaranteed and, in writing this thesis, direct quotation was attributed to groups such as 'Government of Malawi', 'donor' or 'NGO/CSO' in order to provide anonymity. In a few places, I have provided further information about respondents quoted, identifying them as members of staff of a particular Ministry or a specific group of donors. However, I made sure that the numbers of respondents

corresponding to these categories was large enough (usually at least three) to ensure that anonymity would be maintained. At a more inter-personal level, I have striven to keep an open mind and sought to understand the viewpoint of participants (Duke, 2002). A research report reflecting the more practically oriented interests of participants was developed and sent to all those interviewed in Malawi, in order to ensure that they benefited from the process (the report is available in appendix E). In the thesis, quotes were contextualised as much as possible and care was taken not to distort their meaning. Thus, although elite and oppositional research may require some adjustments to the ethical principles usually promoted, this thesis has sought to abide by the values they uphold; any variations were motivated by an 'ethic of justice' (Ansell and van Blerk, 2005).

5.5. Conclusion

In this chapter, I discussed the epistemological and methodological approaches used in this study. I explored the implications of a post-structural perspective based on the idea that knowledge constitutes, rather than reflects, the social world. I then considered how a governmentality analytics approaches the issue of epistemology, showing how its explanatory power is based on the consistent use of a number of questions with regards to visibilities, techniques, episteme and the formation of identities. Issues of positionality were also explored, particularly in the context of 'elite' and oppositional research. I also questioned the radical potential of governmentality studies and showed that, though the critique they formulate may not have direct and practical applications, they nonetheless contribute to open debates, potentially leading to social change.

The following section discussed these issues with reference to my own research. I explained how the emergence of a research topic was influenced both by my own

positionality and by currently valued theories within academia. I also showed how the scope of the research had to be reconsidered after a first 'failed' interview, and examined the reasons for this failure, analysing the role played by the relative positionalities of the researcher and participants, particularly in the context of 'elite' studies. I then discussed the reasons why this issue manifested itself differently in the context of my fieldwork in Malawi.

In section 5.4., I provided more information on my research methods, describing the various phases of the study. I also reflected on the process of data analysis. Finally, I discussed the ways in which this research is grounded in ethical principles and explored how elite and oppositional research required some adjustments to the generally-agreed guidelines.

Chapter 6:

Governing through freedom:

educating desires, instilling values, inculcating habits

6.1. Introduction

'*To govern, in this sense, is to structure the possible field of action of others*[1].'
(Foucault, 2001: 1056)

This quote, from Foucault's 1982 essay entitled *The Power and the Subject* encapsulates the ideas developed in this chapter. Indeed, as seen in chapter 4, Foucault views governmental power relations as hinging on freedom, in the sense that 'the "other" (the one over whom power is exercised) must be recognized and maintained to the very end as a subject who acts[2]' (Foucault, 2001: 1055). This is what distinguishes them from relations of domination which are characterised by the threat of violence or its actualisation (although governmental power can also draw on violence, this does not constitute its central mode of operation).

Drawing on these ideas, I explore how the new aid architecture can be viewed as deploying a series of technologies entrenching a shift in the nature of the relations between donors and poor countries. As chapter 2 explained, concepts such as ownership, governance, transparency and effectiveness have coalesced around the new millennium under the 'Post-Washington Consensus' (PWC) label. While some have seen this new country-led approach as 'a façade, behind which donor influence intrudes further, or an excuse for donors to step back and issue a disclaimer' (Collins,

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[1] 'Gouverner, en ce sens, c'est structurer le champ d'action éventuel des autres' – author's translation.
[2] '"l'autre" (celui sur lequel elle s'exerce) soit bien reconnu et maintenu jusqu'au bout comme subject d'action', Translated by Ivan A.Ramirez - published in Pli The Warwick Journal of Philosophy

2011: 3), I argue here that this new paradigm constitutes rather a significant change from a relationship based broadly on coercion (and resistance to it) to interactions drawing largely on the repertoire of neoliberal governmentality. While in the previous period, marked by Structural Adjustment Programmes (SAPs), donors can be seen as drawing on the grammar of domination, working through pressures and threats of funding withdrawal, or operating in parallel to and independently from the state (for example, through the funding of civil society organisations), the PWC has been characterised by a different set of strategies and techniques that seek to construct poor countries as agentic subjects[3], behaving as responsible entrepreneurs of themselves.

However, while analyses of the PWC as a new, governmental, expression of power relations have chiefly focused on Poverty Reduction Strategy Papers (PRSPs) (for example, Collins 2011; Best, 2007), I contend here that the new aid architecture, as enshrined in the Paris Declaration, represents a much deeper entrenchment of the ethos, techniques and episteme (field of knowledge) that characterise government (Dean, 1992). Also, while critiques have often focused on economic policies, I argue here that concentrating on donors' engagement in a social area such as Health and HIV/AIDS, reveals how the neo-liberal rationality underlying this new kind of power relations, is extended to all areas of government.

In this chapter, I focus on how, under the new aid architecture, a number of 'technologies of subjectivity' (Miller and Rose, 1990: 7) have been deployed by donors in an attempt to govern through 'freedom' (Rose, 1999). Using data from my fieldwork in Malawi in 2008, I show in section 6.2., how this involves eliciting the agentic qualities of the recipient country, by engaging with its desire for sovereignty and

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[3] This is not to deny that recipient countries had some degree of agency in the previous period, but that it was conceived as antagonistic or irrelevant to the goals of donors.

autonomy, in order to foster an entrepreneurial state. However, governing though freedom also entails shaping subjects, here the Government of Malawi (GoM), so they can make 'proper' use of the liberty through which power now operates. Section 6.3 thus explores how the new aid architecture has created or reinforced spaces where dialogue as a technology of government can be deployed by donors in order to shape the GoM's agency. I show how this relies on paradoxical discourses, drawing on the one hand on an 'equalising rhetoric' (Power, 2009) and, on the other, presenting the GoM as technically deficient, thus needing donors' support to assume its new role. These discourses also have depoliticising qualities that allow the representation of policies as technical and legitimise donors' role within policy making and implementation. Finally, section 6.4 examines the various ways donors use dialogue in order to foster the GoM as a 'suitable' subject, shaping its agency by promoting various norms of civility, encouraging policies that are consistent with specific regimes of truth, facilitating the acquisition of techniques and inculcating practices of self-improvement. These processes of subjectification can be seen as instilling an ethos of self-responsibility, consistent with neoliberal governmentality, allowing donors to govern through freedom.

6.2. Constructing the entrepreneurial state: country ownership and donor coordination as agentic technologies

While the principle of country ownership has been deployed by development actors for over a decade (for example, in relation to the rolling out of PRSPs), the new aid architecture has given the use of country systems and policies a new impetus by committing a greater number of donors to this principle. Indeed, the first of the five key concepts buttressing the Paris Declaration enjoins 'partner countries' (aid

recipients) to 'exercise leadership in developing and implementing their national development strategies' (para 14). Ownership has been seen as a tool to address the failures of 'conditionality-based agenda setting' (Collins, 2011: 3), or a smokescreen enabling the perpetuation of the status quo (see for example, Anders, 2005, for a detailed analysis of Malawi's PRSP). While I don't necessarily dispute these interpretations, I would like to suggest that ownership can also be seen as a technology of subjectification, a discursive tool enabling the activation of poor countries' entrepreneurial agency, and a way of instituting a more governmentalised power relationship allowing donors to rule through freedom.

Following Foucault, Dean states: 'the notion of government as the "conduct of conducts" presupposes the primary freedom of those who are governed entailed in the capacities of acting and thinking' (Dean, 1999: 24). However, as Rose (1999) argues, we should distinguish between freedom as a formula of power, which he develops in the quote below, and freedom as a formula of resistance (as in resistance movements). He explains:

> 'Modern individuals are not merely "free to choose", but obliged to be free, to understand and enact their lives in terms of choice. They must interpret their past and dream their future as outcome of choices made or choices still to make. Their choices are, in their turn, seen as realizations of the attributes of the choosing person – expressions of personality – and reflect back upon the person who has made them'.
>
> (Rose, 1999: 87, emphasis original)

As I show here, ruling through freedom is a strategy that also applies to aid-dependent states.

In Malawi, the importance of the government's agency was made clear, notably in the areas of Health and HIV/AIDS. At the Ministry of Health (MoH), the Sector-Wide

Approach (SWAp) has created a strong compulsion for the Government to make choices with regards to polices and their implementation. As this MoH representative explains, under the new aid architecture, there is an exhortation for the government to be 'free', to display its agentic quality by expressing its preferences and coming up with propositions with regards to policies:

> *'We are expected to show leadership in terms of what our priorities are and how we would want to go about implementing interventions for the priorities.'*
>
> (GoM interview 8)

Similarly, this National AIDS Commission (NAC) representative explains, the onus is firmly on the NAC to develop policies and plans:

> *'First and foremost we're responsible for the development of strategic plans for the national response.'*
>
> (GoM interview 7)

In addition, the Health SWAp and NAC pool-donor mechanism can be seen as further teasing out the governmental agentic qualities by requiring a series of detailed actions and choice-making processes pertaining to policy implementation to be undertaken by the recipient government:

> *'The [SWAp] Memorandum of Understanding defines an obligation under the Ministry of Health to write plans, to write strategies, to engage in planning processes like the procurement planning process by a certain point in time in the financial year and in readiness for the following financial year.'*
>
> (Donor interview 3)

As the above quote reflects well, the rhetoric of freedom and agency cannot be separated, here, from a language of compulsion: though the government is compelled to engage in processes and undertake actions such as drawing detailed work plans, the outcomes of these are, in theory at least, wide open. As Foucault (2001: 1055) puts it 'what defines a relationship of power is that it is a mode of action which does not act

directly and immediately on others. Instead, it acts upon their actions[4]'. As Best (2007: 93) states, the focus on ownership reveals an 'emerging governmental conception of responsibility'. Indeed, under the new aid architecture, the imperative for aid recipients to actively engage in processes relating to policy-making, to become self-reflective subjects and entrepreneurs of themselves has, to some extent, replaced the compulsion to implement donor-imposed policies.

Moreover, the new aid architecture requires recipient governments to play a pro-active role by placing the responsibility for donor coordination in their hands. The Paris Declaration, for instance, commits 'partner' countries to 'take the lead in co-ordinating aid at all levels' (OECD, 2005: para. 14). This role can be seen as another medium through which the capacity of the government to 'think and act' is called for and bolstered, at various levels. In Malawi, the government has embraced this role and developed the Malawi Development Assistance Strategy (2006-2011), a document spelling out the various ways donors could contribute to the implementation of the Malawi Growth and Development Strategy:

> *'The Malawi government has a development system strategy which provides a context and framework for donor support to the Malawi government, almost a code of conduct on how donors would help and most effectively support this national development agenda.'*
>
> (Donor interview 6)

This role is clearly translated at the level of government bodies dealing with Health and AIDS. Interviews with personnel at the National AIDS Commission reveal the extensive responsibility that consulting with and coordinating all aid donors represents, especially as NAC needs to engage with non-aligned partners:

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[4] 'Ce qui définit une relation de pouvoir, c'est un mode d'action qui n'agit pas directement et immédiatement sur les autres, mais qui agit sur leur action propre' (translation from Foucault, 1982: 789).

> *'Currently we have the National Action Framework which covers 2005 to 2009 and then this translates into an Integrated Annual Workplan which involves input from all the key stakeholders in the National Response to HIV and AIDS […] We are also seeking input from the other discrete donors that do not channel resources through the National AIDS Commission. […] By the end of the day we make sure that all the implementing agencies in the country are buying into the National Strategic Framework.'*
>
> (GoM interview 7)

Although the aid effectiveness agenda aims to streamline and reduce the burden of interactions with donors, it appears to have led to a different, yet intense, kind of engagement based on the duty of aid recipients to coordinate all development actors, and negotiate with discrete donors to ensure that their funds are directed towards areas identified in the GoM's national plans:

> *'NAC has worked out an Integrated Annual Workplan prior to the start of every financial year in which they clearly outline where their pool funding would go and where the discrete funds will go. So the discrete donors include UNDP and the US Government but it's been worked out in such a way that there is more or less I think complete harmonisation in terms of who's going to be responsible for what.'*
>
> (Donor interview 3)

This pro-active role is also firmly established as far as aligned donors are concerned. For example, the Health SWAp's Memorandum of Understanding (MoU) (a document that specifies the guiding principles and roles and commitments of the various partners engaging with the approach) lists a number of undertakings that the Malawian government agreed to carry out, starting with two pledges putting it in charge of managing and coordinating the aid planning and delivery:

> *'The Government undertakes, within the limits of its laws, policies, rules and regulations, to do the following-*

(1)   facilitate the successful implementation of the POW [Programme of Work] in the health sector, where practically possible, and in line with the general Government policy;
(2)   provide overall leadership in planning, administration, implementation and monitoring of the POW, AIPs [Annual Implementation Plans] and budget;'

<div align="right">(Republic of Malawi, 2004a: 5)</div>

Thus, through these processes, The GoM is compelled to display agentic qualities, mobilising organisational and leadership skills, negotiating and mediating their relations with donors.

However, these requirements to take charge, to manage the coordination of other development actors and to make choices, work through, rather than against, the GoM's aspirations and interests. As Cruickshank (1999: 82) puts it 'to govern, then, means first to stir up the desire, the interest, and the will to participate or act politically'. It taps into hopes for greater sovereignty, mirrors the government's desire for self-determination, and stirs up ambitions of greater leadership, as these quotes indicate:

'There is a will of taking on this responsibility from the Government.'

<div align="right">(Donor interviewee 6)</div>

'I think government is leading, they are in the driving seat, I don't think there is any question about that and Malawians are very strong in terms of political will and motivation.'

<div align="right">(Donor interview 8)</div>

Interviews with government staff reveal a more nuanced picture however, displaying a clear willingness to seize the opportunity to assume the new responsibilities bestowed on them through the new aid architecture but showing that change might be more incremental than portrayed by donors:

> '*E.M.:- Do you feel that government is more, as they say, in the driver's seat now?*
> *GoM: - We are not yet there but we are making good progress [in this direction].'*

<div align="right">(GoM interview 2)</div>

This may reflect the fact that some donors (the Global Fund was often cited in that regard but others, such as the World Bank, were also mentioned) have not embraced the new aid architecture as readily as others and still seek to impose reforms, find it hard to let go of their ability to dictate conditions. The interviewee quoted below, for example, had been referring to donors' requirements for reforming Malawi procurements, which explains her cautious statement:

> '*I would want to believe that we are in the driver's seat.'*

<div align="right">(GoM interview 8)</div>

In contrast to the structural adjustment period however, many donors are now encouraging of the GoM's display of agency, at least in areas pertaining to social spending:

> '*In Malawi through the Ministry of Finance and its Debt and Aid Division, there are at least several attempts underway to exercise national leadership which I think is very commendable'*

<div align="right">(Donor interview 6)</div>

> '*The National AIDS Commission takes the lead, takes the responsibility […] now they're chairing for instance, they're chairing the pool funding partners which is a very good development. But they need the support.'*

<div align="right">(Donor interview 1)</div>

The aid effectiveness agenda thus works through the GoM's desire for autonomy and sovereignty, creating compulsion to make choices as a free subject, enlisting it into a discourse of self-responsibility by granting it a central role in its policy-making and as

the chief aid-coordinator. Rather than seeking to impose policies through coercion, this governmentalised form of power operates by defining a number of areas where it becomes the GoM's duty to make appropriate decisions. However, as this last quote shows, the use of freedom is conditional on the ability to make suitable use of it. The next section explores how donors use dialogue as a governmental technology enabling them to influence the GoM's agency.

6.3. The new aid relations: dialogue as a governmental technology

As Burchell (1996, 24, in Huxley 2007) explains, liberal governmentality enables the governed to 'freely conduct themselves in a certain rational way… that requires the proper use of liberty'. Here, I show how the new aid architecture has institutionalised dialogue as a governmental practice allowing donors to guide the GoM's agency. I show that the deployment of dialogue as a governmental technology is both characterised and enabled by a paradox: a discourse presenting aid relations as a partnership based on horizontal, consensual and apolitical relations, while at the same time relying on the idea of the GoM as lacking the technical capacity to operate properly without donors' assistance, thus de-problematising and legitimising their place at the heart of policy-making,

6.3.1. Creating governable spaces

The new aid architecture has created or bolstered a number of institutional spaces where regular interactions between donors and government officials take place, thus redefining the sovereign contours of the government in Malawi, creating grey areas where various responsibilities and accountabilities overlap.

For example, the existence of the Health SWAp represents an institutional space which is entirely conditional on the participation of donors. Despite being located within the Ministry of Health, it does not represent exclusively the government. Even more strikingly, the National AIDS Commission is a semi-autonomous trust that was created in 2001 at the request of the World Bank. It replaced the original National AIDS Control Programme (NACP) set up in 1989, in the Ministry of Health. The autonomy of the new NAC from the Ministry of Health aims to reflect a stronger multisectoral approach to the pandemic, rather than focusing chiefly on biomedical issues (NAC, 2012). But it also allows the bypassing of state structures and regulations, particularly in terms of budget, staff pay and conditions, organisational structure and authoritative decision-making. This was hailed as a way of promoting its ability to 'respond quickly and decisively to issues' (NAC, 2012) but, I would argue, also represents the creation of an institutional area that is more easily governed. As Rose (1999) explains, the delineation of specific spaces in a way that makes them more easily knowable, calculable and governable is key to enabling the deployment of governmental power.

Indeed, donor agencies are accountable to their own governments or stakeholders. In the context of basket funding or budget support, the need to ensure that money is spent, not only for the purpose intended, but also, increasingly, in an effective manner, is higher than ever:

> *'If NAC didn't exist, I don't think donors would have the confidence to put in the levels of resources that they are currently putting.'*
>
> (Donor interview 6)

Budget support or pool funding mechanisms are thus based on a quid pro quo, where country ownership is matched by a greater surveillance by donors of the micro-

processes linked to policy formulation and implementation, ensuring that liberty is used in a 'proper way'. As this MoH staff explains:

> *'Once you've put your resources in the pool as a SWAp partner, two major things have to be understood. The government is in the driver's seat, it will make the decisions. Of course, they will invite input from the partners; the partner will have lost its say in how the funds are used. But what the partner has done is it has gained a position at the discussion table.'*
>
> (GoM interview 8)

Thus these new institutional spaces enable the incursion of donors into the heart of policy-making, while simultaneously reiterating the importance of the freedom and sovereignty of the aid recipient.

In addition, the new aid architecture has led to a formidable increase in regular interactions between donors and the GoM, already suggested in the previous section by the latter's role as aid coordinator. The Health SWAp and the NAC pool-funding mechanisms are exemplary in that regard:

> *'There are a lot of interactions and dialogue that is going on. It's not like donors are putting money and then going to the lake.'*
>
> (GoM interview 9)

However, even beyond these semi-autonomous spaces, the new aid architecture has also led to a proliferation of meetings seeking to improve the coordination of development assistance by providing increased opportunities for dialogue, as this donor representative explains:

> *'There's a body called the Health Sector Review Group which includes the Health Services Commission, the Ministry of Health, the Ministry of Finance… […] Donors are represented in an efficient way so that the Secretary and the Chair of the Health donor group go but none of the other donors do. There are Technical Working Groups which address different technical issues such as the financial management or procurement reforms at the Ministry of Health. So*

> *that's essentially how the interaction takes place. Of course that's not the only interaction. There are lots of other events and meetings taking place all the time in which we work together with the Ministry of Health.'*
>
> <div align="right">(Donor interview 3)</div>

The new institutional landscape of aid cooperation thus enables the development of these new hybrid or liminal spaces where dialogue as a technology of power can be deployed.

6.3.2. The equalizing rhetoric: the governmentalising power of partnership

Dialogue as a governmental technology is underpinned by a dual and paradoxical rhetoric. One of these discourses constructs aid relations as a partnership, a collaboration between participants of equal worth, acting towards a common goal. The characterisation of interactions between rich and poor countries as partnership is not new (Noxolo, 2006) and has been used by the UK, for instance, to maintain a form of tutelage with its former colonies through their inclusion in the Commonwealth (see Power, 2009). As Dean (1999: 29), following Foucault, states, governmentality 'retains and utilizes the techniques, rationalities and institutions characteristic of both sovereignty and discipline' but seek to rework and 'recode' them.

The rhetoric of partnership has been redeployed in recent years in the context of the PWC, replacing a language based on confrontation (Gould, 2005b). As Cornwall and Brock argue, 'many of the familiar terms of recent years evoke a comforting mutuality, a warm reassuring consensus, ringing with the satisfaction of everyone pulling together to pursue a set of common goals for the well-being of all' (Cornwall and Brock, 2005: 1045). This rhetoric can indeed be seen as an attempt to deal with problems associated with conditionality-based assistance, where aid recipients were forced into accepting policies that they would subsequently fail to implement (Booth, 2003). Malawi is

characteristic in that regard. Since the advent of a multi-party system in 1994, aid relations have been marked by a low level of trust and mutual respect between donor staff and Malawians, with a recurrent '"on/off" pattern of programme aid/budget support, with conditionalities agreed under pressure and then ignored or subverted by government' (Booth et al., 2006: 32).

Thus, donors have tried to recast their relationship with aid recipients as more consensual. Indeed, in the words of the Paris Declaration, donors and aid recipients are all 'development partners' (in theory at least). Under the new aid architecture, the idea of partnership has become ever more crucial. As Collins (2011: 6) states: 'The partnership of all stakeholders is possible, it is assumed, because of a common concern to improve the effectiveness of aid towards better development outcomes'. With donors now channelling funding through aid-recipients, they, in effect, bear a certain responsibility to their constituents (be they tax payers through the intermediation of the legislature for bilateral donors, or countries and charitable funds for multilaterals) for ensuring development results through this system. With ownership now a prominent operative concept of aid relations, it is believed that aid recipients too share an interest in developing and implementing effective development policies. The pooling of resources between aligned donors and the government has particularly reinforced these ideas of shared responsibility and mutual accountability. As this NAC representative explains:

> *'We are together, we have the same one annual review, one strategy, we have one set of reports, we interact, we are all accountable. Donors, they also need to be accountable to us, we are also accountable to them.'*
>
> (GoM interview 9)

Yet, the theme of joint responsibility has been embraced beyond the group of fully aligned donors, for example, through the creation of the Malawi Partnership Forum, 'a

mutual accountability structure that serves as an advisory body to National AIDS Commission' (UNAIDS, 2012b), as this interviewee explains:

> 'So we have in Malawi, a Malawian partnership forum which has government, bilateral donors or development partners, the UN and civil society sitting together at a policy level, reviewing on an annual basis what has been achieved in terms of the response in Malawi and being accountable for it, so it's that level of shared responsibility.'
>
> (Donor interview 6)

As Harrison (2001) explains, the discourse of joint responsibility participates in a blurring of boundaries between national sovereign government and donors, de-problematising, legitimising and normalising the intrusion of donors at the heart of policy-making by the virtue of their shared concern for aid-recipients' development. However, it is worth noting responsibilities are asymmetrical (Best, 2007), with donors' role being to provide adequate funding, while the GoM is required to transform their policies and institutions to attain the desired results:

> 'That [reform] is led by the Ministry of Health but it's done through the SWAp arrangement. So it's not only the responsibility of the Ministry of Health, much as it is the lead institution that has to give us results, but donors are part of the process. If donors don't give them the money they [the MoH] can't achieve the indicator targets… so it's the whole mechanism that is there to drive the achievement.'
>
> (Donor interview 7)

Yet, the rhetoric of joint responsibility is reinforced by a discursive construction of aid relations as horizontal. Interviews with both donor and GoM representatives reveal a relationship based on what Power (2009: 16) calls an 'equalizing rhetoric' where power differences between donors and the GoM are played down, and all the actors involved in development assistance are presented as having the same worth:

> 'We're all equal partners around the table, especially now that the Government has become a pool partner in the HIV pool.'

Thus, the involvement of donors in sovereign policy-making is presented as a natural and desirable state of affairs, as a productive avenue for getting more voices around the table generating policy ideas, as this donor suggests:

> *'There are lots of situations where donors will present an idea to the Ministry, that the Ministry will say "okay, we'll support that idea" and then the process gets moving. Sometimes it's the other way around and the Ministry will say to donors: "here is what we want to do" and we'll say "okay" and things are moving. I would say the latter is the more normal state of affairs.'*
>
> <div align="right">(Donor interview 3)</div>

Indeed, the spirit invoked here is that of collegiality, fairness and neutrality. As Abrahamsen explains (2004: 1454), the power of partnerships lies in 'techniques of cooperation and inclusion'. This equalizing rhetoric, with its inference that all actors have equal value, equal say and equal stake in policy work being carried out, can be seen as performing an important governmental function. By drawing on words and ideas that are 'fulsomely positive' (Cornwall and Brock, 2005), they support a conception of policies as politically neutral and ultimately technical.

Dialogue as a governmental technology works towards the (rhetorical) erasing of power hierarchies, the elimination of the alterity of the GoM and the promotion of policy-making as value-neutral and technical. Although this dialogue is underpinned by discourses that permeated the area of international development prior to the Paris Declaration, the new aid architecture, through its promotion of intensive, yet more consensual donor-GoM interactions based on country ownership, has redeployed them as governmental technologies: while all actors are presented as equal partners, the GoM is constructed as technically deficient, requiring donors' expertise to make proper use of its new freedom.

6.3.3. Deficient agency and the power to care

Contrasting with the 'equalising rhetoric' described above, another interwoven discourse presents the GoM as deficient and lacking the technical skills that would allow it to behave as a suitably agentic subject, by developing appropriate policies, carrying out necessary reforms and implementing suitable programmes:

> *'Capacity is the biggest challenge on the part of the government, because it lacks that capacity in terms of know-how…in terms of technical ability to lead.'*
>
> (Donor interview 7)

As this NGO staff member explains, dialogue between donors and the GoM is often used to underline the inadequacies of the aid recipient, while donors' behaviour often remains unquestioned:

> *'I attended the meeting on "Making the Money Work" [a UNAIDS programme of technical support seeking to strengthen countries' national AIDS programmes], how we can accelerate the implementation within the Ministry of Heath and all I got was what the ministry doesn't do, the whole document.'*
>
> (NGO/CSO interview 6)

Interestingly, the more structural aspects of the GoM's lack of capacity such as overworked and underpaid civil servants or lack of access to up-to-date ICT tend to be overlooked by donors, or treated as sovereign or intractable issues, as these donor representatives suggest:

> *'Donors are not supposed to do anything to help because one thing about the SWAp is you entrust the Government to take leadership, you have given finances and it's up to the Government to take the leadership and say this is the way we are going to move. But at the same time, human resources, you need to have human resources who the Government can sustain it on. So that's the balance that they have to make. If they need more people, it's up to them to say "oh in this area we need more people"'.*
>
> (Donor interview 4)

'The whole issue of capacity development is a very big and very difficult subject. It's something that's very hard to achieve.'

(Donor interview 3)

In contrast, technical capacity is seen as an actionable item, an area where donors' expertise can be deployed in order to enable the GoM to fulfil its role. While the scrutiny of the GoM's activity can be understandable from the point of view of donors given their joint responsibility to achieve results and their accountability to their constituents, it justifies deeper involvement in shaping policy-making and implementation in a very detailed way. As this NGO staff member explains:

'There is a great deal of micro-management of processes within government from, if you want to call them donors, or development partners'.

(NGO/CSO interview 6)

Thus, donors have cast themselves as the ultimate judges of the validity and viability of the plans developed by the GoM, as this quote suggests:

'So that whole process defines a situation where you have the Ministry of Health saying to other partners 'here is what we are going to do in the coming financial year' and then other partners have the right to comment on that to influence it if they want. That's the general state of affairs. The implementing partner says "here are our plans" and the other partners say "great, go for it" or "here's what you need to change".'

(Donor interview 3)

The de-politicising effect of the deployment of aid as technical was well-documented by James Ferguson in his seminal book *The Anti-politics Machine* (1990). He argued: 'betterment', like 'development, has provided an apparently technical point of entry for an intervention serving a variety of political uses' (Ferguson, 1990: 263). The new aid architecture appears to reactivate development biases such as the primacy of technical solutions but its depoliticising effect is qualitatively different, in that it works through

the shaping of state institutions and the re-conceptualisation of national policies as a neutral, technical, optimal solution to a pre-defined and well-documented issue. It eschews a conception of policy as a political arbitration between different groups which are to benefit to various extent from a specific policy.

Instead, it appears to be underpinned by a certain morality of care, a concern with 'the health, wealth and well-being of the local population' (Joseph: 2010: 46), characteristic of governmentality and compatible with a technocratic understanding of policy-making, as this donor representative suggests:

> *'We don't go to the table trying to influence but ensuring that the funds are […] actually filtered down to the people that it's set out to reach.'*
> (Donor interview 3)

As Best has observed (2007: 88): 'whereas [the IFIs[5]] once relied on their claims to neutrality and technical expertise to achieve legitimacy, IMF and World Bank leaders and staff are now drawing on an explicitly moral discourse to justify their proposals'. This is particularly evident in areas such as AIDS or Health, where donors often justify their funding to their constituents (in part) on the basis of the benefits it brings to vulnerable and suffering segments of the population. For example, the third paragraph of the Health SWAp MoU highlights this:

> *'[the Government and the Collaborating Partners] ARE AWARE that the provision of health services to the community constitutes an essential ingredient for the well-being of the people and that the provision of such services in Malawi contributes to physical, mental, social and economic development of Malawians;'*
> (Republic of Malawi, 2004a: 1, original emphasis)

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[5] International Financial Institutions i.e. the International Monetary Fund (IMF) and the World Bank

Thus, the inherent goodness of the goal of AIDS and Health policies places a strong moral duty on the GoM to accept donors' technical expertise and assistance, promoted through their power to care.

The new aid architecture appears to have strengthened or created spaces where regular interactions could take place between donors and the GoM. This has enabled the deployment of dialogue as a technology of government, whereby all development partners are presented as equal partners in theory, while at the same time, the GoM is portrayed as lacking the capacity to uphold its end of the partnership, justifying an in-depth involvement of donors in policy-making. This rhetoric is also both reinforced by and buttresses a conception of policy as technical and apolitical, yet imbued with a sense of morality. The next section explores how dialogue as a technology of power is deployed in order to shape the GoM's agency, by educating its desires, instilling values and inculcating habits.

6.4. Shaping agency: governing the conduct of conducts

This section explores how the agentic qualities of the GoM, while being applauded, are also being reworked and shaped through dialogue so as to result in behaviours and decision-making processes that are seen as adequate by donors. As Rose articulates, in liberal governmentality decisions about self-conduct are 'surrounded by a web of vocabularies, injunctions, promises, dire warnings and threats of intervention, organized increasingly around a proliferation of norms and normativities' (Rose, 1996: 46). This section first examines how donors use dialogue in order to instil values pertaining to civility, seeking to shape the GoM as a reasonable subject. This, in turn, allows the deployment of a regime of truth concerning appropriate policy-making and

implementation. Dialogue is also instrumentalised to promote the inculcation of specific techniques of government as well as methods of self-assessment and self-improvement that are congruent with the norms promoted by donors.

6.4.1. Shaping reasonable subjects: instilling norms and values

The more consensual turn to the relations between the GoM and donors (and amongst donors) hinges upon the upholding of a number of norms of conduct, which are both enforced by the new institutional landscape of SWAps and basket-funding, and allow their very functioning. Rose (1999) explains that values constituting what he calls civility have been instrumental to governing through freedom. He shows how the promotion and normalization of certain types of self-conduct seek to ensure that subjects use their freedom in a suitable manner:

> '*Civility was […] instituted through strategies which attempted to* construct *well-regulated liberty through creating practices of normality, rationality and sensibility. These practices governed* through *freedom, to the extent that they sought to invent the conditions in which subjects themselves would enact the responsibilities that composed their liberties.*'
>
> (Rose, 1999: 72, original emphasis)

The consensual imperative thus appears to rely heavily on the practice of values such as politeness, common sense, transparency, impartiality and plurality. These constitute the new norms of conduct that allow cooperation rather than conflict to develop, as this MoH staff member highlights:

> '*There are some times that probably the partners forget that we are supposed to be implementing the Paris Declaration Principles. So we remind one another politely: "but remember we are supposed to be in the driver's seat and we think this is the best way to do business". We are supposed to be partners and as*

partners, we sit, you know, in a civil manner and discuss issues so that we are all happy in the long run.'

(GoM interview 8)

Transparency, which has been part of the normative lexicon of political liberalism deployed, inter alia by the World Bank, from as early as the 1990s (Harrison, 2010), is also crucial for donors in the context of budget support. As they cannot expect to know how their specific share of funding has been spent, they now require oversight of the entire sector or sub-sector to which their funds contribute (e.g. the SWAp's Programme of Work or NAC's Workplan). The SWAp MoU highlights:

> *'The Government and the Collaborating Partners will work in a spirit of openness, transparency and consultation, and will encourage effective flow of information and dialogue in order to build and sustain confidence and trust.'*
> . (Republic of Malawi, 2004a: art 12.1)

The onus on transparency also draws on moral values such as fair-play and reciprocity, as this interviewee articulates:

> *'It is a partnership between the government and the donor community and in partnership, you lay your cards on the table and each partner is aware of what the other partner is doing.'*

(Donor interview 10)

Values of civility are principally activated through the practice of dialogue which, as I explained above, has tremendously increased since the implementation of the new aid architecture. Dialogue both hinges on the principles described above and constitutes, through its practice, the main mechanism through which these norms are upheld, as this quote illustrates:

> *'[Before] every single donor would go in with their own agenda and quite bluntly try to drive that. And if they saw that NAC wasn't delivering, there was immediately a black mark. But now that the harmonization agenda has been*

> *pushed, it's totally meant that it facilitates the discussion and a lot more trust*
> *around the development partners' table.'*

<div align="right">(Donor interview 3)</div>

As this NAC representative argues, divergences and disagreements have not disappeared overnight with the implementation of the aid effectiveness agenda, but donors now seek to work through the GoM's agency, by orienting its aspirations in line with the new consensual model of aid relations:

> *'If you take the World Bank, or you can take the Global Fund for example, or*
> *DFID say, they have all particular agendas at their headquarters which they*
> *want to see implemented and they will try to influence whatever you want […]*
> *We must make sure that we take [this] into account at country level […] so it's a*
> *question of a dialogue at the end of the day.'*

<div align="right">(GoM interview 9)</div>

Thus these norms of conducts can also be seen as mechanisms allowing donors to instil certain values, shape the GoM's agency around specific qualities, educate its desires and model its subjectivity in a manner that is both consistent with the new modality governing aid relations and that makes it more amenable to being governed.

Some donors appear to provide better role models than others. The Global Fund, which had recently joined the NAC basket-funding mechanism was often seen as failing to abide by this new interactive style. However, most other aligned donors displayed a more consistent and cohesive approach and were able to arbitrate disputes. The quote below is interesting in that respect in that it shows that recalcitrant donors are also disciplined into abiding by new norms of conduct through the mobilisation of the values it incarnates, here, neutrality and common sense:

> *'You have to be careful not to take sides but you also have to be practical. If you*
> *see that it's the Global Fund being difficult, you have to rap them on the*
> *knuckles. Same thing with NAC, if they are being unreasonable then you have*
> *to communicate that effectively.'*

Indeed, the new consensual mentality of government has little tolerance for conflict; dialogue framed by the values of civility is seen as offering tools to pre-empt and resolve disputes, as the SWAp MoU specifies:

> *'In the event of a dispute or conflict regarding the provisions of this MOU or any matter not stipulated in this MOU that may arise during the duration of this MOU the signatories will as much as possible resort to dialogue and friendly consultations.'*
>
> (Republic of Malawi, 2004a: art 12.2)

The instrumentalisation of dialogue as a consensus-building technology appears, however, to be largely successful, as this donor explains:

> *'There's a lot of interaction between the government and the donors so, to me, I would say yes it has tremendously improved the relationships.'*
>
> (Donor interview 10)

The new non-confrontational modes of interactions rely on norms of conduct revolving around neutrality, practicality and rationality. But they also represent media through which these qualities can be inculcated and rehearsed, modelling the aspirations and behaviours of participants. As Rose explains, values and norms coalesce into the production of a certain moral agency, ensuring that subjects' actions are guided by principles coherent with the governing rationality. He states: 'Individuals would have to be equipped with a moral agency that would shape their conduct within a space of action that was necessarily indeterminate' (Rose, 1999: 72). In addition, eliciting a construction of the GoM as a reasonable subject makes it more susceptible to be open to the regime of truth supported by donors.

6.4.2. Episteme: structuring the field of action

As Dean explains, liberal governmentality works by structuring the field of action through the establishment of a specific regime of truth, which is in turn underpinned by what he calls episteme. Episteme is characterised by the 'forms of thought, knowledge, expertise, strategies, means of calculation, or rationality [that] are employed in practices of governing' (Dean, 1999: 42). An interesting development concurrent to the rolling out of the new aid architecture has been the trend towards donors recasting themselves as knowledge-based agencies (McGrath, 2002). This new role relies largely on their alleged thorough appraisal of successful development policies in various other countries and other research-based findings. As this quote suggests, this is seen as highly compatible with the spirit of the Paris Declaration and the principle of ownership, presenting donors as neutral 'knowledge banks':

> *'We're a minority funder of NAC and therefore it would be ridiculous for NAC policies to be set accordingly to what [our] HIV and AIDS policy says. But, since that brings us into the government structure we do have an opportunity to influence NAC policies, which of course we try to do in situations where we think that NAC policies might be err... go against what the evidence says a good national response to the HIV/AIDS epidemic should be.'*
>
> (Donor interview 3)

However, the role of donors as knowledge banks may not be as thorough as proclaimed. The move from project-based aid to policy dialogue had made aid staff's jobs more complex. This has sometimes been heightened by 'efficiency savings' such as DFID's policy of 'doing more with less', leaving staff little time to keep up with research evidence. A recent survey of aid staff involving 100 interviews and 500 survey questionnaires concluded that 'under extreme time pressure, many staff feel unable to properly draw lessons from the evidence, relying instead on their experience' (Jones, 2012: 2).

In addition, Best (2007: 94) argues, 'best practices', while often presented as neutral and technical, actually involve 'defining the norm in a given area – judging what is both good and normal'. In the area of AIDS, what is seen as feasible has undergone dramatic changes, with the rolling out of antiretrovirals (ARVs) in poor countries seen as unrealistic by many in the international community just over a decade ago. Much of what has been seen as achievable has been influenced by technological advances, but also by political will, and the subsequent ability to raise sufficient funding.

While knowledge of (un)successful policies in other countries might be valuable, the representation of research-based knowledge as unbiased and universal reinforces the idea of policy as neutral, technical and optimal, independent of political arbitration. From a governmental perspective, the deployment of international best practice as a regime of truth can be seen as structuring the field of action, allowing the shaping of national policies by judging what is appropriate and what is not, setting standards as to what constitutes good practices and upholding norms of how these are defined as such. The quote below for example, shows that the GoM's policies are seen to require donor scrutiny and adjustments, in order to reach internationally recognised standards:

> *'Sometimes, key information isn't built into it like… going back to the topic of prevention, we're not seeing enough interventions around men having sex with men for example, or prevention around young people… well, there's quite a lot in there but again it boils down to analysis and research, what's being done with the information that you're receiving from partners? Especially since there is a global push for research to make up 5% of the budget and I think here it only makes 3% of the integrated annual work plan. So again, trying to get NAC to adhere to that.'*
>
> (Donor interview 3)

As Gaynor (2010: 347) notes, the dominant communication norm is argumentative, using statistics and facts to build up 'reasonable' arguments. These rhetorical devices are

particularly in tune with the kind of rational and dispassionate subjects described in the previous section. Indeed, the GoM appears to be receptive to some of these ideas. The role of donors as knowledge bank is viewed as helpful by many government officials, enabling them to make their policies more congruent with international norms:

> *'Of course, we consult the donors because, I think, they have an input in terms of international best practices.'*
>
> <div align="right">(GoM interview 7)</div>

The appraisal of the government's plans from the point of view of internationally recognised evidence is thus seen as empowering the GoM and the people it represents to make the best decisions with regards to policy. In Malawi, the institutionalisation of this regime of truth has been further entrenched by a programme promoting the use of 'evidence' at all levels of policy making:

> *'In the wider Malawi public sector, there has just been agreed a programme which is called the Performance, Evidence and Accountability Programme and the idea of that is to try and increase the use of evidence in policy-making by the Government and increase the use of evidence in those institutions that hold the Government to account, like civil society and Parliament.'*
>
> <div align="right">(Donor interview 3)</div>

In addition to structuring the field of action, the entrenchment of this regime of truth can be seen as a technology of responsibilisation, which Rose (1999) argues, has been crucial to the development of a liberal governmentality. As Tan explains 'conformity with the status quo is assured by excluding those states which fail to play by the rules, not through force but through the evaluation of their willingness to be subjected to "universally" recognised policy objective' (Tan, 2011: 1042). The deployment by donors of the episteme constituted by internationally good practices can be seen as seeking the self-regulation of the GoM through the internalisation of this regime of truth. As Miller and Rose (1990) argue, the deployment of 'technologies of subjectivity', such as

objectives, targets, methods and techniques, provide criteria through which aid recipients are enjoined to judge and evaluate themselves.

Thus, through donors' expertise, Malawi's policy is (at least in part) constructed as a reflection of international norms. It might not therefore be surprising that the GoM's policies bear many similarities with donors' priorities, as this interviewee notes:

> '*The Malawi Health SWAp is a good example. I can't think of anything in the [SWAp] programme of work that is inconsistent with what [our] Health Strategy says, of what we should be doing. I mean we work with Governments; we take a Health Systems approach…*'
>
> (Donor interview 3)

The normalising and self-regulating effects of the episteme are reinforced by the rhetoric of partnership described above. One consequence of this new cosmology of power – equalizing, consensual, apolitical - is the proliferation of steps involved in policy-making, where policy ideas can be checked against the norms and values promoted by the new partnership:

> '*With HIV, there's management by consensus. And that's one of the challenges that I see. You cannot move unless you have written that report, so err… when you want to introduce new ideas, new policies, you need to take it to the technical working group where this will be discussed, then it moves to the partnership forum, and sometimes you have to get the pool partners together to sit together, then they vote, at that level you take it to the board for approval.*'
>
> (GoM interview 9)

This consensus-building imperative thus appears to work effectively as a way of defusing ideas that may not fit in with international consensus on appropriate policies. Thus, innovative or context-specific ideas might be prevented from emerging:

> *'Sometimes you lose even the idea in the process. So it's good, but it's, yes, a lot of challenges because sometimes you want to move but you are held back because you need to consult others.'*
>
> (GoM interview 9)

Thus, through the technocratic processes of dialogue and consultation, international standards are maintained and reinforced, translated into Annual Implementation Plans at the level of NAC and guiding the criteria for rating funding applications for civil society organisations. The boundaries of what is seen as a funding-worthy project are tightly defined, possibly preventing the emergence of initiatives that may be at odds with the current prevailing ideas. As this donor representative explains, while donors' financial participation with NAC is initially not earmarked towards specific activities, the funding criteria elaborated through the NAC for the release of these funds to NGOs and CSOs narrow the scope of potential activities:

> *'The pool money is very loose but then it becomes very directive. If you don't fit into this proposal you don't get money.'*
>
> (Donor interview 1)

Indeed, interviews with government officials and some NGO staff members reveal a more complex picture, showing that the imposition of this episteme is not as uncontested and subliminal as donors might present it. For example, this interviewee was quite clear that health policies could not be seen as home-grown:

> *'And maybe you can talk to […] the director of planning at the Ministry of Health. He will tell you exactly how much donors have pushed him off track with their own priorities.'*
>
> (GoM interview 4)

This was echoed at the National AIDS Commission too. The more governmentalised way donors are operating – with the importance of dialogue highlighted in the quote below, for example, works through entangling aid-recipients in these discursive practices and these regimes of truth so as to make them share donors' perspectives:

> *'If you take the World Bank or you can take the Global Fund for example, or DFID say, they have all particular agendas at their headquarters which they want to see implemented and they will try to influence […] We must make sure that we take into account at country level […] so it's a question of a dialogue at the end of the day. To us, what is important is that we are addressing our priority areas. I think I haven't seen one diverting us completely, or something completely different.'*
>
> (GoM interview 9)

Working through neoliberal governmentality appears to be successful in some ways, with the GoM appearing keen in some respects to abide by international standards of good practices, for example by soliciting donors' inputs. However, it is clear that this is also buttressed by their need for funding. Thus, neoliberal governmentality appears to be reliant on the threat of exclusion, the possible recourse to a relation of domination. The threat of funding withdrawal and its potentially dramatic consequences were evoked by several Malawian interviewees:

> *'We have more than 180,000 people who are starting on ARTs[6]. This is thanks to courtesy of the Global Fund. We need to find a way for local resource mobilisation to supplement that, in case something goes wrong with the grant. Suppose the Global Fund closes today which I hope it cannot close because they have already made an investment; for them to walk away now, it means they are putting millions of lives at stake. So I don't expect them to walk away but at least we must find a way to match some of these resources. It's not easy.'*
>
> (GoM interview 9)

> *'Of the public funds allocated to HIV-AIDS, it's over 90% donor funded. So what happens lets say the government is not in good terms with IMF and if there's no IMF programme in Malawi, that means whole CABS[7] is out […] one by one they are pulling out…so what will happen to all the structures and the systems that they have put in place for the delivery of HIV-AIDS services?'*
>
> (NGO/CSO interview 4)

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[6] Antiretroviral treatment.

[7] Common Approach to Budget Support.

However, the aid effectiveness agenda has added a layer of dialogue and civility to this overshadowing threat, a space through which the GoM is enticed to articulate itself in a way congruent with donors' expectations. Yet, as the quote below reveals, this process of subjectification is not uncontested; some of the interviews with the GoM shows that its personnel can be critically aware of this process, but with little room for manoeuvre:

> *'The procedure of doing it requires you to do what donors say you should do. It says donors should endorse the national plan. They can only endorse if they thing you are doing what they think you are doing what they think you should be doing. So it's a question of give and take to see how far away are they taking us from our priority areas. If we are not too far from it, I think we'll just accept it. It's the only way we can get money.'*
>
> (GoM interview 4)

The process of subjectification of the GoM can also be seen as perhaps more tentative, successful in some ways in shaping agency while also giving rise to negotiations. This was clearly visible in the field of AIDS, where several Malawian interviewees highlighted their awareness of, and resentment at the ways in which the agenda had been influenced by donors' priorities. Above all, they felt that international best practices were not addressing the specificity of the Malawian epidemic. As this NGO representative argues:

> *'There are certain realities you cannot change because you have good rules, there are certain realities that must be addressed in context, and therefore there must be some determination of how resources are used and for what, that must be done at a local level, you cannot have blueprints from DC, imported directly.'*
>
> (NGO/CSO interview 6)

One of the issues was that donors' focus was not complementary and failed to provide a holistic approach, with prevention for example, currently neglected at the expense of treatment:

'And what we're also seeing is that because many governments think we have the Global Fund, they think that <u>the</u> solution is the Global Fund. Global Fund is not covering everything, Global Fund is interested in the HIV treatment, care and support for Malawi. The bulk of the Global Fund money is for treatment so there's very little for prevention and you'd expect that you'd get prevention money from other funding partners, the World Bank and others but you have very little funding coming through these bilateral ones.'

(GoM interview 9)

The link between AIDS and nutrition was seen as a distinctive characteristic that was overlooked as a result of the construction of AIDS policy as a reflection of international norms in this area:

'The Malawi pandemic is very unique in the sense that the malnutrition AIDS syndrome was very high, because of that we needed to set up in a way that when we are dealing with the HIV problem we deal with the nutrition problem as well. Seventy five percent of the HIV positive were malnourished in 2001 to 2005, 77% of the TB patients were malnourished, 54% of the children in the nutrition and rehabilitation units were HIV positive. So you can see that there is a big link.'

(GoM interview 5)

Thus, the link between AIDS and nutrition, while central in the Malawi Growth and Development Strategy, appears to have been marginalised in NAC's work. For example, nutrition is not mentioned in any of the 10 focus areas outlined in the 2008-2009 Integrated Annual Workplan, underlining the influence of donors' priorities in the formulation of national strategies. As this government official explains:

'Nutrition does not get adequate resources. This is where the bottleneck is […] Donors are not paying attention to that […] There is a lot talked of poverty, hunger is superficially covered […] once we address the problem of nutrition, we will have addressed the problems that come because of hunger and the other vulnerability areas, so this area is a bottomless pit which has no money.'

(GoM interview 5)

Thus the link between nutrition, or more largely poverty, also shows the selectivity of evidence-based knowledge. As Barnett and Whiteside (2002) have shown, donors have tended to focus on biomedical aspects of AIDS, at the expense of more structural issues pertaining to inequalities and poverty. Yet, this was an issue raised by Malawian interviewees, both from the government and from multilateral donors:

> *'If you want to improve the health of the people, you can start by providing them with adequate food.'*
>
> (GoM interview 3)

> *'I think beyond that we need to address the poverty issue. People argue that this is not about poverty but I'll tell you […] This is a huge challenge'*
>
> (Donor interview 10)

Yet the normalisation and entrenchment of a regime of truth based on donors' priorities appear to have prevented these important issues from being reflected in policies. Instead, the GoM has been enjoined to present itself as a responsible subject by embracing internationally-based agendas.

6.4.3. Techniques of self-rule : donors as educators

Donors' expertise also works through the institution of a grammar of policy-making, the implementation of a repertoire of practices involved in the exercise of aid recipients' agency. Indeed, as outlined in section 2.2.3., the Paris Declaration enjoins donors to help aid recipients 'strengthen their capacity to implement [their policies]' (para. 15). The content of these practices, especially their programmatic qualities, will be explored in the next chapter. Here, I focus on the ways in which the GoM's technical deficiencies have become a point of entry for donors to 'educate' staff at the GoM so as to, ultimately, enable self-rule according to the standards favoured by donors.

Technical assistance has often been perceived as problematic by aid-dependent governments: it is frequently 'donor-driven' rather than responsive to the country's need and contributes to reducing the level of 'real aid' (ActionAid International, 2006b). In addition, it has a tendency to substitute itself to government and thus lacks sustainability as problems resurface once assistance ceases (Booth et al., 2006). As DFID's Drivers of Change study notes, these issues have been particularly acute in Malawi where 'donor agencies have gone further than in most countries in substituting themselves for government in the policy-making function' (Booth et al., 2006: 36). However, my fieldwork has found evidence that, although technical assistance still remains to some extent imposed and buttressed by a short-term vision, it is increasingly geared towards providing the tools and knowledge to enable the government to take over once the assistance ceases.

The changing role of donors under the new aid architecture makes technical assistance more prominent as a tool to ensure that donors' funding is used effectively as it is increasingly directed through government systems:

> *'Technical support has a lot to do with it; we have moved away from direct program implementation towards supporting Malawian structures […] to do the actual implementation, so a lot of it has to do with the upstream work.'*
>
> (Donor interview 6)

Thus, rather than temporarily replacing the state, technical assistance is increasingly viewed as a means of instituting a certain grammar of policy-making and implementation, by putting systems into place and educating government staff so that they conform to a range of practices, enabling them to self-perpetuate the structures designed by donors:

> *'What has happened in the past is that there has been a lot of support given but most of this support has tended to be seconding people or even institutions that do a work for a period. […] So now what we are looking at is that we provide support and not just in doing the work, but we develop systems and ensure that the systems are working, and ensure that there are people, local people, [who] know how to operate those systems so that at the end of our contract, the systems should continue operating, the people will know how to operate those systems.'*
>
> (Donor interview 13)

Thus in the area of AIDS for example, a large part of technical assistance focused on administrative and organisational issues, rather than medical aspects:

> *'They [technical assistants] are not medical professionals, like in HIV/AIDS they are not medical professionals but they are mostly management advisors or social workers but they work with … they advise [on] the structures that they work with and how they manage their programmes or how they do programme implementation.'*
>
> (NGO/CSO interview 13)

As Mosse (2005: 8) explains 'technical assistance that accompanies aid packages does the political work of building compliance with external demands into the fabric of national administrative order'. By seeking to shape the conduct of civil servants rather than temporarily replacing them, technical assistance thus entrenches donors' perspectives deeper than before, and more sustainably. Technical assistance can therefore be seen as a way of seeking to rule in the future, shaping the subjectivity of the GoM so that it internalises donors' norms. As Rose (1999: 22) points out, in the context of governmentality: '…discipline seeks to reshape the ways in which each individual, at some future point, will conduct him-or herself in a space of regulated freedom'.

A case in point is the use of a consultancy firm called the Financial Management Agency in order to assist with the grants facility handling funding applications by CSOs, set up within the NAC. As this NAC staff member explains:

> *'They [the FMA] used to manage all the grants: they had officers here, within NAC. But their contracts were different then: they were managing the grants and what have you; of course in cooperation with NAC.'*
>
> (GoM interview 10)

While the consultants initially set up and ran the facility, their assistance was phased out, in order to progressively allow staff from the NAC to take over, providing occasional support:

> *'Now we have a fully-fledged unit: the grants management unit which is […] getting technical assistance from the Financial Management Agency […] They have officers who come in now and then to see how the unit is performing.'*
>
> (GoM interview 10)

But technical assistance is not the only way the technical ability of the GoM to self-manage is fostered. For example, the European Commission, which has particularly demanding procedures, organises regular courses to try to ensure that Malawian civil servants are able to manage these:

> *'We have a deliberate policy of building capacities in the projects, whereby on an annual basis we always organize what we call EDF procedures courses…the European Commission has this consultancy firm called MDF […] They come to Malawi to conduct a 1 or 2 week-course, where we bring in all project managers, project accountants and TAs who work on our various projects, we bring them together, they are drilled on the in-depth procedures […] So there's quite a good effort in terms of building the capacity of these project personnel.'*
>
> (GoM interview 2)

Within the pool funding mechanism or the SWAp, donors' specialist technical expertise is also drawn on, in order to inform various processes:

> *'You can benefit from each other a lot, like we use the Bank a lot in some areas; we use the local fund agent for the Global Fund in some areas, we use DFID's capacities in the pool which are very, very useful and helpful.'*

Governing through freedom thus leads donors to tread a fine line between the need to foster suitable subjects and the intervention this requires, which is sometimes at odds with the requirement to abide by the new consensus. However as Rose notes (1999: 64) freedom as 'a mode of organizing and regulation' relies on subjects having the capacities to be free. Thus the GoM's lack of capacity and donors' technical expertise is seen as justifying a more intrusive approach:

> 'In general, it is driven by government. In general. But in certain specific areas where things are not working well, then it gets to be driven by donors. [...] If things are not really moving well, then it tends to be overtaken by donors and it becomes driven by donors.'
>
> (Donor interview 4)

Yet, even in these cases, there seems to be a will to enable the GoM to learn, to improve in order to eventually be able to self-manage autonomously. For example, this donor representative explains that their role is akin to that of a teacher, checking that the GoM has successfully completed the task, and sending it back for corrections if that is not the case:

> 'None of the partners are supposed to lead anything, we all work as a group [...] the only thing that we ask to lead in was on procurement oversight and a little bit again on fiduciary oversight. So all requests which are quite important for government in terms of procurement, they send them back for us to see if everything is ok and query it.'
>
> (Donor interview 4)

In a similar vein, other donors use their expertise to appraise the performance of the government and suggesting ways to improve:

> '[The World Bank and DFID] have just finished an analysis of the grant system and they're making recommendations to the National AIDS Commission, so it will be interesting to see what the results of that will be.'

Thus, though donors' technical expertise is still imposed in some areas (notably public finance management as explored in the next chapter), there appears to be a tendency to use the GoM's lack of capacity as a way to engage with its staff, to work through them rather than in parallel or against them, pointing again to a more governmentalised quality of aid relations.

6.4.4. The new conditionalities: shaping a self-regulating subject

The more governmentalised relations presiding over aid can also be seen in the changes to conditionalities over the past decades. Best (2007) views conditionalities as a Gramscian exception to the new governmentalised aid regime, where promises of better sovereignty justify the exception to the rule of sovereignty. While it is true that macro-economic conditions have remained unchanged, I argue that, in the areas of AIDS and Health, as well as budget support more generally, attempts from donors to orient the conduct of the GoM through the use of target setting and reviews operate as instruments of self-regulation and responsibilisation.

The aid effectiveness agenda appears to have led to a multiplication, dispersion and overlapping of conditionalities, coming in various guises, under a range of labels, and carrying different degrees of consequences if not abided by. As this MoF staff member summarises:

> *'More conditionalities coming in different forms, in new forms.'*
> (GoM interview 3)

The regime of new conditionalities can be traced back to the introduction of PRSPs. As Gould (2005a) notes, they represent a major shift from a focus on macro-economic management to a regulation of new policy areas such as the state and social sectors.

Gould explains that the internalisation of the Washington Consensus policy package by aid-recipients has reduced the need for donors' micro-management in the area of macro-economy. This has also been entrenched by the policy of lending selectivity adopted by the IFIs, which entails providing loans on the basis of already demonstrated good performance in terms of macro-economic neoliberal reforms (Best, 2007). As a consequence, Gould (2005a) argues, the IFIs have shifted their focus to new areas with a large potential for lending, namely the reform of state institutions and social sectors, explaining to some extent the increase of conditionalities in these areas.

This trend has been consolidated by the greater use of budget support by bilateral donors. In Malawi, AIDS is funded by donors through several channels. I am leaving aside discrete donors here, as they are not representative of the trends characterising the aid effectiveness agenda. A main channel through which AIDS activities are funded is via general budget support financed by a group of donors referred to as Common Approach for Budget Support (CABS) donors. These donors rely on the regular assessment of a set of indictors set out in the Performance Assessment Framework (PAF). The PAF covers areas as diverse as governance, public financial management (PMF), and a variety of social sectors:

> 'GoM: - Social indicators look like the Ministry of Health, Education, and maybe [in the case of] gender indicators, so you will have the Ministry of Gender and Child Welfare or maybe, then we're looking at governance indicators …so you are looking at the Ministry of Justice, maybe the Department of Prisons and so forth…
> E.M.: - So all the ministries are involved?
> GoM: - Yes. All the ministries'
>
> (GoM interview 2)

In effect, by seeking to regulate these multiple aspects of governmental activity, the new conditionalities are expanding the upwards accountability of the GoM to new domains:

> *'In the past we received budget support which was from the IMF mostly. You just had to meet macro economic, the targets and whatever... money supply and all this. Well of course there was the Bank with policy lending in the 90s, that was linked to policy changing, but that business of direct budget support, there's a list of 28 indicators!'*
>
> (GoM interview 4)

Multi-donor agreements also tend to reinforce conditionalities as agreed frameworks are often based on the demands of the most reform-hungry donor (Tan, 2010: 114).

Sectoral support has also contributed to an increase in conditionalities. In Malawi, these are channelled through the NAC's pool funding and the Health SWAp, where conditions are spelled out in the Memorandum of Understanding (MoU), which is agreed between SWAp members i.e. donors and the GoM. The new aid architecture has also led to some degree of overlapping between various sets of conditionalities. For example, the PFM indicators of the PAF are drawn from the Public Expenditure and Financial Accountability (PEFA) review, a separate international mechanism specifically focused on public finance management issues. AIDS is also one of the six priority areas of the Malawi Growth and Development Strategy, the second generation of PRSP which is reviewed regularly by the World Bank.

Another significant change, contemporary to the new aid architecture, is the increasingly hybrid nature of conditionalities. While in some domains, they remain rigidly applied, Best notes that the IFIs increasingly also draw on a 'non-juridical strategy of standards, a calculating logic of transparency and an individualizing ethic of responsibility to achieve their end' (Best, 2007: 88). For example, ActionAid have noted the addition of benchmark' conditions that the Bank claims are 'non-binding' to the World Bank development policy loans (ActionAid, 2006a: 15) (though it is worth noting that a Bank survey showed that 75% of developing country officials in the study

thought that all the conditions had to be met in order for the Bank to disburse). As this donor representative reflects, the distinction between what is simply expected of the GoM and what is considered a conditionality is increasingly blurred:

> *'For example if the reports are there, nobody will say, by the way, we had a condition here that the report is going to be ready. You know. So if it's not there, then it becomes a condition now. So it becomes a problem.'*
>
> (Donor interview 4)

In this context, the definition of what is a conditionality might be dependent on point of view, as this quote below suggests:

> *'At least now you can see that people [show] understanding. The government at first they didn't understand: they do equal these to conditions, conditionalities. They were saying "ah no they have attached some conditions to these funds". At least now there is at least a common understanding.'*
>
> (Donor interview 9)

Thus conditionalities appear to act as regulating mechanisms, signalling to the GoM the expectations of donors. In addition, within aligned structures such as the SWAp, some of these new conditionalities are 'softer' than their predecessors, carrying fewer penalties for non-compliance or lateness:

> *'But sometimes, some of these actions are not done and you have to start thinking: ok, what do we do now and here? Do we keep just asking the government to do it and then we call life as normal? Which has usually been the case.'*
>
> (Donor interview 4)

Donors appear to display a more flexible attitude towards the GoM. This is part of a wider trend with regards to conditionalities (see Bergamaschi, 2009 re. PRSPs), with conditionalities being more flexible and context-sensitive under the PWC (Best, 2007: 100). The governmentalisation of conditionalities is also visible in the way in which

donors appeared to be keen to move away from the language of imposition, changing the labels used to refer to them, in order to make them seem more in tune with the principle of ownership:

> *'The EU has their own … they call them benchmarks but they are the conditionalities… DFID and NORAD have their own conditions they call them indicators…People used to call them benchmarks but then people got used to that one and said let's call them indicators… '*
>
> (NGO/CSO interview 4)

Thus, they can be seen as working as discursive mechanisms seeking to shape the GoM's agency by highlighting donors' standards.

The growth, dispersion and hybridisation of conditionalities point to an instrumentalisation of conditionalities as tools for what Rosser and Simpson (2009: 3) call 'metagovernance'. They argue that the move towards programme-based aid has induced a 'shift in the role of donor agencies, particularly bilateral agencies, away form the direct management of aid to a "metagovernance" role entailing management via the setting of benchmarks and goals and the monitoring of broad outcomes' (Rosser and Simpson, 2009: 3). Thus, conditionalities are used to regulate the conduct of conducts, by impressing on the GoM donors' expectations and persuading the aid recipient to match them. As many commentators (Dijkstra, 2005; Gould, 2005a; Tan, 2010, 2011) have noted, while there has been a rise in target-setting, the PWC has also led to the emergence of new requirements with regards to policy processes, such as reforms to be undertaken or documents to be drafted. Under the new aid architecture, this trend has been extended in scope and depth, providing detailed lists of policy processes that the government should carry out, particularly in sectors where donor alignment and harmonisation is high. In Malawi, the Health SWAp was exemplary in that regard:

> *'The SWAp tries to get the government to be in the leadership, the SWAp gives deadlines and actions that should be done.'*
>
> (Donor interview 4)

The rise in process conditionalities can be seen as a way of shaping the GoM, through the reform of its systems, institutions and processes rather than by the imposition of policies. As Abrahamsen (2004: 1461) explains, 'through partnership contracts, or Memorandums of Understanding as they are frequently called, recipients are enlisted as active agents of their own reform according to accepted and agreed standards.'

However, new conditionalities also have another governmental function. As Droop et al. (2008: 12) note, there has also been a rapid growth of indices (such as the World Bank's Country Policy and Institutional Assessment - CPIA - or the PEFA) and more continue to be developed. New conditionalities often involve extensive and regular monitoring of data and performance in various areas:

> *'In the review we have agreed on what we call Joint Framework Agreement which we signed with the government. They are supposed to provide data and they do provide what we call progress on each indicator.'*
>
> (Donor interview 9)

These mechanisms of scrutiny make the subject, the GoM more 'knowable' and governable. But these indices can also be seen as 'technologies of performance' (Fougner, 2008: 318) promoting self-regulation. Indicators operate through the production of normalising knowledge: information is usually standardised in a numerical form so as to be comparable across countries. As Porter (1996 in Bergamaschi, 2009) note, numbers are also easily transportable across continents. Alternatively, a letter system can be used as in the PEFA appraisal:

> *'You know when there are school assessments, they grade, they have As, Bs and Cs so they rank you according to how the assessors feel that you have performed as a country.'*

(GoM interview 2)

The standardisation of aid-recipients' performance thus enables the stimulation of self-governance through comparison with others' achievements. In addition, conditionalities make clear what attributes, reforms and performance matter to the international community, and provide strong incentives to conform to these. As Abrahamsen notes, assessments and audits 'reshape in their own image' (Abrahamsen, 2004: 1463) the organisation that they monitor. This has been reinforced by the increased use of ex-post conditionalities, attributing funding on the basis of achievements, rather than promises of reform. As Tan (2010: 120) notes, 'although coerciveness remains a substantial component of this new regime of conditionality, the mechanics of enforcement depends less on the threat of sanction or censure than on the incentive of reward for good behaviour', pointing to a dynamic favouring self-regulation.

Under the new aid architecture, this shift towards conditionalities as instruments of self-governance is also perceptible in the rhetorical change deployed by donors, moving away from a representation of policies as forced on aid-recipients, drawing instead on the rhetoric of partnership and joint responsibility, and presenting them as tools of cooperation enabling donors to help the GoM to improve development results:

> *'We look at: what does the government wants to do to improve the system, that's what we are asking from them. So we agree, this is common understanding… mutual understanding of a joint framework to say: what do they want to do? They want to improve this, this, this and this. Then we agree in the PAF: these are indicators we want to improve so we agree on them, on how to go from A to B.'*

(Donor interview 9)

Indeed, conditionalities are increasingly based on the involvement of the aid recipient in a dialogue, and to some extent negotiations with donors:

> *'We use what we call Performance Assessment Framework which we have agreed on with the government and there are certain indicators and targets which we agree on every year which the government signs… we propose, they also propose, then we come to a certain understanding whereby the government should improve its systems.'*
>
> (Donor interview 9)

In a similar way, SWAp conditions are also negotiated at the beginning of the collaboration between donors and the GoM, thus allowing their internalisation:

> *'The conditions we agreed to when we were signing the Memorandum of Understanding, so we all know them.'*
>
> (GoM interview 8)

The rise of 'consensual conditionality', as Morrow (2005: 5, in Tan, 2010: 123) calls it, enlists the GoM in the setting up of targets, working through rather than against its agency. Through this dialogue, the GoM is made responsible for its improvement, by the requirement that it suggests areas where its performance could be enhanced:

> *'It's a consultative process … we do request government to come up with good measurable indicators which we can include in the PAF … what we do is we discuss with the government to say… give us indicators which we can review for the next 2 or 3 years, so they give us indicators based on each… in each category, so we engage government into discussions on those indicators, whether those indicators are good or they are not good […] it's a consultative process.'*
>
> (Donor interview 7)

This negotiated process suggests that one of their effects is to enrol the GoM in a logic of self-improvement, requiring self-reflexivity in order to identify its deficiencies and propose some of the very targets it is then set up to meet:

> *'Actually there's now been an improvement in terms of selected indicators because we have perceived that the government can do it and […] we think that the indicators should be down to … the government should tell us what they want to do.'*

It is worth noting that this logic of self-improvement can be pursued infinitely: the workings of the GoM are always perfectible. For example, PAF targets change every few years, focusing on various sub-areas and covering increasingly greater territories. The centrality of the participation of the GoM in reviewing its achievement, for example here in PEFA appraisals, points to the 'socialising' element of the new conditionalities, where the goal is not to impose policies from outside but to enlist the aid-recipient into internalising donors' expectations and 'owning' them:

> *'Oh yeah, you can't do it without the government…they are assessing the government so the government… is fully involved…'*
> (Donor interview 7)

The formulation of these conditionalities can therefore be seen to work as a dialogue-based mechanism, enabling the rehearsing of practices of self-improvement such as goal setting and reviews. However, negotiations were clearly perceived by some as a co-opting tool, seeking to make donors' views more agreeable, rather than being opened to challenge. As this MoF official explains, the PEFA process, although dialogue-based, was not keen on integrating the GoM's ideas[8]:

> *'It's difficult, they are imposed, they try to negotiate with you, but in most cases we have given them our opinion, it doesn't work so that's why I was hesitant to tell you that they are negotiated […] So, when we came up with our proposals on some of those indicators, they didn't want to take those in the main report, they put like annex and saying all that, but they kept their opinions as they were, so you wonder whether your opinion matters at all.'*
> (GoM interview 3)

However, aid dependence limits the ability of the GoM to exit the system and it therefore has little choice but to take part in the negotiations. Thus, despite the GoM's

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[8] It is worth noting that there seems to be more flexibility around social indicators than in areas such as PFM, where donors or international consultants in the case of PEFA, tend to be more intransigent.

perception of new conditionalities as imposed by donors to a large extent, these processes participate in blurring the distinctions between imposed reforms and self-administered changes. Through its involvement in selecting targets, the GoM is made to become part and parcel of this process, entrenching the responsibility for meeting specified indicators deeper within the government. As Mosse (2005: 8) argues, the shift from SAPs to PRSPs is translated by a move from external controls to an internal discipline, which is further entrenched through budget support mechanisms promoted under the aid effectiveness agenda. Thus, the logic of the new conditionalities suggests a link between techniques of domination and techniques of the self working through the internalisation of practices of self-improvement. As Foucault (2008: 270) explains with regards to the subject of governmentality: 'by following its own interest it also serves that of others'.

These effects are reinforced by the increased integration of conditionalities into the fabric of aid relations. Assessments of the government's performance are both more numerous and regular, as this interviewee explains:

> 'There are many reviews you'll find; the SWAp review, the Global Fund, the Governance reviews, all those things. Another donor comes in with their own review. World Bank may have their own reviews…'
>
> (Donor interview 9)

As Best explains, 'the process of measurement and judgement once limited to specific agreements have now become generalized and continuous' (Best, 2007: 101). In addition, under the new aid architecture, donors are now involved in efforts to achieve targets, for example through CABS, SWAp or NAC pool funding mechanisms. The integration of donors allows a closer scrutiny of the GoM's effort towards meeting the various specified targets:

> *'That [the achievement of the PAF health indicator] is led by the Ministry of Health but it's done through the SWAp arrangement. So it's not only the responsibility of the Ministry of Health, much as it is the lead institution that has to give us results, but donors and so on are part of the process.'*
>
> (Donor interview 7)

As the quote below suggests, the involvement of donors might entail some micro-management to ensure that conditionalities are integrated in the GoM's functioning:

> *'But it's unlikely that they will miss indicators or maybe one or two… […] the donors will provide assistance.'*
>
> (Donor interview 9)

This can be seen as a mechanism through which donors are able to ensure that conditionalities are acted upon, a way of keeping up the pressure. But it also reinforces processes of subjectification, by providing a medium through which practices of self-assessment become 'subliminal and routine' (Li, 2007: 7), built into the functioning of the GoM. Indeed, as this quote shows, conditionalities have led to the creation of systems within the government to ensure compliance with the set targets:

> *'In the health sector, the government is basically doing very well in achieving the targets, the reason is, there's more organization … There is better arrangement of organization …Institutional (structures) are in place, that follows up the performance of these indicators from day one.'*
>
> (Donor interview 7)

Thus new conditionalities appear to constitute a process rather than an end in themselves. They seek to orient the action of the GoM by enforcing practices of self-assessments and self-improvement, while also allowing greater scrutiny by donors.

6.5. Conclusion

This chapter has explored the ways in which the new aid architecture and the aid effectiveness agenda are linked to changes in the relations between donors and the GoM. Here, I have argued that these changes can be analysed as the expression of a shift in the modality of power deployed by donors. While under the SAP era, development assistance either imposed reforms in aid recipients or worked in parallel to state structures via the financing of projects of NGOs and CSOs, the switch to the predominance of programme aid supported by the new aid architecture has led donors to work through aid-dependent recipients, drawing on a repertoire of ideas and practices which are consistent with Foucault's analysis of neo-liberal governmentality (or the Chicago School-type of liberal governmentality as Foucault referred to it). This shift predates the Paris Declaration but I have shown that many features of the new aid architecture have considerably reinforced and entrenched this modality of power. For instance, in section 6.2., I explored how the principle of ownership is associated with the bolstering of the GoM's agency, compelling the government to develop policies, strategies and engage in various reform processes. I also examined how its new role as aid coordinator has reinforced these agentic qualities, honing its negotiation and leadership skills. However, it is important to note that these changes work through the GoM's desire for greater sovereignty and self-determination, rather than by seeking to suppress these aspirations. Yet, as Rose (1999) argues, this 'freedom' as compulsion to operate through choice-making requiring the activation of agency should be seen as a mode of subjectification. Indeed, I have shown that donors instrumentalise dialogue as a technology to govern through freedom, a medium through which they seek to re-shape the GoM's agency, aspirations, beliefs, mode of operating, in a manner that makes it consistent with their perspectives.

The deployment of dialogue has been both enhanced by the new aid architecture, with the creation or strengthening of institutional spaces where donors and the GoM interact on a regular basis. I have contended that dialogue as a governmental tool relies on a paradoxical rhetoric. On the one hand, donors and the GoM are presented as equal partners working towards the same goal: effective aid. This language erases discursive constructions of the GoM as 'other' and masks structural inequalities linked to aid dependence that mediate aid relations, enabling the emergence of more consensual relations. It also represents policy-making and implementation as apolitical and technical. On the other hand, the GoM is presented as lacking the capacity to make use of its ownership, thus legitimising donors' role as 'enabler' of the state and their interference in sovereign affairs. The rationality of aid effectiveness, especially in areas such as AIDS and health, also draws on notions of morality derived from a duty to help those suffering: maximising the impact of development assistance thus becomes a moral duty for both donors and the GoM.

Section 6.4. has considered a number of areas where dialogue has been deployed as a technology of government. It has showed that through these enhanced opportunities for dialogue, values of civility such as neutrality, practicality and common sense are mobilised. These norms of behaviour, which are instilled and rehearsed through interactions, can be seen as seeking to model the GoM as a reasonable subject, enabling donors to inflect its use of freedom through rational argumentation and sensible claims. Indeed, the next sub-section has explored how donors have recast themselves as knowledge banks, a role consistent with the spirit of country ownership, but which enables them to direct the GoM's agency through the deployment of an episteme, a regime of truth, delineating what can be considered suitable policies. The establishment of this episteme was not uncontested, my research has shown. Interviews and document analysis have pointed to the critical awareness of government staff and the

loss of a number of 'home-grown' concerns in the formulation and implementation of ministry strategies. However, this exposed how governmental technologies also ultimately relied on dependence on donor funding to operate fully. Next, I have showed how donors' technical expertise and the GoM's lack of capacity is used as a point of entry to engage with government staff, to enrol them in learning processes in order to make reforms more sustainable. Finally, I have explored how conditionalities have, to some extent, evolved in a way that makes them operate as mechanisms enabling greater scrutiny from donors, while at the same time fostering self-regulation from the government.

A number of features characteristic of neoliberal governmentality can thus be observed under the new aid architecture: the importance of the agentic subject, its shaping through norms, truths, knowledge, incentives, rather than in more coercive ways, the self-regulating, self-responsibilising effect of this new regime. This is not to say that these elements could not be identified prior to the aid effectiveness agenda. Indeed, as I explained in chapter 2, many of these ideas have emerged progressively over the past two decades and started to coalesce under the PWC. I have also noted in this chapter that some of these mechanisms have been deployed in the less recent past, for example under colonial rules. This is not a neat switch from one economy of power to another either. Many elements of the previous 'rationality of government' are still visible. Some non-discrete donors, for example the Global Fund and to some extent the World Bank, were seen as drawing largely on pre-PWC repertoire. And of course, one of the largest donors, the USA, has engaged minimally with the new aid architecture (though a change of attitude was noticeable at the 2011 Busan High-Level Forum of Aid Effectiveness). But as Foucault notes, changes in mentality of government cannot be viewed as transitions from one rationality to another. Instead, they should be viewed as 'a shift of emphasis and the appearance of new objectives, and so of new problems and

new techniques' (Foucault, 2007a: 363). My analysis has shown that there is a distinct quality to new aid relations, which brings in new challenges and opportunities for donors and recipient countries. It reveals that the GoM is not 'duped' by this new power relation, but is compelled to engage in it due to its dependence on aid. Yet, interviews have also displayed a keenness from the government to assume characteristics of the 'good subject' in order to be treated as a 'serious' partner, and be able to negotiate more autonomy from donors. As outlined in the afterword, the increasing importance of 'new donors', particularly China, might provide the GoM with a stronger position to contest the rationality of aid effectiveness.

Chapter 7:

Governing at a distance:

programmatic technologies and neoliberal rationality

7.1 Introduction

In the previous chapter, I examined how under the new aid architecture, aid relations have been shifting from a regime where donors sought to impose reforms to more governmentalised interactions, promoting the agentic qualities of the government of Malawi (GoM) while allowing donors' influence to shape the conduct of the GoM by supporting specific norms of behaviour and regimes of truth. I argued that these norms work towards encouraging the GoM to adopt an ethos of self-responsibility and entrepreneurialism.

This chapter focuses on a different, though inter-related, aspect of changes that have been initiated by, or consolidated through, the aid effectiveness agenda: the ways in which donors have sought to institutionalise systems which affect how policy-making operates. This chapter thus examines the programmatic aspects of neoliberal governmentality by analysing a number of technologies allowing donors to conduct at a distance, through technologies instilling a specific rationality of government. As Dean (1999: 43) argues, the programmatic character of government can be detected in 'the more or less explicit, purposive attempts to organize and reorganize institutional space, their routines, rituals and procedures, and the conduct of actors in specific ways'. I show how, by instituting a grammar of policy-making consistent with a certain neoliberal rationality, donors seek to make future intervention increasingly less necessary.

While the content of the (neoliberal) policies that donors, chiefly led by the International Financial Institutions (IFIs), seek to implement are rather similar to those supported in the SAP periods, in this chapter I argue that the means through which they are institutionalised have changed while their scope has widened. In particular, the technologies on which they rely point to the synergies between neoliberalism as governmentality and neoliberalism as policy (two of the three definitions of neoliberalism identified by Larner, 2000). This chapter shows that the current rationality deployed by donors bears many similarities with the conception of neoliberalism developed by the Chicago School (as analysed by Foucault in his governmentality lectures). In particular, I explore, here, the ways in which the new aid architecture has facilitated the extension of market rationality to areas such as AIDS and Health. In addition, I show that the reforms through which this is done aim to create self-sustaining systems, perpetuating this logic and eventually reducing the need for donors' intervention. Indeed, as Foucault explains, the objective of liberal governmentality is 'its own self-limitation insofar as it is pegged to the specificity of economic processes' (Foucault, 2008: 297).

In this chapter, I explore how development assistance, under the new aid architecture, has supported the deployment of a number of techniques of policy-making and implementation, promoting the expansion of a certain neoliberal rationality. In section 7.2. I show that the new aid architecture has made funding for health and AIDS dependent on a series of reforms pertaining to public financial management (PFM), thus creating greater pressure to implement these changes and blurring boundaries between the social and financial spheres. In section 7.3., I investigate how these PFM reforms seek to reshape government in order to subordinate all its activities to macroeconomic and budgetary imperatives, by reigning in public spending, and using

calculative technologies recoding government activities and processes in economic terms. I show that the imposition of this technical grammar of policy-making and implementation constructs the state as a service-delivery mechanism, pointing to a depoliticisation also consistent with some forms of neoliberalism. Finally, in section 7.4., I examine the possible avenues for resistance to neoliberal rationality, outlining how many respondents located it in the GoM, in spite of its dependence on donors' funding. However, I also explore how the inconsistencies of this neoliberal rationality, which requires adequate capacity from the government to carry out complex and demanding reforms, while restricting its ability to invest in and develop sufficient state structures, may also offer an inadvertent form of resistance.

7.2. Public Finance Management reforms as programmatic technologies

Public Finance Management (PFM) is a rather technical and 'relatively placid field of international development' (Krause, 2012) which has received little critical scrutiny. As Simson et al. (2011: iv) note, 'PFM underlies all government activity', as it is related to all aspects of the budget including revenue, fund allocation to various activities, expenditure, accounting for spent funds and external oversight (by a Supreme Auditing Institution). PFM thus covers a wide range of highly specialized areas which also includes issues such as procurement for public works or payroll reforms (Simson et al., 2011).

The impetus for PFM reforms has its roots in the late 1990s. World Bank-led research into aid effectiveness showed that 'sound policies are not enough to ensure sound and sustainable development outcomes' (World Bank, 1998a). For example Burnside and Dollar (1997) argued that aid's impact on growth was linked to fiscal, monetary and

trade policies consistent with those advocated by the Bank. The 1997 World Development Report (WDR) 'The *State in a Changing World*' signaled a new focus on state institutions (World Bank, 1997). The next year, the World Bank issued its '*Public Expenditure Management Handbook*' which outlines a 'framework for thinking about how governments can attain sound budget performance and gives guidance on the key elements of a well-performing public expenditure management (PEM) system'. Indeed, in the PWC era, with relatively unchanged macroeconomic conditions and Poverty Reduction Strategy Papers (PRSPs) seeking to implement 'a comprehensive "inclusive" neoliberal framework' (Craig and Porter, 2006: 95), the missing link appeared to be the institutions able to translate these policies into reality and prevent aid-dependent governments from swaying away from their commitments. As Craig and Porter articulate:

> '*But governments remained the weak link in all this. Still missing were transparent budget and expenditure processes, budgetary and fiscal transfer devices to actually move the money down into places it might […] give strength to sanctions when behaviour was not PRSP-compliant.*'
>
> (Craig and Porter, 2006: 95)

As I explore in this section, the new aid architecture has both contributed to further emphasizing the need for PFM reforms and provided greater leverage to donors to enforce them. In addition, regulatory instruments such as the World Bank-initiated Public Expenditure and Financial Accountability (PEFA) assessment have been embedded in the new aid architecture framework in order to both reinforce the scrutiny of aid-recipients' systems and promote deeper changes. I also show how the aid architecture has led to a greater interconnection of development assistance for social purposes with institutional reforms promoted by donors, by linking direct budget support and aligned mechanisms such as Sector-Wide Approach (SWAp) and pool funding, through which a large portion of AIDS and health interventions are financed in Malawi, to PFM reforms through a range of conditionalities (both 'soft' and 'hard').

The new aid architecture can therefore be seen as instilling 'programmes of conduct' defined as 'the attempts to regulate, reform, organize and improve what occurs within regimes of practices' (Dean, 1999: 43).

7.2.1. The new aid architecture and PFM: promoting a system(at)ic reform

The shift in emphasis from project aid to programme aid, a prominent feature of the new aid architecture, has strengthened donors' interest in improving financial accountability in poor countries (de Renzio, 2006). As Action Aid (2006b: 36) relates, donors' support for PFM reforms is often motivated by concerns regarding the use of foreign aid in an accountable and transparent manner. Indeed, donors operating through state systems need to reassure their constituents (tax payers, contributing states of multilateral organisations and other financiers) that their funding will be used for the intended purpose. As Glennie et al. (2012) remark, a number of studies shows that the UK general public often perceives corruption to be one of the main causes of poverty (over half of respondents to DFID's tracking survey in 2009 and 2010 gave this response, compared to 10% identifying debt as a main issue). Although anecdotal, this is consistent with the first reaction I encountered every time I talked about my research to people outside academia, who generally expressed fear (and indignation) that giving money directly to poor countries' governments would only fuel corruption.

These concerns are not necessarily unfounded. In Malawi, Bakili Muluzi, president from 1994 to 2004, was alleged to have appropriated $12 million of donor funds (Chuma, 2010). The President in charge at the time of my fieldwork, Bingu wa Mutharika, although seen in his first term as turning 'the tide of de-industrialisation, macro-economic mismanagement and corruption with impunity' (Cammack, 2011), is now suspected of having diverted large sums of money (Namwaza, 2012). This was

certainly seen as a concern by some of the civil society organisation representatives, as this interviewee articulates:

> '*Malawi has no budget framework, so the African governments, the ones that we have at the moment, need brakes. You cannot give them [funding] wholesale because they can abuse it, any one moment they can wake up and abuse it, so you must guard against that. So it is important that we have frameworks, mechanisms that safeguard potential abuse [...] So you must look into the future and make sure that you put safeguard mechanisms that protect the systems even in the long term, but because of that, you need certain conditionalities.*'
>
> (NGO/CSO interview 5)

PFM reforms cover three broad aspects of policy-making and implementation, one of which relates to the credibility of the budget:

> '*The way they [the GoM] implement the budget: is it credible and so on? Expenditures: the way they are spending; are they over-spending, what are the problems?*'
>
> (Donor interview 9)

Another important area of focus comprises issues pertaining to budget implementation:

> '*How is the budget processed? […]. The PFM looks at the systems: do they have the systems, for example the Integrated Financial Management systems? It is a country system where the payment is done electronically? […] Doing the budget coding into the system so that it's electronically managed and all those things.*'
>
> (Donor interview 9)

A third major element of PFM addresses questions of reporting, auditing and scrutiny, ensuring external oversight over the budget cycle. For instance, the 2006 Performance Assessment Framework[1] (PAF) which forms the basis for direct budget support disbursements by donors contained PFM indicators pertaining to the 'timeliness of

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[1] The 2006 and 2007 Malawi PAF have been used for analysis here as they were the only ones freely available on the internet at the time of the research. Both PAF can be found in appendix L.

annual financial statements' (indicator 9), the effectiveness of internal and external audits (indicators 8 and 10) and the scrutiny of external audit by Parliament (indicator 11). As this interviewee explains, the focus is on:

> *'Whether they are reporting properly: their accounting systems. Then, we look at the audit: have they done the external audit on time? Submission of this or that data, scrutinised by the Parliament and so on … Institutional systems and all those…'*
>
> (Donor interview 9)

Although PFM is supposed to deal with systems rather than economic policies, the 2007 PAF included an indicator entitled 'overall macroeconomic programme implemented' (indicator 1) which is based on the IMF review of the Poverty Reduction and Growth Facility (PRGF) programme. PFM conditionalities are thus seen as a technical means of ensuring that public money is spent according to the budget and in a suitable manner, limiting mismanagement and corruption (de Renzio, 2006), as well as improving governance through the entrenchment of checks-and-balances mechanisms such as Parliamentary budgetary oversight.

But PFM reforms are also seen as conducive to greater aid effectiveness by improving the prioritisation of development assistance towards reaching priorities such as the Malawi Growth Development Strategy (MGDS), Malawi's the second-generation Poverty Reduction Strategy Paper (PRSP), for instance by ensuring that pro-poor expenditures are spent as budgeted. Indeed, in the 2005 Paris Declaration, PFM issues are prominent. For example, signatories commit to accelerate progress in:

> *'defining measures and standards of performance and accountability of partner country systems in public financial management, procurement, fiduciary safeguards and environmental assessments, in line with broadly accepted good practices and their quick and widespread application'.*
>
> (OECD, 2005: article 3.vi)

PFM and procurements are also the subject of paragraphs 25 to 30 of the Paris Declaration, which are assessed by 3 of the 12 indicators of progress. Indicator 2 measures the 'number of partner countries [aid-recipients] that have procurement and public financial management systems that either (a) adhere to broadly accepted good practices or (b) have a reform programme in place to achieve these'. As Bissio (2007) notes, their suitability is assessed through the World Bank's Country Policy and Institutional Assessment (CPIA) rating which also includes contentious issues such as property rights. In addition, the standards for procurement are based on processes developed by the joint OECD-DAC – World Bank Round Table on Strengthening Procurement Capacities in Developing Countries' (2003). Indicators 5a and 5b measure donors' use of country systems in PFM and procurements, providing that these systems abide by the requirements outlined in indicator 2. Thus, the Paris Declaration directly promotes PFM reforms that are aligned with mechanisms favoured by donors, particularly IFIs and the OECD.

PFM reforms are particularly significant in the case of direct budget support, where donors' money becomes part of the general budget and cannot be associated with particular activities. However, this extract from a paper on early SWAp experiments also presents forms of sectoral support as also subordinated to improvements of PFM systems:

> *'The degree of confidence in financial management systems is an important factor in determining how donors and Ministries of Finance disburse funds. In all countries where a SWAp is being pursued, the initial step has been to strengthen the structure of public budgets (including government and donor funds) to better monitor spending patterns.'*
>
> (Peters and Chao, 1998: 184)

The new aid architecture can therefore clearly be seen reinforcing the impetus for aid-dependent countries to undertake reforms in areas pertaining to PFM. This trend has

been underpinned by the deployment of new instruments such as the Public Expenditure and Financial Accountability (PEFA) assessment.

7.2.2. The Public Expenditure and Financial Accountability (PEFA) framework: 'The devil is in the PEFA'

The PEFA Programme was created in 2001 as a multi-donor partnership between 7 donors and the IFIs to 'assess the condition of country public expenditure, procurement and financial accountability systems and develop a practical sequence for reform and capacity-building actions' (PEFA, 2012b). Its Secretariat is located in the World Bank headquarter offices in Washington, DC (World Bank, 2012b), but unlike the CPIA which is led by the World Bank, the PEFA is usually 'undertaken as a multi donor collaborative effort' (PEFA Secretariat, 2007). The framework has been designed through a long consultative process (de Renzio, 2009) drawing on pre-existing instruments such as Heavily Indebted Poor Countries (HIPC) Assessments and a range of standards chiefly promoted by the IMF and the OECD. It focuses on three major areas relating to policy, including PFM (see appendix L for the list of PFM High-Level Performance Indicators Set):

> *'We look at three things: progress in PFM, we look at the macroeconomics and we look at the policies, availability of policies.'*
>
> <div align="right">(Donor interview 9)</div>

The Public Expenditure and Financial Accountability (PEFA) assessment framework represents a means through which government systems are examined by donors. As this interviewee explains:

> *'PEFA is […] agreed by various donors internationally, it's a framework for assessing the PFM; it is a snapshot of […] the systems in place. It looks at the budget, procurement issues, audit, all the issues on the PFM.'*

The PEFA framework thus represents the main international instrument assessing countries' PFM systems in a consistent manner.

Although its creation pre-dates the Paris Declaration, the PEFA reflects many of the principles buttressing the new aid architecture and is presented as a tool facilitating the implementation of the aid effectiveness agenda by providing an assessment which is country-led (PEFA, 2012b). As its dedicated website explains, the PEFA promotes 'a government-led reform program for which analytical work, reform design, implementation and monitoring reflect country priorities and are integrated into governments' institutional structures' (PEFA, 2012a). It also facilitates donor harmonization by creating a 'coordinated program of support from donors and international finance institutions' (PEFA, 2012a). As this Ministry of Finance (MoF) official explains:

> *'It [the PEFA] is linked on to the Paris Declaration because it tries to bring all donors together to agree on these indicators.'*
>
> (GoM interview 3)

In addition, some of the progress indicators of the Paris Declaration are linked to the PEFA framework: indicators 2a; 5 and 7 are closely aligned on PEFA indicators (PEFA Secretariat, 2007). Indeed, the Malawi's PEFA assessment was used to judge progress made against the Paris Declaration indicators (OECD, 2008b). The PEFA can thus be seen as an instrument, interrelated with the new aid architecture, that reinforces the impetus for PFM reform. In addition, although aid-recipients are not obliged to undertake a PEFA assessment under the Paris Declaration, the new aid architecture considerably reinforces the impetus for doing so. Best (2007) has argued that new norms regarding economic policies and institutions enabling these are increasingly directed through a normative process rather than through coercion. She writes: 'Instead

they are applied through a complex and largely voluntary bureaucratic process that involves the IMF's and World Bank's careful assessment of member states' (Best, 2007: 94). The PEFA can certainly be seen in this light[2].

In Malawi, the PEFA could be seen as part of the process of donors' improved coordination. The assessment was spearheaded by the European Union (EU) and undertaken by the consultancy firm Crown Agents[3] (Crown Agents, 2008). However, it involved most major donors:

> *'We do provide the support, employ the consultant who comes here but it's done through all donors, common understanding… [They] come to agree and they assess the government's performance within that period […] We did one in 2005, another one in 2006 and now 2008 we had one.'*
>
> (Donor interview 9)

Although the PEFA is not formally linked to budget support, and disbursements, it is an indicator of the government's performance in PFM issues, which is of prime interest to donors, particularly those involved in the Common Approach to Budget Support (CABS)[4]:

> *'[The PEFA] study will inform the donors whether the government of Malawi is doing well in terms of public finance management warranting them to give us budget support… So the results of the PEFA study are very, very useful because this inform the CABS group of donors whether the country is managing their finances properly.'*
>
> (GoM interview 2)

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[2] It is worth noting however that measures aimed at strengthening public expenditure management were part of the conditions of Malawi's debt relief under the HIPC initiative (IMF, 2006: 2).

[3] Crown Agents (CA) was founded in 1833 in order to manage the procurement of goods and other services in British colonies. Since its privatization in 1997, this not-for-profit corporation has specialized in capacity-building and public sector reforms as well as in work in 'difficult areas' such as Iraq (for more information, see Power, 2009).

[4] CABS donors provide direct budget support.

However, while donors valued the process, the assessment was more controversial with interviewees from the GoM, particularly the Ministry of Finance, which is in charge of managing the PEFA:

> *'You know (laughs) it's interesting because you will excuse my language, still the devil is not the IMF… right now we have PEFA.'*
>
> (GoM interview 3)

One of the causes for concern was the unprecedented level and scope of scrutiny of the PEFA. In addition, the standards expected were seen as being set particularly high:

> *'My headache is less with the IMF now than satisfying such sort of PEFA indicators […] because some of those PEFA indicators are even more stringent than anything IMF has ever done.'*
>
> (GoM interview 3)

As hinted at in the previous chapter, despite claiming to be country-led, there appears to be little room for negotiations with regards to PFM indicators, contrasting with a more collaborative approach in other areas:

> *'The analysis and assessment [regarding] […] problems the national response has, regarding financing, programming, policing […] those assessments are done collectively or are commissioned by some donor, […] and the scrutiny is done collectively by all partners. When it comes to assessments to do with what's not working regarding mechanisms, the money…and the culture around the money, the politics around the money, those are not done by all parties involved, [and] in this case […] they are clearly prescriptive: "we expect this, this, these are the standards and so on"'.*
>
> (NGO/CSO interview 6)

In addition, although PEFA is not directly linked to donors' disbursements, many of its indicators are similar to those used by CABS donors in order to appraise their commitment to budget support and determine the amount of funding they are willing to disburse. Under the CABS arrangement, the Government's performance is assessed against the targets attached to various indicators which form a Performance Assessment

Framework (PAF). Each PAF indicator is reviewed annually as well as indicators themselves if they are achieved or are deemed unsuitable. As this donor representative remarks:

> *'PFM indicators are rather similar in PAF and PEFA.'*
>
> (Donor interview 9)

For example, the credibility of the budget (comparing what has actually been spent to what was budgeted) is flagged up in both the PEFA (indicators PI-1 and PI-2) and the 2006 PAF (indicators 3-6). Effectiveness of payroll controls (PEFA indicator PI-18; 2006 PAF indicator 7), 'scope, nature and follow-up of external audit' (PEFA indicator PI-26 and 2006 PAF indicator 10) and 'legislative scrutiny of external audit report' (PEFA indicator PI-28 and PAF indicator 11) are also similar.

It is difficult to ascertain a causal relation between PAF and PEFA indicators, as this interviewee explains:

> *'GoM: - It's because CABS PAF has got PFM indicators and some of these indicators are linked to the PEFA assessment.[…] they are more or less the same…[we're] trying to bring them on board, so you can assess from the CABS you know that, at least, there's performance. [When the] next PEFA comes, maybe 2 years down the line, you have not neglected 1 or 2 areas. So it's that one element.*
> *E.M.: - So does the PEFA have an influence on the PAF, in terms of what indicators it includes?*
> *GoM: - It does, it does …So I don't know which one influences the other but there's that linkage.'*
>
> (Donor interview 7)

However, these parallels show that the PEFA and the PAF overlap with the effect of reinforcing the impetus for PFM reform. As this interviewee outlines, PAF indicators also ensure that PEFA issues remain on the agenda between assessments. The PEFA and the PAF can thus be seen as complementing each other. The PEFA provides an in-

depth and wide-ranging assessment, while the PAF contains a more selective list of indicators but is directly linked to donors' contributions, as this MoF official articulates:

> *'It's just one way of dismissing budget support that you'll be told because these PEFA indicators which have been incorporated into the CABS assessment framework that have not been met, they are reluctant to disburse or will not, depending on who's donating.'*
>
> (GoM interview 4)

> *'GoM: - Budget support is preferred even though it is the most vulnerable.*
> *E.M.: - Because of that link?*
> *GoM: - Yes to the PEFA and to the PFM conditions.'*
>
> (GoM interview 4)

Thus the link between PEFA and the PAF can be seen as symptomatic of what Rose calls advanced liberalism, where power operates at a distance through the promotion of standards of conduct, promulgated by experts. He states:

> '*In this new dispensation, experts […] provide information […] that enables these quasi-autonomous entities to steer themselves. They tutor them in the techniques of self-government […] They provide the information that will allow […] other parties – such as regulatory agencies – to assess the performance of these quasi-autonomous agencies, and hence to govern them […]. They identify those individuals unable to self-govern, and either attempt to re-attach them […] or to manage their exclusion .*
>
> (Rose, 1999: 147)

In this configuration, PAF indicators can be seen as seeking to 'attempt to re-attach' the GoM to PEFA standards, through the use of conditionalities. This does not seem to be unique to Malawi either. As Tan (2010) notes, there has been a progressive shift generally towards standardizing public financial management systems in developing countries through aid conditionalities. As Lemke states, liberal governmentality 'aspires to construct prudent subjects whose moral quality is based on the fact that they rationally assess the costs and benefits of a certain sort as opposed to other alternative acts*'* (Lemke 2001: 201). Here, the costs are made clear through their relation to aid

funding. I now turn to explore how PFM reforms are further entrenched in funding for socially-oriented sectors such as AIDS or Health.

7.2.3. PFM and AIDS/Health: blurring boundaries, expanding donors' reach

As already outlined, direct budget support (DBS) makes it impossible to track what specific activities have been supported by donor funding. However, as it becomes part of the national budget, it is expected that some will go towards priority areas such as AIDS and Health sectors:

> *'EU, along various funding, we also provide DBS and this goes direct to the government […] in support of the budget, whereby the government uses its own systems such as accounting, auditing, procurements and the rest… […] So the assumption is that we feel that this programme will have something on health, HIV and others [other sectors].'*
>
> (Donor interview 9)

Indeed, as this interviewee argues, donors anticipate direct budget support to provide results in social sectors:

> *'We consider our budget support programme as a poverty reduction programme […] which should address the social elements of economic development. So in that area we expect to see increased resources in the areas of health, education and so on. The more we give the more we want to see improvements in these particular areas because that's where our focus is.'*
>
> (Donor interview 7)

This focus is translated by the inclusion of social indicators in the PAF. For example, the 2006 PAF comprises targets such as a 1:3,900 nurse population ratio or over 60,000 people on ART[5] by the end of 2006 (2007 PAF, indicators 17 and 18, in appendix L). The 2007 PAF specifies that 19% of health facilities should be delivering the minimum

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[5] Antiretroviral Treatment.

package of preventing mother-to-child transmission (PMTCT) services by the end of 2007.

However, these indicators appear to be less central to determining the level of aid received through DBS than those related to PFM. In order to understand this, it is necessary to explain some of the techniques used by donors in order to appraise their DBS funding. Indeed, some donors operate through two distinct mechanisms to assess the volume of their contribution to the GoM:

> 'The way we are doing it is that we have fixed tranche and variable tranche but this year we'll only do the fixed tranche then the other two years we'll spread into fixed and variable.'
>
> (Donor interview 9)

Fixed tranche largely depends on the GoM meeting conditions pertaining to PFM, as the same interviewee continues:

> The fixed tranche […] we have certain conditions that we agree on with the government […] general conditions in terms of macro performance, PFM performance, availability of policies like the MGDS […] sound policies.'
>
> (Donor interview 9)

In this case, funding for AIDS and Health via direct budget support, relies entirely on the GoM meeting PFM targets, subordinating support for social areas to PFM reforms and macro-economic conditions and blurring the boundaries between the 'economic' and 'social' realms.

Variable tranches involve attaching specific sums of money to reaching targets for PFM, social and governance indicators specified in the PAF (see the 2006 and 2007 PAF in appendix L for examples of both targets and indicators):

> *'The funds are spread there [on the CABS indicators]: like [with] the 15 million [Euros], maybe 1.3 million [Euros] for each indicator. So where we are assessing, we say, maybe there's progress, there's no progress, there's progress, there's no progress: so from there we can see just how much we can give to the government, how much they haven't achieved. If they have achieved 50% or more, we may give them half, if not then zero.'*
>
> (Donor interview 9)

However, in Malawi, PFM indicators were particularly well-represented in the PAF. For example the 2006 PAF includes 11 PFM indicators, while governance has 9 and social sectors focused largely on education, health and gender have 8. Similarly, the 2007 PAF has 11 PFM indicators, with only 7 representing governance performance and 7 social sectors. In addition, funding attached to individual conditions does not necessarily reflects the amount of funding which, if obtained, will be attributed to the issue defined in the indicator. Hence, the balance appeared to be skewed in favour of PFM, giving these reforms disproportionate weight, at the expense of achievements in social sectors.

In terms of sectoral support, although disbursements through the Health SWAp or NAC's pool-funding mechanism were not directly linked to PFM performance, these issues were seen as influencing donors' decision to enter such funding agreements:

> *'[In the area of] basket-funding for sector budget support, donors […] are very much interested to see that the reforms that are taking place in this particular sector and the finance … the public finance management systems are put in place: issues about transparency, accountability, you know good governance. So then, once they are satisfied, they come in with their basket funding.'*
>
> (GoM interview 2)

In addition, PFM issues were embedded in the SWAp framework, as this interviewee highlights:

> *'You know when they developed the SWAP it was not only the programme of work but it was also […] the finance mechanism: it came with reporting procedures and structures etc. […] Procurement is something that comes to mind and as I said before, procurement was developed by the World Bank.'*
>
> (NGO/CSO interview 6)

Indeed, PFM appeared as 'soft conditionalities' in the form of expectations in the agreements between donors and the GoM. The Health SWAp's MoU, for instance, contains detailed instructions with regard to the ways in which procurements are to be managed:

> *'[The Government and the Collaborating Partners] ensure that cost effective and transparent procedures are in place for the procurement of works, goods and consulting and non-consulting services. The Government will ensure that the new Procurement Act (no. 8, 2003) is implemented in the health sector and is operating fully and effectively. In the interim period, and in accordance of Part I.3(3) of the Public Procurement Act 2003, the Government will use, for all procurement above thresholds agreed with Pool Fund partners, International Competitive Bidding (ICB) as set forth in Section II of the Guidelines for Procurement under IBRD[6] Loans and IDA[7] Credits ("the Guidelines") of May 2004 and Selection and Employment of Consultants by World Bank Borrowers (the "Consultant Guidelines") of May 2004, using IDA to review and provide required procurement 'No-objections'. The Government will use Government of Malawi procurement systems for procurement of all goods, works, consulting and non-consulting services below the agreed thresholds, in accordance with procedures and thresholds outlined in the Public Procurement Act 2003 Regulations and Desk Manuals issued by the Office of the Director of Public Procurement.'*
>
> (Republic of Malawi, 2004b: 4-5)

Significantly, the Memorandum of Understanding (MoU) also implicitly specifies the need for wide-ranging PFM reforms:

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[6] International Bank for Reconstruction and Development: established in 1944 as the original institution of the World Bank Group, it provides loans and advice to credit-worthy countries.

[7] International Development Association: established in 1960, it provides loans and grants for programmes to poor countries.

> *'[The Government and the Collaborating Partners] ACKNOWLEDGE that the*
> *SWAp requires institutional strengthening of the Ministry of Health in*
> *budgeting, procurement, financial management, management of human*
> *resources, information and communication systems.'*
>
> (Republic of Malawi, 2004b: 2, original emphasis)

The new aid architecture and the funding mechanisms it promotes thus create a reliance of funding for social sectors such as AIDS and Health, on PFM reforms, blurring the boundaries between financial and social sectors. While good PFM systems can be useful in ensuring checks-and-balances at the level of government and minimising risks of mismanagement, the subordination of socially-oriented funding to these institutional changes is problematic in that it makes funding vulnerable to cuts, regardless of performance in these sectors.

In addition, the definition of what constitutes 'good' procurement systems is not a neutral one. Indeed, the Paris Declaration uses the Bank's CPIA as the yardstick for 'broadly accepted good practices' (OECD, 2005: indicator 5a) in PFM issues. In Malawi, the adoption of World Bank procurement procedures was also a conditionality for the Bank's Multi-Country HIV/AIDS Program (MAP) funding. PFM issues, particularly those relating to procurement, have a particularly significant impact in areas such as the as the health sector, as this MoF official articulates:

> *'E.M.: - Are there any conditionalities in terms of Health or HIV and AIDS?*
> *GoM: - […] yes there are conditions there, most of the conditions are linked to*
> *PFM issues.*
> *E.M.: - So in terms of health, [PFM conditions] are an issue as well?*
> *GoM: - Yes, [with] procurements and so on.'*
>
> (GoM interview 4)

Procurement defines the various rules and processes guiding the acquisition of goods and services by the Government. Thus, PFM conditionalities pertaining to procurement reform entail an overhaul of the systems used by the government to acquire items and

services of prime importance such as medicines and medical equipment, transport vehicles, information and communication technologies, consultants etc. Procurement procedures can be extremely complex, making it difficult for under-resourced public administrations, as in the case of Malawi, to manage and creating delays in the acquisition of vital goods and services (this is addressed in greater length in section 7.3.). In addition the design of the rules and regulations controlling public procurement can be seen as favouring specific companies or countries of origin by making procedures too cumbersome for others, including local firms. This is of particular significance to growth in poor countries as it is estimated that 12-29% of their GDP is spent annually through public procurement (Eurodad, 2008a). In the area of AIDS, drug procurement can be particularly contentious as it may restrict the use of generic treatments. As this interviewee explains, procurement procedures imposed as part of the PFM reforms could be seen as created biases, in favour, partly, of Western companies:

> *'Some of them [ARV drugs] [come from] India , others are coming from the US. Yeah… UNICEF does the procurement, the World Bank chooses which company….. so you can see what we are facing now!'*
>
> <div align="right">(NGO/CSO interview 4)</div>

In addition, the new aid architecture was seen as favouring more stringent PFM standards, as donors harmonised on the basis of the most demanding partners, which in Malawi were the World Bank and the Global Fund (though, according to ActionAid (2006a), this is in no way unique to Malawi). Moreover, new donors joining budget support mechanisms also adopted the conditionality framework already in place, such as the PAF, as this MoF official explains:

> *'Now unfortunately, even those donors who did not want such sort of conditionalities are brought into the picture.'*
>
> <div align="right">(GoM interview 3)</div>

Hence, the Paris Declaration can be seen as reinforcing the 'gatekeeping functions of the BWI[8] to other sources of development financing' (Tan 2011: 1042).

The new aid architecture thus has programmatic effects, effectively promoting reforms that restructure the state apparatus. As Mosse (2005: 5) remarks:

> '*Indeed as its* ends *have narrowed to the achievement of quantified targets on poverty or ill-health, the* means *of international aid have expanded from the management of economic growth and technology of transfer to the reorganisation of state and society needed to deliver on targets'.*
>
> (Mosse, 2005: 5, emphasis original)

By making AIDS funding dependent on PFM reforms – either through coercive measures such as the formal conditionalities of the PAF, or through more broadly defined expectations in the Health SWAp – the new aid architecture has placed a range of neoliberal reforms at the centre of development assistance. As Rose explains, the programmatic nature of governmentality enables it to operate at a distance:

> '*These processes […] were not to be regulated by intervening directly upon organisational processes or by relying upon professional or bureaucratic expertise. Government was to act indirectly upon the actions of these autonomous entities, by focusing upon results: setting targets, promulgating standards, monitoring outputs, allocating budgets, undertaking audits.'*
>
> (Rose, 1999: 146)

As I explore in the next section, PFM reforms can be seen as doing exactly this: by instituting a certain grammar of policy-making and implementation, based on specific methodologies and techniques, it promotes a particular rationality of government which seeks to transform the state in line with neoliberal principles.

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[8] Bretton Woods Institutions i.e. the IMF, the World Bank and the World Trade Organisation.

7.3. PFM as governmental technology: neoliberalising the state

As the previous section highlighted, the aid effectiveness agenda has contributed to embedding PFM reforms within all sectors of development assistance, including health and AIDS. The present section focuses on the neoliberal effects of this trend. It shows how these reforms involve the deployment a number of 'apparently mundane practices […] through which neoliberal spaces, states, and subjects are being constituted in particular forms' (Larner 2003: 511). Here, I highlight how the implementation of a medium-term expenditure framework (MTEF) seeks to reign in expenditure, subordinating the implementation of national policies to IMF-agreed macro-economic policies. This, in turn, involves the prioritisation of public expenditures and their crystallization around the MGDS, at the expense of other policy areas. I show how the use of target-setting and performance-based budgeting, a practice implicit in the MTEF, attempts to extend market principles to all areas of government. This, I argue, represents an unprecedented expansion of a neoliberal rationale, as well as a problematic depoliticisation of the state.

7.3.1. MTEF: fiscal discipline as over-arching rationality

The implementation of medium-term expenditure frameworks (MTEF) is a central pillar of PFM reforms. MTEFs aim to 'introduce strategic, medium-term budgeting, bringing together the policy-making, planning and budgeting roles of government into a rolling 3-year horizon' (Shimwaka, 2004: 37). In other words, the MTEF enables a matching of projected resources with the anticipated cost of government policies (including recurrent expenditures such as staff and infrastructure maintenance), allowing the better predictability, planning, monitoring and controlling of public expenditures.

In effect however, MTEF can be seen as an instrument enforcing macroeconomic discipline, focused on maintaining low inflation through the reduction of budget deficits and subordinating expenses to revenue. As Gould (2005a: 3) explains: 'recipient governments must, first, tie their budgets to a Medium-Term Expenditure Framework (MTEF) that conforms to criteria defined by the IMF'. It is worth noting however that the advisability of keeping inflation low at any cost is contested by internationally renowned economists, including Stiglitz (1998). McKinley (2008: 99) also argues that while there is little evidence that low inflation is good for growth, studies show that a moderate inflation situated between 5 and 15% can have a positive impact, principally when they are associated with investments. As McKinley (2008: 98) asserts, 'many rich-country advisers often argue against expansionary fiscal policies - except in their own countries'.

In Malawi, an MTEF was introduced in 1995 following the 1990 Public Expenditure Review and the 1995 Budget Management Review conducted by the World Bank (Simwaka, 2004: 36). The implementation of a 'new system for monitoring and controlling spending' (IDA and IMF, 2000: 9) was then flagged up in the IMF completion point document, making it in effect a conditionality for debt relief. As the IDA[9] and IMF (2000: 9) point out, such a system is 'intended to prevent the re-emergence of domestic arrears'. The enforcement of expenditure ceilings was also advocated in the recommendations from the 2000 Public Expenditure and MTEF reviews (Shimwaka, 2004). However, as the Malawi Growth and Development Strategy (Government of Malawi, 2006) notes, it failed to be followed-up successfully, leading to considerable variations between planned and actual expenditures.

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[9] International Development Association: the World Bank's Fund for the poorest countries.

The new aid architecture can be seen as enabling donors to increase the pressure on the GoM to achieve better financial discipline. The implementation of the MTEF is, for instance, highlighted in the SWAp MoU, which states that the government and its partners should:

> *'adopt a medium term financial planning perspective for the health sector based on the Medium Term Expenditure Framework (MTEF)'*
>
> (Republic of Malawi, 2004b: 5)

As the quote above also highlights, the effects of the MTEF are translated at sectoral level, where policy implementation is made reliant on funding allocated centrally. Budget ceilings are then sent to districts allowing them to plan future activities around these. As a result, Bissio (2007: 15) notes, SWAps' focus is firmly on the 'supply-' rather than the 'demand-side' of service delivery. As this donor representative articulates, reducing the budget deficit is also viewed as an underlying principle in the health sector:

> *'Maybe the NGOs worry "oh give it more than this, this is not adequate for the health sector". But it's a question of balance again so, so you don't only have a budget or an account, an economy where you only eat, you only consume.'*
>
> (Donor interview 4)

In addition, as many have noted (see Woll, 2008; Hayman, 2009; Wallace 2009 for instance), one of the effects of the Paris agenda has been a differentiation within aid-dependent countries' governments. Direct budget support for example, is negotiated between donors and Ministries of Finance (in Malawi this is done through the MoF Aid and Debt division), while individual line ministries have lost all or part of their ability to approach donors directly about their needs. This reinforces the power of Ministries of Finance, which, as Harrison (2001: 664) explains tends to 'speak the same language, of reducing inflation above all else', at the expense of more socially-minded ones. This was confirmed in my fieldwork, as this MoF official articulates:

> *'Let me come back to that issue about inflation targeting, whether it's stringent on us. How we run our economy is no longer the issue now, it's not the issue, we have to keep our inflation as low as possible, we have to keep our domestic borrowing as low as possible, not for the IMF, we do this for ourselves, right, because we understand the consequences if we don't manage these very well, how it will be for the whole economy'*
>
> (GoM interview 3)

Thus, IMF macro-economic policies have been internalised, at least at the level of the MoF. It reflects the Malawi Growth and Development Strategy which sets a target for inflation below 0.5% (Government of Malawi, 2006: 61). Fiscal discipline has thus become a central organising principle, on which all other policies hinge.

These budgetary imperatives are furthered by the implementation of mechanisms facilitating the deployment of this rationale at all levels. In that regard, the introduction of an Integrated Financial Management Information System (IFMIS) in 2004-05 is key (Banda, 2007: 101). The IFMIS 'has inherent controls to match expenditure to budget and flag where budget/commitments have been exceeded' (Simwaka, 2004: 47) enabling the implementation of budget discipline at all levels of government. Again, the Health SWAp MoU can be seen as increasing pressure on the GoM to further the implementation of IFMIS. It enjoins the government and its partners to:

> *'strengthen mechanisms to ensure that each spending unit within the budget and that each institution participating in the SWAp adhere to applicable Government and Ministry of Health budget ceilings'.*
>
> (Republic of Malawi, 2004b: 5)

In addition, the implementation of IFMIS improves the ability of ministries to provide up-to-date financial reports as expenditures are recorded electronically. This, in turn, allows greater scrutiny by the MoF and donors. For example, the SWAp MoU (art 8)

indicates that data from IFMIS will be used to inform reports from the Ministry of Health (MoH) to donors on progress on a set of indicators.

The implementation of the MTEF can also be seen as shoring up a small government ideology by restricting the growth of the public sector. The IFIs are infamous for their wage bill cap, setting ceilings for public sector salaries expenditures, measured as percentage of the overall budget. This cap is often entrenched as part of HIPC conditionalities. Non-compliance can be costly. For instance, an Action Aid report (ActionAid International, 2006a) explains how in Honduras, the government's policy to raise pay for teachers increased its wage bill above the specified ceiling and led to the suspension of US$ 194 million by the IMF. However, in Malawi, the wage bill cap had been lifted in the health sector, shortly before my fieldwork, thanks to the pressure from civil society organisations and NGOs:

> *'The Ministry of Health or the government had their hands tied when it came to recruitment because despite the crisis [...] the IMF put a ceiling on how much they can spend on the pay roll, for paying salaries. So even though there were vacancies, the government could not recruit more because of that condition. So we lobbied [...] the IMF together with other partners like Action Aid and fortunately for the health sector we have removed this.'*
> (NGO/CSO interview 4)

However, even in the absence of a wage bill cap, the MTEF enforces strict budget ceilings, putting fetters on a possible growth of the public sector workforce:

> *'The issue is whether we have enough money as Malawi government to mobilize all the social workers we need and the doctors we need and the answer is no.'*
> (GoM interview 3)

Yet, the lack of human resource was seen as the greatest impediment to tackling AIDS in Malawi, as this Malawian donor representative explains:

> *'Human resource is the biggest problem, no question about it. HR is the biggest problem because we don't have enough human resource. The core medical staff as well as the supporting staff. [...] I think that's a real big problem.'*
>
> (Donor interview 7)

Although human resource capacity in the Health sector was addressed, somewhat successfully, through the Emergency Human Resource Programme, with funding directed towards increasing the number of students in training institutions, boosting pay and providing special allowances for health professionals (Carlson et al., 2008: 8), administrative and management capacity have been lagging behind, both at district and central levels. In addition, this approach can be seen as indicative of a neoliberal governmentality in which, as Rose (1999: 123) argues, the social is no longer conceptualised in terms of capital and labour but instead segmented into 'solvable' and actionable issues.

Although capacity is a complex and multi-faceted issue including not only the number of staff but also their level of training and efficiency (I will touch upon the issue of capacity again in section 7.4), macroeconomic limitations were seen as particularly detrimental in preventing the implementation of an effective AIDS response, as this GoM official explains:

> *'A country like Malawi is not a developed country, where I can sit and talk about HIV and people will sit around their radio and listen, or open their TV and listen or see me talk about the issues. We don't have that luxury. But even if we had that luxury, if they have questions they cannot ask the TV, they cannot ask the radio. The majority of the population is illiterate; our transport network is not as developed as it should be. So as a country we need face-to-face interaction. So talking about increased wage bill in Malawi is unfortunate: we need the people at the community level to deliver a service. For example, we had a home craft worker who moved from house to house to teach people on nutrition using the home economics approach. We reduced malnutrition to a lower level. But when they said your wage bill is very high in 1992, all these people got removed [...]. By 1998 stunting was 59%, it jumped from 47.8% to*

59%, so you can imagine. And then, as we are talking now there is an outcry that the HIV/AIDS services are not reaching the community, it is because the community worker is not there, who can deliver the service home. So my only plea is to let them assess countries from their individual basis, not give a blanket recommendation, it does not make sense.'

(GoM interview 5)

The quality of staff that the Malawian public administration was able to attract and retain was also seen as an issue:

'Capacity needs to be built and it's difficult to get good people in government to work for the salaries so if you don't invest in the civil service structure, how do you get the technical expertise?'

(Donor interview 8)

Budget constraints due to macroeconomic imperatives have also been seen to hamper the scaling up of the national AIDS response:

'The national AIDS framework has been implemented effectively in certain components and not exactly in others, for the national programs that are biomedical being delivered in the Ministry of Health, there has been some remarkable progress we all know. But we also know that there is very little that's been done to improve the capacity and speed at which these considerably successful initiatives are being implemented, because very little and delayed investment in human resource, infrastructure, a lot of policy, macro economic policy limitations around those two, have also been left to other players outside the sector to determine.'

(NGO/CSO interview 6)

In addition, the complex management processes imposed by donors through conditionalities were perceived as exacerbating the lack of capacity by draining precious human and material resources away from actual service delivery:

'Non-core [administrative] functions are now consuming a lot of money [...] You'll find that administration is getting a larger percent of the budget [...] just because the framework within which they are implementing curative and preventive services is difficult.'

Thus, through the promotion of tools such as MTEF and IFMIS, the new aid architecture can be seen as embedding the IFIs' economic tenets deep into the government, making anti-inflationary policies the central rationale and the basis for all governmental activities. As Bissio (2007) remarks, this neoliberal rationality runs against, and undermines the influence of, rights-based approaches, as promoted for instance the 1986 Declaration on the Right to Development. Indeed, the use of MTEF also deproblematises funding gaps, by making activities fit in with forecasted resources, rather than highlighting the need for increased funding from donors in order to match national and international policy commitments. In Malawi, this was particularly problematic in the area of AIDS, where the costing of the Universal Access[10] strategy pointed to a large funding shortfall, as this interviewee explains:

> *'There's a gap. You know there has been this global movement in order to provide universal access to HIV prevention, treatment, care and support. This was a global movement at the G8 and what have you... this hasn't been matched with resources. A country like Malawi, we went ahead to develop a road map for universal access after 2011. We have the roadmap, but it's not funded [...] The NAF [National Action Framework] from 2005 to 2009 is costed at 620 million [Malawi Kwatcha]; the UA [Universal Access] is almost 1.2 bn [MKw]. The commitments that we have up to 2009 ... currently start at around 450 million so really there's a gap with the NAF, and certainly there is a gap with the UA. So as much as there was this global movement, this global movement has not been matched by funding.'*
>
> (GoM interview 9)

Ironically, aid predictability was left relatively unaddressed by PFM reforms, despite its crucial impact on a possible deficit. As this donor representative states:

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[10] In 2006 UN Member States committed to universal access to HIV prevention, treatment, care and support by 2010 (WHO, 2012)

> *'What Government wants is consistent aid, people say this is the budget for this year, we would like it delivered on time according to our donors agreement. Donors are very bad about that. The predictability is a very, very big issue.'*
>
> (Donor interview 1)

This was strongly supported by the views from this MoF official:

> *'This the donors cannot explain, you know they tell us we will give you so much, and we make our economic programs and all that, based on those pledges and then in the end you see they never come and it messes us up completely, you know. And just to tell you last financial year, our financial year ends in June, on 30th June, we had in the programme 39 million US dollars from Global Fund promised and it never came.[…] We have to borrow from the central bank and our domestic borrowing swells, and that increases inflation, if you want, so, there's more borrowing. Why? Because those who promised us don't bring the money, so you have to get the money from somewhere, otherwise, you agree to let people die which we will not do.'*
>
> (GoM interview 3)

The anti-inflationary rationale promoted by PFM reforms hence largely focuses on the GoM's role and systems, at the expense of the role of donors. But it is also perversely enforced through the very mechanisms that then undermine its success: by attaching PFM conditionalities to funding, it makes it more likely that disbursements may be delayed, creating budget deficits.

Hence, Public Finance Management can be seen as neoliberal in that it seeks to establish systems that will ensure that budget discipline will be observed in all areas of government. It is programmatic in that it sets in place processes that allow and promote the self-regulation of Ministries while increasing the scrutiny of the MoF and donors. As Rose (1999: 50) notes, 'rule "at a distance" becomes possible when each can translate the values of others into its own terms, such that they provide norms and standards for their own ambitions, judgements and conduct'. In this case standards are made clear

through strict finance budgeting mechanisms which seek to ensure the primacy of the IMF-inspired macro-economic framework. Expectations are recalibrated to fit economic circumstances.

7.3.2. Extending market rationality to the state: a new grammar of policy-making

As Foucault (2008) explained the 'Ordo' liberals viewed state intervention in the social area as a means to sustain the existence of the market, for example by providing corrective measures through welfare provision. In contrast, the Chicago School strand of neoliberalism sought instead to:

> *'extend the rationality of the market, the schemas of analysis it offers and the decision-making criteria it suggests, to domains which are not exclusively or not primarily economic: the family and birth rate, for example, or delinquency and penal policy'.*
>
> (Foucault, 2008: 322)

This section examines how the new aid architecture, combined with the implementation of PFM instruments such as the MTEF, converges towards the establishment of a certain grammar of policy-making that seeks to replace accountability based on professional expertise or democratic accountabilities with 'calculative practices' (Miller and Rose, 1990: 11) inspired by market rationality.

The implementation of MTEF implicitly requires a greater focus on 'priority areas' in order to ensure that public resources are allocated in a way that produces 'value for money' (Simwaka, 2004: 36). Under the PWC, this process gives centre stage to the implementation of PRSPs, at the expense of other policies. As Gould (2005a: 3) notes, 'the bulk of budget expenditures must be targeted to the over-riding goal of poverty reduction as defined by the World Bank'. This requirement has been reinforced by the demand from donors for demonstrable aid effectiveness. As Bowie and Mwase argue:

> *'donors may be prepared to relinquish individual health projects and contribute to basket funding through a SWAp so long as the health sector plans for which the basket funding are used address health priorities in an efficient and effective way'.*

<div align="right">(Bowie and Mwase, 2011: 1)</div>

Prioritisation of resources towards clearly defined activities is seen as crucial in that regard. Peters and Chao (1998: 182), writing on early SWAp experiments show that this requirement has been part and parcel of the elaboration of the aid effectiveness agenda. They argue that 'what the SWAp has demanded of new health policies is that they be far more explicit than their predecessors, and they be formulated to address real choices for the sector' (Peters and Chao, 1998: 182).

In Malawi, the need for better prioritisation was acknowledged by the GoM in its MGDS (Government of Malawi, 2006) where it recognised that its (limited) resources have been spread too thinly in the past, therefore making little impact. The Health SWAp demonstrates 'tough and appropriate' choices (Bowie and Mwase, 2011: 5). Its Programme of Work is largely based on the delivery of the Essential Health Package (EHP), a 'prioritised but limited package of services that should be available to every individual in Malawi at all time' (Republic of Malawi, 2004a: 1). The EHP is an instrument often used by SWAps in order to identify and focus on cost-effective interventions reflecting the burden of disease of the country (Bowie and Mwase, 2011). While this allows the Health sector to concentrate on the most severe health problems, this also provides 'Value for Money' for aid funding, a concept increasingly important to a number of donors (OECD, 2012a). Indeed, the content of EHP is often determined through the use of disability-adjusted life years (DALY) which mathematically establishes prioritisation. One DALY represent 'one year of health life lost due to a disability or premature mortality' (Sandusky, 2006: 11). The effectiveness of a treatment is calculated by dividing the number of DALYs averted by the cost of the treatment. In

Malawi though these choices were made through wide-ranging consultation, rather than mechanical quantification. Yet DALY are often used to assess the validity of this selection (Bowie and Mwase, 2011) and can thus be seen as an increasingly important tool for prioritisation. In addition, as Sandusky (2006: 11) notes EHP entrenches a specific rationality whereby 'essential services are assigned based on resources availability rather than need'.

Indicators measuring the achievement of outputs and objectives are included in an annual workplan and allow progress on the implementation of the EHP to be tracked . As the SWAp MoU indicates:

> *'The Government and the Collaborating Partners consent to a final set of SWAp indicators, including measurable indicators of input, output, and impact at both district and national level. Each indicator will have specified baseline and target values (annual, and end of program), and be disaggregated wherever possible by district, disadvantaged groups, and other relevant categories.'*
>
> (Republic of Malawi, 2004b, art.8)

Similarly, the NAC's National HIV/AIDS Strategic Framework had identified eight areas of priorities and its Annual Integrated Workplan focused on key issues, disaggregated into activities with corresponding output targets. Monitoring and evaluation also provides information on progress made, as this NAC staff member explains:

> *'The M&E [Monitoring and Evaluation] framework has got a minimum set of indicators that we should collect information on. And this includes indicators that fall in 4 categories: it's got impact indicators, outcome indicators, process indicators and as well as input indicators. So I think we have a set of about 56 indicators if I remember correctly across the four areas. So we have key data sources where we get this information, largely it's from the various implementing agencies and then we have line ministries which have their own existing information systems, so those are also data sources. Then we also have periodic surveys like the demographic and health survey, the welfare*

monitoring survey and other related ones so those ones will usually get outcome as well as impact indicators.'

<div align="right">(GoM interview 7)</div>

There is also a multiplication of instruments improving the readability of policy implementation. During my fieldwork in Malawi, I represented Action Aid International Malawi at a meeting discussing the introduction of a tool called the National AIDS Spending Assessment (NASA). The NASA tracks resources devoted to AIDS and allows 'a comprehensive analysis of actual expenditures' (Kioko, 2008). The NASA includes information on financing (source of funding and agents), the provision of services and their use (beneficiaries and type of spending). National Health is another noteworthy tool enabling greater scrutiny of the resources affected to the Health sector.

However, Malawi was seen by donors as still lacking suitable 'calculative technologies' (Miller and Rose, 1990: 11) allowing achievements to be measured against national policies:

> *'What has been missing in Malawi is a direct and uniformed tracking of financial accountability with programmatic outcomes.'*

<div align="right">(Donor interview 6)</div>

Improvement in this area was on donors' agenda, as this donor representative explains:

> *'Another challenge is… pushing them as well to do more impact analysis. I think those are really critical in order to understand how the money flows, where it goes, who it is benefiting and if it's really reaching […] the intended beneficiaries. These are the sort of data that we really would like to see and we're not really starting to see very much yet, so…. It's part of our influence, […] it's across the board… several partners would like to see a bit more evidence around that.'*

<div align="right">(Donor interview 3)</div>

A further step in the direction of this new grammar of policy implementation is to link these targets to funding. Indeed, a noteworthy change linked to the implementation of

PFM has been a shift towards 'Public Expenditure Management'. As Box 4 below describes, this approach bases budget allocation on reaching specific targets, linked to government policies. It is often shored up by a decentralised responsibility for budget management and civil service reforms linking pay to performance. It is thought to improve accountability, transparency and efficiency by establishing clear links between targets met and allocation.

Box 4: paradigm shift in budgeting (from ODI, 2004)	
Old paradigm 'conventional budgeting'	New Paradigm 'Public Expenditure Management'
Budget process	Budget policies and institutions
Rules	Incentives
Inputs	Outputs/outcomes
Compliance	Performance
Centralised control	Decentralised responsibility
Bureaucratic opaqueness	Transparency and accountability

The implementation of MTEF has often been concurrent to this type of paradigm shift. As Simwaka (2004: 37) explains: 'the role of the budget under the MTEF was to change from a centralised inventory of inputs adjusted on an incremental basis[11] to an output-focused approach based on costings of priority activities and projections of available resources'. The MTEF thus entrenches radical changes in the ways in which the budget

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[11] This is a budget prepared using a previous period's budget or actual performance as a basis with incremental amounts added for the new budget period.

is implemented, where allocations are based on performance, usually based on reaching a set of pre-defined targets (or outcomes and outputs[12]), rather than based on input i.e. reflecting past years' fund allocation. However, performance budgeting covers a number of varied approaches from 'the hard-edged contractualism of New Public Management to activity-based costing' (IMF, 2008). As Tan (2010) notes, the approach to health planning is shifting increasingly from input-based to results-, or performance-based planning and budgeting.

In Malawi, output-based allocations in the Health sector were advocated after the 2007 National Health Account (covering years between 2002-2003 to 2004-2005) showed that despite considerable increases in donor, government spending as well as household spending, 'very little in terms of quality of care, access to and utilization of public health care services had improved' (Health Systems 20/20, 2012). This triggered a review that sought to examine the strengthening of Level Agreement/Output Based Financing with mission facilities (which deliver a large proportion of health care in Malawi) and 'investigate the feasibility and viability of alternative financing mechanisms for paying its providers such as performance-based financing or conditional cash transfers to beneficiaries for specific outputs' (Ministry of Health, 2007: 45). Thus performance-based budgeting was still nascent in the Health sector at the time of my fieldwork. However, as this quote from an MoH official insinuates, this constitutes the next step that the GoM is expected to take:

> *'Yeah, I'd want probably the Government as a bureaucratic institution, probably we should move to more performance-based disbursement.'*
>
> (GoM interview 8)

These requests from donors for greater accountability for results can be seen as programmatic as they seek to institutionalise systems allowing greater coherence

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[12] Outcomes representing the desired results and outputs the intermediary steps to achieve it.

between policies and their implementation, through the use of targets-setting and monitoring. As Miller and Rose (2008: 29) state, governmentality is 'characterized by an eternal optimism that a domain or a society could be administered better or more effectively, that reality is, in some way or other, programmable'.

This new grammar of policy can be seen as allowing donors to conduct at a distance, by increasing their scrutiny over GoM's operations as well as by making it easier to steer its policies in specific directions. According to Porter (1996) the status-conferring quality of numbers as objective and disinterested is key in situations where authority is not secure. Thus, the use of targets can be seen as providing donors with a tool allowing supervision of government activities. The need for enumeration is particularly acute in areas such as AIDS where desired outcomes are not immediate:

> *'And yes, it may be a while before we see a declining prevalence or a delay in sexual debut or a reduction in the number of sexual partners which are all either high level outcome or impact indicators. But if we can track in terms of teachers trained, children receiving life skills training, children receiving text books, orphans being supported, those are the intermediate indicators that can point towards some progress in the achievement of a high level outcome or impact indicators.'*
>
> (Donor interview 6)

Indeed, the need to demonstrate performance was echoed on the government's side, exposing the requirement to demonstrate, not only progress with the national response to the AIDS epidemics, but also effectiveness:

> *'We need to be result-based, us as implementing partners, as a grant recipient, we should make sure that we focus on results […] Because at the end of the day, we are looking for impact: what has the money done at the end of the day? That's just what we want to know. So the issue of monitoring implementation as impact is very critical in this particular case.'*
>
> (GoM interview 9)

In addition, the homogenising quality of numbers creates avenues to implement 'global' priorities down to the district level. Indeed, this economy of enumeration, while appearing neutral is always political. As Alonso and Starr (1987, in Rose, 1999) political values and judgements guide the choice of what to measure, how to measure it and how to present and interpret the data. As this NAC staff member points out:

> *'The M&E [Monitoring and Evaluation] plan is also aligned on the regional as well as global reporting requirements like the SADC [Southern Africa Development Community], for example, as well as the UNGASS which is the UN. So after every two years we also produce an M&E report which informs reporting requirements for the UN.'*
>
> (GoM interview 7)

Similarly the National AIDS Spending Assessment (NASA) was 'compatible with upper-level or aggregated systems' (Kioko, 2008) allowing greater international scrutiny and comparison. As Miller and Rose (1990: 18) argue, conducting at a distance entails technologies which 'appeared to enhance the autonomy of zones, persons, entities, but enwrapped them in new forms of regulation – audits, budgets, standards, risk management, targets, shadow of the law, etc.' As this MoH official explains:

> *'So much is related to the targets we have agreed, to the indicators and things like that.'*
>
> (GoM interview 8)

In this respect, numbers are the principle vehicles of this governmentality, 'structuring the field of action' (Foucault, 1991a), creating hierarchies and order, zones of visibility where action and resources are to be channelled.

This is particularly relevant with regards to decentralisation. As explained in chapter 3, decentralisation in Malawi, was in the process of devolving new power and responsibilities at district level, including for the management of the health sector and the AIDS response. However, lack of administrative and human resource capacity

constitutes a hindrance to a correct implementation of national policies, as this NAC staff member explains:

> *'I would say it [the greatest challenge] is mostly at district level, because that's where the action takes place most. At central level it's like the issue of policy-development, strategy-development, issues of quality assurance, standard setting and stuff like that. But when it comes to implementation, whether through the public system or the civil society structure, I think that's where we experience lots of challenges.'*

<div align="right">(GoM interview 7)</div>

Thus, donors have participated in the elaboration of instruments such as the district planning tool which were developed to help improve the measurement of performance against national targets at district level:

> *'What we are doing at this stage is ensuring that we have both the mechanisms to track the effective use of resources, - that's the financial accountability - but tying this at the district level to programmatic indicators to ensure that there is also programmatic accountability. The financial indicators tell one about money in money out and who has been accountable for it, but what is important for us is what that money has achieved.'*

<div align="right">(Donor interview 6)</div>

While some of these methodologies of government have shown positive results, focusing limited resources where it was likely to make the biggest impact, both in terms of substance and geographically (see Bowie and Mwase, 2011), they have, at a deeper level, important de-politicizing effects. Indeed, these technologies of government can be seen as seeking to introduce a technical linearity between available funding, policy choice-making based on value-for-money and internationally-promoted 'best practices', target-setting facilitating implementation, reporting, evaluation and monitoring, auditing, etc. What these technologies reveal is an 'instrumental conception of the state and politics' (Peñafiel, 2008 in Bergamaschi, 2009), a vision of government as a service-

delivery depoliticized machine, where the process of translating internationally recognized (and approved) policies such as those outlined in PRSPs into locally implemented activities is made as seamless as possible. Significantly, this was articulated by one of the participants at the NASA meeting I attended. The person argued that coupled with research-based evidence, this new tool would enable 'optimum policy decisions' to be taken. This is indicative of the increased inclination to use calculative techniques in order to reach policy decisions.

This can be seen as having adverse effects on the development of political parties based on ideological orientation and contributes to reinforcing, instead, a patrimonial regime. Indeed, if governments have to commit to policy documents such as the MGDS for longer than their electoral mandate, then any alternative proposals might jeopardize donor funding. With MTEF translating PRSPs into implemented policies, democracy becomes an optional extra:

> 'This is all possible because politicians in this country have little influence over what's going on. By politicians I mean Parliament. The executive manages the money, and democracy is still in its infancy. We are basically a toddler, in the sense that Parliament sometimes is seen as an interference in government business […] This has been encouraged because I think there is very little that the donors want to do with Parliament and that culture over years from the dictatorship to ten years of a very powerful government that had its way in Parliament, it's still pretty much what goes on. So there is very little that takes place by way of interrogating what the executive has proposed, but more importantly what the executive has achieved. […] The whole due process of managed accountability, downward accountability, to the citizenry, accountability within the government systems is skewed. It's about providing accountability to donors and that has a cost, that has its liabilities.'
>
> (NGO/CSO interview 6)

Interestingly, this may suit governments in power. In Malawi, as in many African countries, the political system is Presidential, with the executive branch of government concentrating power at the expense of Parliament. Thus, the role of Parliament in the

implementation of the MGDS is restricted to enhancing 'Parliamentary oversight, transparency and accountability' by ensuring that 'budget is being used to provide resources for the prioritised activities in the MGDS'. (Government of Malawi, 2006: 72).

But the technicalisation and depoliticisation of policy can also be read as the deployment of a certain neoliberal rationality. As Ong (2006: 3) states: 'neoliberalism can also be conceptualized as a new relationship between government and knowledge through which governing activities are recast as nonpolitical and nonideological problems that need technical solutions.' Indeed, the power of these calculative practices is to 'shape the ways in which we frame the choices open to individuals, businesses and other organizations' (Miller and Rose, 1990: 11). The deployment of these technical methodologies of government thus contributes to extend market rationality to new areas of government, through a shift from professional to financial accountability. As Miller and Rose (2008: 41) explain, under this rationality, personal and professional judgment is replaced by 'the objectivity of economic-financial calculations'. They state: 'the enclosures of expertise are to be penetrated through a range of new techniques for exercising critical scrutiny over authority: budget disciplines, accountancy and audit being three of the most salient'. In this respect, this grammar of policy can be seen as a 'critique of previous governmental reason' (Foucault, 2008: 284) seeking to displace bureaucratic and professionally based judgment by calculation based on market rationality allowing the 'best' allocation of funds.

In addition, the governmental technologies outlined above can be seen as displacing issues pertaining to global inequalities and concentrating on the flaws on of the system as they appear at country or community level. Target-setting can be seen as discursively constituting 'reality', creating 'internal homogeneity and an external boundary' (Rose, 1999: 212). By localising ill health at various levels of the state apparatus, it suggests

these areas are the source of these problems, conveniently bypassing international dynamics involved in creating these issues, from brain drain to trade policies. As Tan states:

> *'Reducing economic marginalisation and social inequality to the lowest territorial denominator not only distorts the magnitude of the problem, it localises the politics of poverty by suggesting that this is where the dislocations are most acute and where interventions should be targeted.'*
>
> (Tan, 2011: 1048)

The focus on government and community levels brought about by this repertoire of policy-related techniques can also be seen to divert attention from global dynamics of inequalities:

> *'Emphasis on country ownership also precludes discussion on international factors which contribute to the economic and social pressures faced by developing countries and forecloses possibilities of a wider international reform agenda on issues such as declining terms of trade, asymmetrical trade and investment rules and the absence of international regulation of finance capital which also impact adversely on countries' capacities to generate and sustain revenue for such development'*
>
> (Tan, 2010: 124)

As this interviewee highlights, the effects of the Paris Declaration and its associated technologies contribute to excluding other ideas and values:

> *'I think that there should be a lot more room for alternative world views, I think that this business of international law being what a few selected countries preferred […] has serious consequences.'*
>
> (NGO/CSO interview 6)

The new aid architecture thus appears to entrench a regime of practices, defined by Dean (1999: 31) as the 'routinized and ritualized ways we do these things in certain places and at certain times'. Through the greater involvement of donors at government

level, involving prioritisation based on a repertoire including the establishment of priorities, target-setting, budgeting, planning, reviewing and auditing, are promoted as internationally recognised norms. The entrenchment of these techniques can be seen as a tool for leading at a distance, enabling greater scrutiny and influence from donors. But it also appears to have depoliticising effects through the inculcation of a specific neoliberal rationality, recoding activities in terms of 'incomes, allocations, costs, savings and even profits' (Rose, 1999: 152), extending market rationality and modes of calculations at the expense of bureaucratic and democratic accountabilities, localising problems while leaving global inequalities unquestioned and 'locking in' neoliberalism in a way that marginalises alternative worldviews. The next section examines potential avenues for resistance to this new rationality.

7.4. Resistance to neoliberal governmentality? Politics and lack of capacity

Foucault's conceptualisation of governmentality has been seen as failing to acknowledge the possibility of resistance to this economy of power (McKee, 2009). Indeed, new modes of governmentality, for instance neoliberal governmentalities, which emerge as critique of previous rationalities, appear, if anything, as more totalizing, colonising an increasing array of behaviours and deploying ever more sophisticated and specific technologies targeted at shaping subjects. The agentic qualities of this mode of government that operates through freedom also makes the idea of resistance problematic (Rose et al., 2006), as freedom is seen as a construction through which power operates by creating incentives and disincentives influencing subjects' choice-making. This section examines how the individuals I interviewed have articulated the possibility of resistance to the imposition of reforms by donors. Interestingly, this is not a question that I asked directly but discussions about relations

between donors and the GoM often led research participants (especially from the government and civil society) to elaborate on the ways in which the GoM had been trying to limit donors' influence. Interestingly, given the agentic and programmatic nature of the mode of government, demonstration of political will and sovereignty from the government was seen as offering a possibility for resistance, pointing to the 'counter-conducts' identified by McNay (1994). However, I argue that another form of opposition to the deployment of these technologies of power is embedded in their own contradictions, particularly in the lack of capacity of government that is both essential to and undermined by the implementation of the Paris Declaration.

7.4.1. Political will as counter conduct?

Collins (2011) states that relations between donors and aid-recipient governments are often understood either as subjugation with donors imposing their priorities, or conversely as still offering the possibility for the exercise of sovereignty by poor countries. The latter view affirms their agency building on examples where aid-recipients have either frankly and publicly disagreed with donors or passively opposed the reforms they agreed to carry out. This second conceptualisation was volunteered frequently enough in the course of my fieldwork to deserve attention.

The example of fertilizer subsidies in particular surfaced many times in interviews with Malawian citizens. The episode appeared to have acquired near-mythical qualities as an example of donor defiance, evoking the possibility of such insubordination reoccurring, and presenting the quid pro quo between donors and the GoM as a balance that could be unsettled, should donors become too domineering. The fertilizer subsidy programme was aimed at addressing the chronic food shortage by providing subsidised fertilizers to those most in need (for a detailed account, see Chissinga, 2007). It was fiercely opposed

by the IMF and USAID and received lukewarm reception from DFID, the EU and the World Bank (Chissinga, 2007). In the absence of donor funding to support it, the programme risked furthering the government deficit and jeopardizing prospects of reaching the HIPC completion point alleviating its US$ 113 million debt (Chissinga, 2007). Thus, the implementation of the programme, against many donors' judgement, was seen as a coup de force from the President, especially as it led to a bumper harvest (thanks in part to adequate rainfall that year). Though the overall success of the fertilizer programme is disputed (Booth et al., 2006), it has been hailed a triumph of political will and exercise of sovereignty over donors' imposed prescriptions, especially as fertilizer subsidies were subsequently supported by donors in other poor countries (Dugger, 2007; Chissinga, 2007). This narrative was articulated by many interviewees as a sign of the GoM's ability to defy donors:

> '*E.M.: - Isn't there a risk that if the government goes against these IMF principles, that some donors will withdraw funds. Is it not a bit of a dilemma for the government?*
> *GoM: - I will give you an example, when a decision was made to provide agriculture subsidy, donors said you can't manage, you don't have money. The President said, donor or no donor, I'm going to provide agriculture subsidy, and that just changed our GDP [growth] from -2% to -3%, all of a sudden to 8.5%, which is a very big leap, and it also helped us to attain food security, and to have surplus in 2005/2006, 2006/2007, 2007/08 so that has helped us a lot. So it really requires highest political commitment.*'
>
> <div align="right">(GoM interview 5)</div>

> '*If you look for example at the agriculture input subsidy programme, you would get the feeling reading through the literature, the indications that we are getting is that the donors were against the input subsidies. But government still went ahead with some resistance from the donors. But if you look at the benefits it's fine, the benefits are better.*'
>
> <div align="right">(NGO/CSO interview 9)</div>

Other examples of the government taking a stand against donors, such as the privatisation of the Agricultural Development and Marketing Corporation (ADMARC),

which had a monopoly over the buying and selling of grain, or the signing of the European Partnership Agreement, were also seen as signs that donors' influence could be circumscribed:

> 'ADMARC, there was a time where one international organisation – I think it was World Bank – was pushing for privatisation, forgetting I think the social function that ADMARC was playing, like making seeds and (fertilisers) available to the local farmers. I think Oxfam and the other partners took up that issue and lobbied the government not to privatise ADMARC. […] And then of course the whole debate around the Economic Partnership Agreement between the EU and the HIPC countries […] the government hasn't signed. […] You saw how he [the President of Malawi] reacted to the EPAs[13] [European Partnership Agreements], he said: "Malawi will not sign because it will not benefit us. But also if we are forced to sign, then this more of economic imperialism"'.
>
> (NGO/CSO interview 9)

Interestingly, a consequence of this narrative was the perceived ability of the Malawian government to exercise its sovereignty in spite of donors' influence and prescriptions, providing the government had the will to do so:

> 'Because government has decided against the wishes of the IMF, that it was going to implement the subsidy program, ok, that was purely against the IMF, but they went ahead and did it, and it was successful, so for me they can do anything […] If they are determined.'
>
> (NGO/CSO interview 5)

Thus, this discourse puts the onus on the government to show strength and articulate a vision that can convince donors:

> I think there's still limited leadership and ownership from the Government. Many things can be easily done if there's more leadership and ownership in the sense of one directing. So yes donors… I think donors will go in the direction of the country if it is stronger. […] So, to me, it still boils down to the government.
>
> (NGO/CSO interview 7)

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[13] European Partnership Agreements: a scheme to create a free trade area between the European Union and the African, Caribbean and Pacific Group of States (ACP).

To some extent, these opinions chime with findings from Whitfield and Maipose (2008). In their studies of ownership looking in detail at eight African countries, they show that the degree of control by African governments over their policies is not necessarily defined by their reliance on aid (calculated as proportion of their gross national income). Other factors such as strong state institutions, geo-strategic importance, good macro-economic management in the 1980s and, indeed, national vision seem more crucial to influencing the context in which negotiations between donors and aid-recipient government take place.

However, from a governmentality perspective, it is interesting to point out how this narrative constructs the GoM as an entrepreneur of itself, in charge of making appropriate choices (Hamann, 2009). It contributes to furthering the agentic qualities of the new aid architecture, the imperative for choice-making, while minimising external factors shaping these decisions. There is thus perhaps a meeting point between the perception of the government as 'free' to oppose donors and the deployment of a neoliberal governmentality through the new aid architecture. As this interviewee explains:

> *'I think in Malawi … and again there was a lot of talks about the kind of programme this country should be doing being donor-driven. But I think now even they [donors] have realised that it would help government not to be seen to be influenced by donors.'*
>
> (NGO/CSO interview 9)

Presenting the government as free to make its own choices thus appears to benefit both the GoM vis-à-vis its citizens, and donors as it embodies the central idea behind PRSPs and the new aid architecture, and the vector through which neoliberal governmentality operates. As Foucault (2001: 1055) argues, in governmental power relations, 'the "other"

(the one over whom power is exercised) must be recognized and maintained to the very end as a subject who acts'[14].

 As Hamann (2009) highlights, the irony of neoliberal governmentality is that the 'freer' subjects become, the more trained they are to make calculative and rational choices based on incentives. And these incentives are made clear by conditionalities and the reliance on donors' funding. Indeed, while the government has sometimes made choices going against donors' interests, such acts of bravado can be costly. The possibility of funding being withdrawn, although in no way an immediate threat at the time of my fieldwork was evoked by a number of interviewees and appeared to be part of the context they were operating in, as this NAC official articulates:

> *'We have more than 180,000 people who are starting on ARTs[15]. This is thanks to the courtesy of the Global Fund… We need to find a way for local resource mobilisation to supplement that in case something goes wrong with the grant. Suppose the Global Fund closes today which I hope it cannot because they have already made an investment. For them to walk away now, it means they are putting millions of lives at stake. So I don't expect them to walk away but at least we must find a way to match some of these resources. It's not easy. We're looking at competing requirements. Some of these investments they cannot be sustained but they are making a big difference. So I don't expect big multilateral institutions to close overnight because even if the donor governments themselves would be … they would be accountable for these lives they have helped save.'*

(GoM interview 9)

Hence, the deployment of governmentality appears to rely in part on aid-dependency and fear of losing funding as a catalyser. Material inequalities between donors and the GoM are key to the ways in which governmental technologies are able to colonise the

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[14] '"l'autre" (celui sur lequel elle s'exerce) soit bien reconnu et maintenu jusqu'au bout comme subject d'action', Translated by Ivan A.Ramirez - published in Pli The Warwick Journal of Philosophy
[14] This is not to deny that recipient countries had some degree of agency in the previous period, but that it was conceived as antagonistic or irrelevant to the goals of donors.
[15] Antiretroviral treatments.

state apparatus, imposing their logic, supporting norms of conduct and establishing 'regimes of truth' that seek to subjectify the GoM. As this MoH official explains, the aid-dependency takes away the ability to resist conditionalities:

> *'The Global Fund came into the pool with additional conditionalities which are not part and parcel of the MoU […] I would have loved if we had said 'no, just buy into the conditions that are already in the MoU'.*
>
> (GoM interview 8)

As this quote shows, aid-dependency makes it difficult for the GoM to resist demands from donors.

Thus governmentality, although distinct in its operation from domination in which violence is central, does rest on the possibility of recourse to it – or in this case indirect 'violence' through the suffering that massive funding withdrawal would cause. As Best (2007: 100) argues, 'the promise of inclusion is always haunted by the threat of exclusion'. As a result, possibility for resistance or 'counter conducts' can seem restricted to the occasional salient disagreement or the very costly confrontation, leaving little room for the GoM to negotiate on its own terms on a regular basis. An instance of the latter scenario actually took place when in July 2011 the UK joined an already long list of donors including The World Bank, the EU, the African Development Bank, Germany and Norway that had suspended or ended general budget support to Malawi (Tran, 2011), following controversial decisions from the government to maintain an overvalued exchange rate as well the increasing autocratic measures taken by President Bingu Wa Mutharika to restrict signs of opposition to his rule, including repressing demonstrators and intimidating CSOs. While this is not the type of act of resistance against donors' interest that can be seen as being of benefit to its citizens, it is indicative of the material power relations that support the elaboration of the more productive, consensus-seeking, technique-oriented form of power that

governmentality represents. But it also suggests the conceptual difficulties of extending the concept of governmentality to relations between donors and aid recipients (or inter-state relations in general): the potential lack of congruence between the interests of the government and those of the majority of its citizens. While aid-dependent governments may be able to find a way (particularly in light of the rise of Southern donors) not to be governed 'at that cost' (Foucault, 2007: 45), or to put it in another way, not to be 'governed in ways that are limiting and intolerable' (Hamann, 2009: 58), the benefits of these new power relations for their population is a different, though crucial issue.

However, the increased importance of donors such as China may provide an alternative to traditional donors. As this interviewee articulates, this may lead to a less asymmetrical relation, giving the GoM the possibility to sidestep technologies of subjectification and create new subjectivities:

> *'I think when we have an alternative world view and a meeting point you are likely to be a lot more objective and solutions are likely to be a lot more, players are likely to be more receptive to what you consider unconventional and unorthodox solutions that might be really effective than what has currently being the case.'*
>
> (NGO/CSO interview 6)

In this context, the rise of 'new' donors is seen as threatening by some of the traditional donors, as this interviewee continues:

> *'I recall meetings that I've attended and where the Chinese have been said to be bad people, official meetings with donors.'*
>
> (NGO/CSO interview 6)

The rise of 'trilateral development cooperation' (McEwan and Mawdsley, 2012) involving traditional donors as well as Southern ones may alter the deployment of governmentality. In Malawi, the increasing importance of China as a donor (further

developed in the afterword) may provide the GoM leverage in order to negotiate its relations with traditional donors on a less unequal footing, making it possible what Foucault calls 'the art of not being governed, or better, the art of not being governed like that and at that cost' (Foucault, 2007b: 45).

Yet, another avenue for a less straightforward, more muddled form of resistance can be envisaged: the lack of capacity of the GoM to perform its role under the Paris Declaration may offer an inadvertent challenge to the operationalization of neoliberal governmentality analysed in chapters 6 and 7.

7.4.2. The capacity conundrum: resistance through dysfunction?

A possibly more effective way through which this new governmentality is made to fail resides in its own inherent contradictions. As Miller and Rose (2008: 39) state, '"the real" always insists in the form of resistance to programming'. The new aid architecture, particularly through the intensification of the relations between donors and aid-dependent governments that it involves, as well as the reforms it requires, hinges on an adequate capacity of the GoM to respond to these demands. However, as section 7.3 exposed, these same reforms undermine the GoM's ability to develop a suitable public sector workforce by restricting public spending and promoting a 'small government' ideology. As Clarke (2008: 144) notes with regard to neoliberal governmentalities: 'as innovative strategies, they may generate new contradictions, antagonisms and dysfunctions (Clarke, 2008: 144).

Indeed, while one of the rationales of the Paris Declaration was to reduce transaction costs, the new aid architecture appears instead to be extremely staff-intensive, at least on the GoM's part. As Batley argues:

> *'Transaction costs might be high under the Paris Declaration because of staff-intensive PFM reforms and coordination costs as SWAps and other pool funding mechanisms require a lot of planning and coordinating. Also the more the government assumes ownership, the more it also acquires the costs of administering delivery'.*

(Batley, 2005: 421)

This was echoed by this donor representative:

> *'Some people are talking about reducing the transaction costs. I haven't seen … […] I mean: somebody brings me evidence that this runs cheaper than before. […] And the other thing is in parallel to it, like the Ministry of Finance department, of course, their cost in a way is increasing because of all the engagement, or if you look at institutional costs of the National AIDS Commission, mandated, from Governments at the moment. […] The thing is whether it is a reduction of costs or it's a shifting of costs from one to another […] it's not based on evidence. It's a feeling.'*

(Donor interview 1)

This remark points to a validation of Unwin's argument of the new aid architecture as a means of transferring transaction costs from donors to recipient countries (Unwin, 2004).

However, the GoM's capacity is severely constrained. In that respect, the NAC which was operating as a semi-autonomous trust appeared to fare better than the Ministry of Health which suffered from severe human resource shortage:

> *'The big problem we have here is that the Paris Declaration talk very clearly about country ownership but in the Ministry of Health the vacancy rate is […] very, very high. Staff in the Ministry of Health are constantly… have too much work, much too much work… I mean they have a high vacancy rate but that's within the context of a very poorly funded sector anyway so the number of people working on health issues in the Ministry of Health in Malawi is far less than the number working on it in a country like the UK for example so they're already very, very stretched. The burden of disease, it's different but arguably it's higher than a place like the UK. So finding that leadership amongst staff who*

have so much to do, have so little support in their day jobs, can be very difficult and that's a real challenge.'

(Donor interview 3)

'You ask them for this report and that report, and they have to get that report to that organization, they […] tend to struggle with those things out there. Most of the time, it's because they're under too much pressure, too many things happening around the same people, so sometimes some of these things tend to be delayed.'

(Donor interview 4)

Lack of human resources was also raised in other ministries such as the Ministry of Finance. Low salaries compared to those provided by donor agencies and non-governmental agencies for example, made it difficult to retain staff, especially in positions requiring technical expertise. As this MoF staff member stated, this created an unstable work environment, prejudicial to effectiveness:

'Having the right numbers of people who can work on a particular project is also sometimes a problem because there is always a turnover of staff, who come in and go when they are given some greener pastures, somewhere they will tend to leave…and they are always creating gaps.'

(GoM interview 2)

The lack of investment at Ministry-level was also visible through the lack of equipment. While carrying out interviews at the MoH, the lack of basic office items such as filing cabinets was striking, with files being piled on the floor and against the walls. IT capabilities were also problematic, as this donor representative illustrates:

'How we define capacity-building, that's another story but if we look at the HR as one of the issues, I would look at state of the art equipment and things … you've been to government obviously. They are still using Windows 98!'

(Donor interview 10)

Thus, the lack of human and material capacity at ministerial level was seen as jeopardizing the GoM's ability to carry out the operations necessary to the

implementation of the Paris Declaration, which required the management of extra funding channelled through the state system:

> '*One of the problems is that you know, the SWAp is usually huge, so most projects usually are for about 15 million, 20 million but when you're talking about the SWAp, you're talking about 100 million a year. Now that's a lot of activities.*'
>
> (Donor interview 4)

Indeed, in many ways, the aid effectiveness agenda is extremely demanding for the aid-recipient government. Not only does it have to manage an increased amount of donor funding, but, as we have seen in this chapter, it also has to undergo significant reforms of its systems. As this donor representative states:

> '*Donors can often be very hungry for reforms but also concerned to make sure that reform is pulled along by the Government of Malawi and its partners. And what happens is balancing the pace of reform and ownership by the Government here can be a very difficult balance to achieve.*'
>
> (Donor interview 3)

As Miller and Rose (2008: 38) explain, 'programmes of government are idealized schemata for the ordering of social and economic life.' However, in this case, these programmes are confronted by a reality they have helped to create. PFM reforms are very technical (ActionAid International, 2006b: 36). Procurement procedures in particular were seen as creating bottlenecks and hindering the implementation of the AIDS response. Indeed, some donors viewed government procedures as unsuitable and extensive reforms were thus requested:

> '*Another negative, well not so negative but still, we are meant to use procurement systems that are not of Government, to satisfy the partners […] They thought that the Government system was not yet robust enough so we agreed that at the beginning of the programme we would use the World Bank procurement guidelines and then we would move to the [reformed] Government's procurement systems.*'

As this MoF official notes, procurement is an area where alignment of donors on government's procedures and even harmonisation amongst donors was problematic:

> '*Funny issue, procurement. Because each donor comes with how they can procure and how. Issues of tying it [funding] to procedures in some cases.*'
> (GoM interview 4)

There were debates, even amongst the donor representatives I interviewed, as to the suitability of government procedures. Some, argued that they were ill suited to international procurements:

> '*As an example, national rules and regulations for procurement would require that your bids are in the national currency, Malawi currency but now Malawi currency is not exactly stable, if you are quoting from elsewhere, you don't want to take that risk, the risk of an unstable currency, that's one. Secondly, arbitration: according to national procurement regulations it is governed using the national laws, if you are bidding from outside Malawi, you may not find that necessarily very attractive, you might want some international arbitration.*'
> (Donor interview 13)

However, others were more doubtful about the need for a change:

> '*- some people are so stringent on their procurements. […] Everyone has to subscribe to the smallest common denominator.[…] The Malawi Government had a very adequate procurement system. Why people can't accept that, why we have to use the World Bank system or the Global Fund system, I actually don't know.*'
> (Donor interview 1)

In any case, donor-imposed procurement procedures appeared complex and work-intensive, and somewhat ill-adapted to the GoM's capacity:

> *'…because it also involves changing the tender documents and things like that, that's also a process, it's not a straightforward thing'*
>
> (Donor interview 13)

> *'In procurement we are saying EDF [European Development Fund] procedures are always very cumbersome, if they allowed us to use our national procedures, then it would be much better.'*
>
> (GoM interview 2)

These procedures were also subject to change, requiring staff to be retrained in order to operate within the new framework:

> *'The EDF procedures have always been changing…so they're always changing their procedures that means you have to keep on building capacity, so that people are up to date with the procedures which are current.'*
>
> (GoM interview 2)

Indeed, Booth et al (2007: 5) for example have characterised donor-driven reforms as an 'unrealistic expectation of commitments based on ideals rather than on what is achievable'. The result of the imposition of these procedures in a sector such as Health can have dramatic effects as this MoH official explains:

> *'Those procurement systems are … it takes time before you procure something. So there has been times where we have not been able to procure a commodity in a timely manner for example, procurement of drugs, vaccines… those are things that you don't want, you don't expect any delays, you'll want these things to be there right and then, but the processes are quite lengthy so … those are some of the problems.'*
>
> (GoM interview 8)

Local governments also struggle with time-consuming and technically demanding arrangements presiding over their new devolved responsibilities:

> *'The NAC rules and regulations are quite complex for the assemblies and they are labour intensive especially if they conduct every 3 months so … I experience that district assemblies find it difficult to adhere to NAC rules and regulations every 3 months and having that kind of labour burden on them, they often*

delay to adhere to these rules and regulations on time and if they don't write a financial report and put in a financial disbursement request on time then NAC cannot process the next disbursement and so yeah… I mean I've seen it every three months for some time, the scheme gets to a halt.'

(Donor interview 12)

As Tan (2010) asserts, PFM reforms are often too complex and technical for poor countries to manage and are thus failing. Hence, the lack of capacity of government to manage the duties assigned to them through the Paris Declaration can be seen as an unintentional way in which the deployment of a neoliberal governmentality may be restrained. Miller and Rose (2008: 84) state that 'whilst "governmentality" is eternally optimistic, "government" is a congenitally failing operation.' In the context of aid relations in Malawi, this appears to be maybe too strong a statement. However, the failures of governmental technologies to operate successfully point to their limits as 'idealized schemata' seeking to order a reality which often resists organisation through its own inadequacies, rather than by consciously opposing its rationality.

The result of this ill fit between the complex technologies of government through which donors attempt to manage their relation with the GoM and the incapacity of the latter to respond to their demands has unfortunate consequences for those suffering from the AIDS pandemic however. The gap between donors' expectations and the ability of the GoM to respond to them was seen as causing potential loss of funding:

'Look at the conditionalities, that is where we have issues. I have issues […] when you look at the EDF disbursements [EU], they are very hard, nobody has disbursed I think over 70%, above 70%, the reason is, because the procedures are cumbersome and very difficult.[…] When you hear that government has been given funding and they are failing to spend because of the procedures, those are the things we must try and remove the roadblocks, in terms of absorption, because they tend to blame us for failing to absorb when actually the problem is on their side.'

(NGO/CSO interview 5)

Lack of properly trained human resources was putting funding in jeopardy. As the GoM staff member in charge of coordinating Global Fund grant activities explained:

> 'There's no one who has been working with me so that if I leave they would be able to follow up with it. Because their progress updates and reports are quite technical and quite time consuming and one has to have a lot of time and dedication and interest to do all those things. […] But there's a lack of capacity. It's not that the ministry doesn't want but in the planning already we find that we are a little thin on the ground.'
>
> (GoM interview 11)

Thus, the extremely important funding from the Global Fund which financed ARV treatment could be compromised by this mismatch brought about by implementing the new aid architecture in contexts of poor capacity. In addition, complex procedures create impediments to the implementation of a quick response:

> 'There are no special provisions to look at what challenges are being faced in the health sector for instance, and what provisions can we make to allow for expeditious or quick improvements, we know that in global fund there are a lot of cases, for instance the global fund to support the human resource for health, but they have very cumbersome processes that have taken time, they have been processes that are basically traditional bureaucratic, the IMF or World Bank sort of processes that are employed in a situation where you are looking at accelerating programs.'
>
> (NGO/CSO interview 6)

Hence, the extensive reforms required by the new aid architecture appear to some extent to impede efforts to address the AIDS epidemic in a swift and timely manner:

> 'Sometimes we say HIV/AIDS is a crisis, it's an emergency but when you look at the instruments we use to manage HIV and AIDS it's like a development agenda. So it's not like a tsunami. When you have a tsunami, everybody poured the money, we need to have this now, now, now. So the systems were not an issue at that time. People wanted to make sure that they addressed rescue, the victims and support them. SARS disease was a typical example. When you get to HIV/AIDS yes it's a crisis, it's an emergency but the way we manage it, you're managing it as a development agenda. You have various points of condition

> *precedents and what have you, so a lot of requirements. […] But they are*
> *managing an emergency.'*
>
> (GoM interview 9)

Resistance to the neoliberal governmentality and its associated technologies thus appears either costly and improbable, or inadvertent and potentially damaging to those suffering from the consequences of the AIDS epidemic. However, as Foucault (2008) has shown, new governmentalities emerge as critiques of previous regimes. The dysfunctions highlighted here, combined with the increased importance of non-DAC donors such as China may open opportunities to formulate alternative rationalities of government.

7.5. Conclusion

This chapter has examined how the implementation of the aid effectiveness agenda has been concurrent to the deployment of programmatic technologies seeking to re-design state systems and institute a certain repertoire of policy-making practices. Indeed, the new aid architecture both relies on and promotes reforms of public finance management processes. Although donor-driven demands for changes in this area predate the Paris Declaration, donor harmonisation promoted by the new aid architecture has made aid for health and AIDS by aligned donors dependent on conformity with IFIs' prescriptions concerning PFM. This both creates a greater pressure on the GoM to implement these reforms and contributes to blurring the distinction between social and the financial/economic sectors.

This chapter has also highlighted how the imposition of this specific methodology of government pertaining to public finance management points to the synergies between

governmentality and neoliberalism. For example, the implementation of a Medium-Term Expenditure Framework can be seen as an instrument allowing donors to 'conduct at a distance' by instilling budget discipline in government spending at all levels of the state apparatus, and reinforcing a 'small government' ideology. In addition, the establishment of MTEF produces a certain grammar of policy-making based on the prioritisation of activities funded by the state, the setting up of targets creating new accountabilities and the move towards performance-based budgeting. This new repertoire of policy management can be seen as extending market rationalities to new areas of government, re-coding socially-oriented activities as determined through the medium of economy: funding towards AIDS and health are both subordinated to monetarist principles and managed through target-setting mechanisms rewarding performance, inspired by business practices. This technical grammar of policy also has depoliticising effects consistent with a certain version of neoliberalism. Numbers used in target-setting are used as vehicles to translate 'global' priorities down to the lowest echelons of government, enforcing hierarchies consistent with donors' concerns and enabling greater scrutiny. By establishing a linearity between international prescriptions and policy implementation, these techniques of government also undermine democratic accountability and ideologically-oriented politics promoting alternatives. In addition, by providing greater scrutiny and homogenisation, these numerical instruments localise problems at the state and community level, while obscuring global dynamics perpetuating inequalities.

The last section has examined forms of resistance to the deployment of this form of neoliberal governmentality. Interestingly, many Malawian interviewees viewed the government as potentially capable of refusing the imposition of these norms. However, this perception is mitigated by the government's reliance on aid and the pervasive concern of losing funding. It also converges with discourses of freedom and agency

promoted by the aid effectiveness agenda, putting the onus for change on the government rather than on donors. Political will thus appears to offer limited or costly avenues for 'counter-conducts'. A somewhat more indirect and unintentional mode of resistance to neoliberal governmentality can be seen to reside in the contradictions intrinsic to this rationality of power. Indeed, while it seeks to rein in state expansion, it requires demanding reforms and procedures. Thus the lack of capacity of the GoM to operate under this new rationality may prove to be a more powerful obstruction to the implementation of this form of governmentality. However, the GoM inability to manage these reforms may also have detrimental effects on those suffering from the plight of AIDS by reducing funding attached to target-reaching and creating delays in programme implementation.

This chapter has thus shown how governmental technologies intersect with neoliberalism, by seeking to instil a new rationality of government, restructuring the state and its relation to society, through the use of instruments elaborated to manage economic entities. Governmental techniques, through their programmatic qualities, allow donors to govern at a distance through establishing a new 'bottom line' of politics around which most social actors (both progressive and conservative) now formulate their strategies (Peck, 2010: 25). This chapter has also analysed the specificity of the deployment of neoliberal governmentality in Malawi, highlighting how it is enabled by aid-dependency. However, I have also shown how the 'real' intersects with this programmatic governmentality, reconfiguring its impact, unravelling to some extent its neat, implacable logic. As Miller and Rose (2008: 35) assert: 'the "will to govern" needs to be understood less in terms of its success than in terms of the difficulties and the variability of operationalizing it'.

Chapter 8 : Conclusion

8.1. Introduction

In this concluding chapter, I provide a summary of the thesis, outlining its key findings. I then highlight the contributions made by this thesis to scholarship on aid, governmentality and neoliberalism before discussing some of the limitations of this research and providing suggestions for future research.

8.2. Summary of the thesis

This thesis makes a contribution to the critique of international development by analysing the changes brought about by the new aid architecture to the power dynamic between donors and the government of Malawi (GoM). The research takes funding for AIDS (and Health to the extent that these sectors overlap) as its focus because the considerable increase of interest in and funding to tackle the pandemic from donors has magnified new trends in international development. In particular, largely externally funded AIDS programmes have been seen as causing important transformations of both state and society in Sub-Saharan countries. This research draws on 40 interviews conducted in Malawi in 2008 with representatives from the GoM, donor agencies and civil society organisations. The study also draws on analysis of official documents and limited ethnographic observations. The choice of Malawi, a poor country, burdened by a relatively high HIV prevalence, estimated at about 11%, was motivated by a number of factors. Funding for AIDS (and health) in Malawi has been largely channelled through the sort of mechanisms advocated by the Paris Declaration: at the time of the

research, it had a donor pool-funding arrangement which worked with the National AIDS Commission, a Health Sector-Wide Approach (SWAp) and a Common Approach for Budget Support (CABS). The country has also been the recipient of a relatively large amount of aid, despite its sometimes stormy relations with donors.

While the Post-Washington Consensus (PWC) and its Poverty Reduction Strategy Papers (PRSPs) have generated a vast literature, the effects of the new aid architecture have not received the same attention. Yet, while the new aid architecture can be seen as crystallising and furthering some of the discourses deployed by the PWC (for example country ownership), other principles of the 2005 Paris Declaration on Aid Effectiveness have important consequences. The alignment of donors on country development priorities and systems, better harmonisation amongst donors, mutual accountability and the principle of managing for results, which aims to improve decision-making, have encouraged a greater involvement of donors in aid-dependent countries' policy decisions, notably through structures such as pool-funding or budget support mechanisms. The creation of these new spaces where donors and aid-dependent governments interact on a regular basis has created much more intricate and routine relations and allowed donors to affect systems and practices pertaining to policy-making, including in social sectors.

Like the PWC, the new aid architecture has been critiqued for maintaining a status quo between donors and poor countries while representing a continuation of neoliberal policies under a different guise. However, using a governmentality lens, I argue that this new configuration of aid relations is distinctive from the Structural Adjustment Programme (SAP) period in that it represents a shift away from domination, with donors attempting to impose policies, and towards more subtle interactions, through which donors have sought to transform the GoM into a self-disciplined,

entrepreneurial, neoliberal subject by shaping its aspirations and promoting specific norms of conduct, 'truths' and policy-related techniques. Governmentality, a term coined by Michel Foucault, is a form of productive power focused on the care of the population (redefined in the 18th century as the economy) which aims at governing the conduct of conducts. This modality of power and its rationalisation has evolved over time and it is particularly Foucault's analysis of the type of (neo-)liberal governmentality that emerged from the work of the Chicago School which is illuminating here. According to Foucault, the partisans of the Chicago School advocated an organisation of the state by market-based principles. They also sought to extend this rationality to individuals, representing them as entrepreneurs of themselves. They viewed freedom as artificially arranged with individuals' behaviour and their choice-making responding to incentives and disincentives, which could be manipulated. As a result, the Chicago School thinking opens up new domains of intervention seeking to produce suitably responsible subjects. Governmentality scholars have extended this concept, analysing discourses and techniques involved in these processes of subjectification. Governmentality has also been used to make sense of international development; the depoliticising effects of the technicalisation of development have been associated with this form of power, providing particularly insightful perspective. In this thesis, following Joseph (2010), I have extended governmentality to relations between states (and with supra-national agencies) to explore the power dynamics between donors and the GoM.

This research has taken an explicitly post-structural approach, which views knowledge as social construction. It has drawn on the governmentality analytics detailed by Dean (1999) which focuses on the fields of visibility of government (the objects, processes and actors made visible, and those obscured); the techniques used to rule and claim authority; the forms of knowledge, or 'truths' employed in the practice of governing;

and the formation of identities. The study focuses particularly on norms regarding the conduct of the GoM that have been promoted under the new aid architecture, including the new responsibilities the GoM has been assigned and the degree to which these participate in its construction as an entrepreneurial, 'free' subject. It has aimed to explore the discourses and regimes of truth through which donors' new roles are legitimised and rationalised. Other research questions revolve around the practices that have been promoted by the aid effectiveness agenda, for example the increased coordination and dialogue between donors and the GoM, and their normative and productive effects on shaping particular subjectivities. In addition, the research has sought to explore the transformations pertaining to the domain of policy-making that have been spurred by the reorganisation of aid delivery, highlighting the new discursive constructions and rationalities underlying these changes and the role assigned to the government through these reforms.

In this thesis, I have argued that under the new aid architecture, donors have been deploying 'technologies of subjectivity' in an attempt to govern through freedom. By encouraging the GoM to use its agency, through requirements to develop plans and policies and engage in planning processes, the new aid architecture can be seen as fostering the entrepreneurial qualities of the Malawian government. Yet, these expectations work through the GoM's desire for autonomy and sovereignty. However, the rhetoric of freedom involved in country ownership is intertwined with a language of compulsion by creating an imperative for aid recipients to engage in choice-making. The new aid architecture had also created or reinforced institutional spaces requiring donors and the GoM to engage with one another. The increased involvement of donors in government policies has been legitimised by a discourse that, on the one hand, presents all partners, including the GoM as equals, relying on a horizontal, consensual and apolitical construction of aid relations, and on the other, casts the GoM as

technically deficient and requiring donors' intervention. The intensification of practices of dialogue under the new aid architecture can be analysed as a technology through which donors seek to shape the agency of the GoM. This is done by promoting various norms of civility which allow relatively consensual relations, encouraging policies that are consistent with specific regimes of truth through the deployment of best practices, promoting the internalisation of techniques pertaining to policy-making through technical assistance, and instrumentalising conditionalities to inculcate an ethos of self-regulation and self-improvement. I have argued that these practices can be seen as a way for donors to govern through freedom by seeking to shape the GoM's agency in order to produce a self-responsible subject. I have also highlighted how this process of subjectification is in many ways consistent with the neoliberal rationality that Foucault identifies with the Chicago School.

The implementation of the Paris principles also has a programmatic dimension, defined as the ways in which donors have sought to establish systems which ensure the (re)production of a certain neoliberal rationality of government, thus allowing them to eventually conduct the GoM's conduct at a distance. Donors have put pressure on the GoM to adopt specific policy-related techniques, particularly in terms of public finance management. In the area of AIDS, the new aid architecture has created a certain reliance of funding to tackle the epidemic on compliance with these reforms. I have argued that the implementation of changes pertaining to public finance management systems has neoliberal effects. I have analysed how these reforms create and reinforce systems that act as relays to the macroeconomic policies promulgated by the International Financial Institutions (IFIs). For instance, I have outlined how the establishment of a Medium-Term Expenditure Framework seeks to rein in public spending by subordinating government activities to anti-inflationary imperatives. In addition, the concurrent deployment of a specific grammar of policy-making based on

the prioritisation of activities funded by the state, the setting up of targets creating new kinds of accountabilities and the move towards performance-based budgeting have contributed to re-coding the social in economic terms by extending market rationality to areas such as AIDS and health. Hence, the promotion of public financial management reforms under the new aid architecture can be seen as seeking to introduce a linearity between IFIs' prescription and the smallest echelons of policy implementation, thus undermining democratic accountability. I have concluded that these changes have programmatic effects in that they attempt to transform the ways government systems operate so that they abide by a specific neoliberal rationality, thus allowing donors to operate at a distance.

However, I have also examined avenues for resistance to this new rationality. I have explored how, while political will is often seen as a possibility, this puts the onus on the government, reinforcing the discourse of self-responsibility promoted by the new aid architecture and leaving the issue of aid dependence unaddressed. The contradictions intrinsic to the neoliberal rationality promoted under the new aid architecture may provide a more fertile ground for an inadvertent form of resistance. I have suggested that the inconsistencies between the small government ideology this rationality supports and the demanding systems it promotes in order to achieve this type of self-regulated lean state may result in its failure. Thus the lack of capacity of the GoM to operate under this new rationality may prove to be a more powerful obstruction to the implementation of this form of neoliberal governmentality than political will. However, recent changes, particularly the increase of aid from Southern donors in Malawi, may provide the GoM with increased leverage to negotiate the terms of their relation with Western donors. The consequences of these new developments and the continuous relevance of these findings are analysed in greater detail in the afterword.

8.3. Contribution to knowledge: governmentality, aid and neoliberalism

This thesis has made a number of significant contributions to the scholarship on aid, governmentality and neoliberalism and has provided valuable insights into the power dynamics that have unfolded under the new aid architecture. By doing so, it has also enabled us to think further about the critique of international development and the use of research methods in this area of research. These contributions are explored in more detail in this section.

The thesis has demonstrated how the use of a governmentality perspective allows us to shed new light on the power relations between donors and aid-recipients. Although this research deals specifically with the relations between the Government of Malawi and some of its main donors around the time of my fieldwork in 2008, the analysis developed here is likely to be relevant in other contexts. In this respect, I have highlighted the importance of conceiving of power in a way that goes beyond the idea of domination, with donors forcing policies on poor countries, and considers the more subtle ways in which donors seek to influence the conduct of recipient countries. The research has established the significance of understanding how donors attempt to shape aid-recipients' behaviour and decision-making processes through the promotion of norms, values, aspiration, 'truths' and techniques which work through, rather than against, recipients' agency and desire for self-determination. It has shown that Joseph's formulation of global governmentality as 'a complex ensemble of institutions, procedures, analysis and tactics that has the state as its target, and a political economy of poor populations as its main form of knowledge' (Joseph, 2010: 48) is borne out by qualitative data analysis and provides valuable insights into aid relations.

There has been little research into the ways in which subjects targeted by governmental technologies perceive and respond to this form of power. In this respect, the thesis has made a significant contribution by showing that, while the GoM is not unaware of the mechanisms through which donors attempt to guide its conduct, these technologies work by stirring its desire to comply with these norms in order to be seen as a 'serious' partner and increase its ability to negotiate more autonomy from donors. Thus, I have demonstrated that a governmentality perspective is crucial in understanding the processes through which policy ideas and techniques are adopted and implemented by aid recipients and how unequal power relations are reproduced and legitimised.

The attention paid in this research to these processes of subjectification has also highlighted significant specificities of the aid effectiveness regime. The thesis has established that the new aid architecture is neither a continuation of the structural adjustment programmes - though some of the policies advocated by donors are similar - nor a paradigm shift that would enable aid-recipients to exercise self-determination. Instead, I have demonstrated that the new aid architecture has reconfigured relations between donors and the GoM in a way that enables a more governmental or consensual form of influence to develop. Although it can be argued that relations between donors and aid-recipients have been drawing on governmentality prior to the emergence of the new aid architecture (see Li, 2007 for example), this thesis has shown that many of the principles buttressing the new aid architecture have allowed this modality of power to gain increased importance in mediating aid relations.

The research has also made a noteworthy contribution to scholarship on neoliberalism. It has shown that a governmentality perspective allows an analysis that goes beyond thinking of neoliberalism in terms of a set of policies, an ideology or a mode of

government and yet accounts for all these elements. I have analysed how various elements such as the promotion of specific norms, ethos, truths, and policy techniques work together to shape the GoM as a subject which self-regulate according to a specific neoliberal rationality. The focus on AIDS and the health sector, rather than on macroeconomics, has also enabled this research to analyse the ways in which neoliberal rationalisation extends to all areas of government, recoding all its activities in economic terms, at the expense of other values and democratic accountabilities. Thus, the thesis has shown that neoliberalism can be seen as a productive set of discourses and technologies that seek to create subjects that are self-disciplined and self-reliant entrepreneurs of themselves, and whose conduct is based on market principles. In this respect, this research has shed light on the links between a certain rationalisation of government, neoliberal policies and the deployment of specific technologies and argued that Ferguson (2010: 273) is mistaken to think that 'neo-liberalism-as-rationality' does not apply to Africa or to non-advanced liberal societies. Rather, the thesis has contended that this form of governmentality targets African governments and public administration.

However, I have also exposed the incoherence of neoliberal rationality, revealing inconsistencies, for example between the techniques it calls for, the subjectivities it seeks to shape and the rationalities it attempts to impose. I have illustrated in this thesis the paradox between the formidable capacity required from the GoM by the techniques suggested or imposed by donors to achieve a responsible, self-regulatory state and the small government rationality guiding these changes. Although the perspectives on power offered by Foucault's thinking have often been seen as over-emphasising 'the coherence and effectiveness of political projects' (MacKinnon, 2000: 309; see also McKee, 2009), this research has demonstrated that this is not necessarily the case. While the analysis of the multiple ways through which specific governmentalities are

deployed – as a subjectivity, a rationality, a set of techniques and policies – can provide an impression of consistency, Foucault's perspective, particularly when used in relation to qualitative data, also illuminates the incoherence and potential failures of this modality of power.

The thesis has also helped us to evaluate the use of a governmentality perspective in the context of relations between donors and aid-recipients by identifying potential challenges. For instance, my findings have demonstrated that the GoM's reliance on aid was also a factor motivating its engagement with the norms and discourses deployed by donors. Thus, I have highlighted how in this context, governmentality, though distinct in its operation from domination in which violence is central, does rely on the possibility of recourse to it – or in the case of aid, indirect violence through the suffering that massive funding withdrawal would be likely to cause. Hence, this research has enabled us to understand the importance of conceptualising the deployment of governmentality in the area of international development as a modality of power that works together with, though differently from, other productive and negative forms such as discipline and sovereignty.

Another issue flagged up by this research concerns the extension of the concept of governmentality to power relations between organisations and/or states - rather than, in the case of Foucault's analysis, between a government and its subjects. While viewing these entities as agents offer unique insights, it also masks the possibly conflicting interests existing between aid-dependent governments and their population, or even between various levels of the state apparatus. This difficulty is reflected in the limitations of this research. By focusing on relations between donors and the GoM, this thesis has struggled to highlight the distinctiveness of AIDS/health as an area of investigation. The research could have benefited from a greater emphasis on the ways

in which the technologies studied here (such as the use of indicators or public finance management procedures) affect the AIDS response on the ground. This would have provided a more comprehensive account by making clear the specific ways in which the deployment of a neoliberal rationality shapes the field of AIDS and its effect on the population. It might have also offered insights into other potential forms of resistance. However, this issue should not be seen as invalidating the insights provided by governmentality in the context of international development. Instead, it should be viewed as opening up new fields of investigation and encouraging the elaboration of analytical models able to illuminate the multiple scales at which governmental power operates.

Finally, as many of its detractors have noted, governmentality offers neither a solution to the issues analysed through its critical lens, nor much optimism about the existence of such a solution. However, as Rose states, this kind of critique has the potential to:

> *'reshape and expand the terms of political debate, enabling different questions to be asked, enlarging spaces of legitimate contestation, modifying the relations of the different participants to the truths in the name of which they govern or are governed.'*

(Rose, 1999: 277)

Thinking about aid in terms of governmentality allows us to perceive the 'agonism' between power and freedom, this 'relationship which is at the same time reciprocal incitation and struggle; […] a permanent provocation[1]' (Foucault, 2001: 1057). 'Governing through freedom' is a strategy that opens up spaces of debate, dissent and resistance; it is also prone to contradictions and failures, opening avenues for changes, or at least adjustments in the technologies it employs, the rationalities it promotes and the type of subjects it seeks to shape. Conceiving of aid in this light may help us think

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[1] 'Un rapport qui est à la fois d'incitation réciproque et de lutte; moins d'une opposition terme à terme qui les bloque l'un en face de l'autre que d'une provocation permanente'. Translation from Foucault, 1982.

about international development in a way that is attentive to political rationalities and the subjectivities they promote and that seeks to imagine, propose, discuss and cultivate different ways in which these could be articulated. As Foucault explained, critique should not dictate changes but rather open up spaces for transformation by challenging 'what is'. Change will happen:

> *'when those who have a stake in that reality, all those people, have come into collision with each other and with themselves, run into dead ends, problems, and impossibilities, been through conflicts and confrontations – when critique has been played out in the real, not when reformers have realized their ideas.'*
> (Foucault, 2003a: 256-257)

From a methodological point of view, the thesis has highlighted the value of using a post-structural perspective to study aid relations. It has stressed that recognising the situated and partial nature of knowledge can lead to rigorous research and shown how the consistent use of a set of specific questions can provide for a robust and intelligible analysis and contribute to a better understanding of an area of investigation. However, I have also demonstrated the importance of moving beyond discourse-based critiques of aid relations and neoliberalism, and investigating the material technologies, such as the increasing reliance of indicators and public finance management reforms, through which specific political rationalities are deployed. Here, I have analysed how the use of technical public finance management tools such as medium-term expenditure frameworks (MTEF), budgeting software and performance-based budgeting transforms the ways in which governmental action is rationalised by reshaping mundane and routine aspects of public administration. I have shown how these techniques both reflect and re-inscribe the idea of the state as a depoliticised service-delivery mechanism by establishing the primacy of macroeconomic stability, reproducing hierarchies amongst various areas of government and inscribing specific values in the fabric of social services. Thus, this thesis has highlighted how discursive mechanisms

and policy techniques overlap to created specific subjectivities and why it is important that critical analysis address both the discursive and technical elements of aid relations.

I have also provided further insights into the challenges of research involving 'elites'. More particularly, the thesis has illustrated both the importance of power relations in research and their fluidity. For instance, my research fieldwork has emphasised the significance of the researcher's status in relation to respondents in gaining access. However, this thesis has also demonstrated that this status is not fixed and while access to donor representatives in the UK proved difficult, contacts were made more easily in Malawi, where my position as an international and Western researcher was more valued by respondents. I have also highlighted how the involvement of 'elite' participants largely relies on the relevance of the research to their own work. While this is in no way unique to this type of research, the often lower position of researchers in 'elite' interviews as well as the time-pressure these participants are often under exacerbate the necessity to make the project relevant to interviewees.

I have also contributed to the emerging discussions on oppositional research. In particular, this research has attempted to resolve some of the contradictions between the necessity to establish ethical relations with respondents, based on respect and openness and the critical perspective guiding this work. The thesis has shown that research can be ethically grounded and based on open-mindedness and respect for individuals involved, while not necessarily abiding by principles such as full disclosure of research goals. Instead, in this case, a more neutral, technical and policy-relevant summary of the project was put forward in order to allow access to members of the 'elite' and facilitate discussion. Though not incorrect, this description falls short of the full disclosure advocated by many ethical guidelines. The thesis has thus provided

pointers to revisiting ethical guidelines developed by institutions and organisations in order to make them relevant to elite and/or oppositional research.

This study has also pointed to the need for further research in the area of international development, aid architecture and neoliberalism. The very rapid changes that have taken place since this fieldwork was conducted provide some fascinating new areas of investigation. The rise of (re)emerging donors such as China, India, Brazil and South Africa and the ways in which the economic downturn and political change has affected aid budgets in Western countries (both are explored in more detail in the afterword) have redrawn the landscape of international development. The Busan high-level forum in late 2011 has also shown signs of a shift in the aid architecture. These developments make the need for further research in the area of aid relations particularly pressing. The insights provided by the concept of governmentality may be particularly useful in this regard, as (re)emerging donors may provide leverage for poor countries to renegotiate their relations with Western donors. However, new forms of power relations with these Southern donors are also worthy of exploration.

At country level, these new techniques of government promoted by donors are particularly deserving of further research. The thesis has exposed the role of these reforms in changing the values and rationale on which state action is based in a way that can be seen as neoliberal. Issues pertaining to public finance management reform in particular have received little critical attention despite their important effects both at theoretical and practical levels. The decentralisation agenda which has been rolled out in many African countries is also worthy of further exploration, especially in the ways that it acts as a conduit for these state-level changes. Indeed, while the Busan summit appears to have ushered in a new era in terms of aid architecture and aid relations, PMF reforms are still firmly on the agenda.

Afterword

The terrain of aid in Malawi has undergone some rapid changes since I conducted my fieldwork there in 2008. The increased importance of Southern donors, specifically China, is particularly noteworthy. While formal development cooperation between the two countries only started in 2007, by 2009, China was the third largest donor to Malawi (see table 1). China was not involved in AIDS or health cooperation at the time this research was carried out, and is still only marginally engaged with the Malawian health sector. As a result, its role in aid in Malawi was not covered in this thesis. However, it is likely that the increasing importance of China as a development partner has contributed to alter the relations between the government of Malawi (GoM) and traditional donors.

Table 1. Aid to Malawi (2009/2010) – from Glennie (2011)

	Aid (US$ million)
European Union	155
World Bank	139
China	133
UK	108
US	99
Norway	57
Other	101
TOTAL	**792**

China's aid to Malawi has largely focused on infrastructure development, including a new parliament building, a national conference centre, a five-star hotel, presidential villas, schools and university buildings, a 60-mile road and 600 boreholes for water (Smith, 2012b). In addition, in the past five years, it has provided concessionary loans,

grants and development support worth US$ 260 million (Ngozo, 2012). But China has also become a major economic partner for Malawi since the latter joined the Forum on China-Africa Cooperation (FOCAC) in 2009. Trade volume between the two countries jumped by 400% between 2010 and 2011 (Ngozo, 2012).

Though not currently on the same scale, Malawi's relations with India have been recently strengthened too. In 2010, India provided a US$ 5 million grant to support Malawi's development in the social sectors. Following a state visit by the then President Bingu wa Mutharika to India, the countries signed three agreements aiming at reinforcing bilateral cooperation. Bilateral trade between India and Malawi has also increased by almost 100 per cent between 2008/09 and 2009/2010 (High Commission of Malawi, New Delhi, 2012).

Although it is difficult to ascertain, it is likely that China's increasing contribution to Malawi through aid and trade and the potential alternative to traditional donors it represents may have contributed to the boldness displayed by the late President Bingu wa Mutharika during his second term. Since his re-election in 2009, Mutharika took a number of measures that put strains on its relationship with traditional DAC donors (Smith, 2012b) as described in this thesis (in chapter 3 and 7), He displayed an increasingly autocratic attitude, suppressing demonstrations, restricting freedom of expression, intimidating civil society organisations and intellectuals and giving police the right to search properties without warrants (Tran, 2012; Tran, 2011). An Injunctions Bill was also passed making it easier for the government to place restrictions on opponents without legal challenge (Tran, 2011). Economic management also concerned donors as Malawi maintained an overvalued exchange rate, negatively impacting the country's private sector (DFID, 2011). As a result, by 2011, many of Malawi's donors, including the World Bank, the European Union, the African

Development Bank, Germany, Norway and the UK had ended or suspended their contribution to direct budget support (Tran, 2011).

In other African countries, there has been some evidence that the emergence of Southern donors could provide some degree of leverage to aid-dependent countries. For example, Henderson (2008) has shown that the Democratic Republic of Congo government was able to proceed to renegotiate its agreement with international actors due to its agreement with China Exim Bank on the financing of infrastructure. Gabas (2009) has also argued that African countries had greater power to renegotiate the Cotonou Agreement thanks to the presence of China. Power and Mohan (2010) have discussed how Angola turned to China in 2003 when its negotiations with the International Monetary Fund (IMF) stalled (though it re-engaged with the IFIs in 2009 when its oil revenue fell short of expectations). Thus, there are some signs that aid-recipients may benefit from the increased plurality and fragmentation of aid, enabling them to 'play donors and investors off against one another' (Power and Mohan, 2010: 480; see also Rosser and Simpson, 2009) and provide them with an opportunity to follow alternative models to the ones prescribed by the IFIs (Kragelund, 2011; Power and Mohan, 2010). According to Glennie (2011) the economic improvements that many aid-recipients have undergone in the past decade, together with the rise of non-DAC donors have led to a change in the attitude of developing countries' officials towards the aid relationship: they appear more confident and have greater expectations about being in the driving seat.

From a governmentality perspective, support from Southern donors may provide aid recipients with leverage to offer greater political resistance to the technologies of subjectification deployed by donors, allowing them to contest the 'truths' on which their policies are constructed, negotiate the techniques involved in the exercise of

government and challenge discourses constructing them as requiring donors' expertise. However, it is worth noting that in the case of Mutharika, this increased confidence (he reportedly told donors to 'go to hell' after expelling the British High Commissioner (Cammack, 2012)) and policy independence has failed to benefit the majority of Malawians. His affirmation of Malawian sovereignty took place at the expense of democracy and weakened the country's economy, with the overvalued kwacha, the national currency, generating a shortage of foreign exchange in the banking system and the reduction in ODA severely impacting the economy (Cammack, 2012). These developments highlight how the rise of Southern development partners is yet to offer a truly sustainable alternative to DAC donors, but also show how the interests of the government and its population may not necessarily be congruent. Indeed, in the West, Chinese aid in particular has been singled out for its deleterious effects on governance in Africa, as it has become an alternative to Western aid for authoritarian regimes (e.g. Collier, 2007, in Tan-Mullins et al., 2010).

In addition, just like DAC donors, Southern actors instrumentalise their role as providers of development cooperation to increase their global status (Mawdsley, 2011). For example, China's development cooperation has be seen as a way to secure votes to protect and promote its interests within the World Trade Organisation (WTO), of which it has been a member since in 2001 (Power and Mohan, 2010). Although China operates through 'different types of political relationships' (Tan-Mullins et al., 2010: 868) and 'employ different ideologies and practices of governance' (Tan-Mullins et al., 2010: 857), its involvement in development cooperation in Africa pursues the same self-interested logic as older industrialised countries (see also Power and Mohan, 2010). Moreover, China's aid practices are diverse and evolving. Like many other Southern donors, its development cooperation has been characterised by a stated respect for sovereignty and policy of non-interference in domestic affairs (Mawdsley, 2011) and a

preference for one-off projects and infrastructure delivery which are less prone to corruption and produce rapid and concrete results[2] (Tan-Mullins et al., 2010: 860), while avoiding interference with aid-recipients' policies. However, the Action Plan adopted at the fifth Forum on China-Africa Cooperation (FOCAC) summit in 2012 pledged a deepening cooperation in the health sector (FOCAC, 2012), promising, inter alia, to 'expand […] exchanges and cooperation in the prevention [and] treatment […] of HIV/AIDS, malaria, tuberculosis and other major communicable diseases, health personnel training, maternal and child health, health system building and public health policies' (para 5.5.3.). As China expands its development assistance to new areas such as public health policies, more intricate and complex relations with aid recipients may develop, calling for different modalities of power.

In Malawi, the sudden passing of Mutharika in April 2012 and the swearing in of the then vice-President, Joyce Banda, may provide yet another reconfiguration of power between Western and Southern donors and the GoM. Banda was quick to reverse some of her predecessor's decisions that had led to the suspension of aid to the country and has been engaging with traditional donors in an effort to resume budget support (Tran, 2012). In June 2012, DFID, Malawi's largest bilateral donor pledged to spend £90 million (approximately US$ 145 million) on aid for the country this year, and an average of £93 million (appr. US$ 150 million) a year until 2015 and the IMF and Malawi agreed a three-year, US$157 million aid package (Tran, 2012). Banda's initial measure to devalue the kwacha had severe consequences on the poor, pushing up prices of many basic items by up to 50% (IRIN, 2012). So it yet remains to be seen whether the 'competitive pressure' (Woods, 2008: 1206) amongst donors generated by the rise of China and other Southern donors may 'open up policy space for recipient countries to

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[2] Although Glennie (2012) argues that this is also a characteristic of Eastern donors belonging to DAC: for example, amongst western donors, only Germany spent more than 15% of its aid on infrastructure in 2009-10, while South Korea and Japan both spent over 40%, and China 60%.

escape the strictures of neo-liberalism' (Tan-Mullins et al., 2010: 859). As Power and Mohan (2010) state, the outcomes of this new configuration will largely depend on whether African elites are able to make use of it in a way that will be beneficial to ordinary citizens.

However, despite the rise of Southern development actors, DAC donors still dominate the field of aid. It is true that the global economic downturn has reversed the increase in ODA from DAC donors in 2011 after over a decade of continuous growth: contributions fell by an estimated 2.7% in 2011 compared to 2010, a trend that is likely to continue in the near future (OECD, 2012b)[3]. A noteworthy consequence of aid budget cuts in many DAC countries has been the cancellation of the Global Fund's next funding round (Commons Select Committee, 2012) as contributions fell short of expectations. However, estimates of ODA-like aid flows from non-DAC partners (including Southern actors, NGOs and foundations) stood at US$ 30bn a year in 2010, representing about a quarter of the US$ 125bn provided by DAC donors that same year (Prada et al, 2010 in Rogerson, 2011).

The future of the aid effectiveness agenda is still unclear. There were some noticeable changes at the Fourth High Level Forum on Aid Effectiveness which took place in Busan, South Korea in 2011. The inclusion of Southern donors has altered some of the rhetoric (for example a change from 'aid effectiveness' to 'development effectiveness'[4]) and the forum's ensuing document, the Busan Partnership for Effective Development Co-operation (Fourth High Level Forum on Aid Effectiveness, 2011, in appendix J) reflects the increased plurality and fragmentation of development cooperation,

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[3] In 2011 aid from DAC donors to Sub-Saharan Africa was cut by 0.9% in real terms compared to 2010 (OECD, 2012b).

[4] Many Southern donors prefer the term 'development cooperation' to 'aid', which is seen as having hierarchical connotations (Mawdsley, 2011) and use a broader variety of instruments to promote this.

recognising the role of Southern donors, as well as the private sector (para. 10 and 32) and civil society (para. 1, 14 and 22). However, the Partnership outlines a two-tier system with DAC donors reiterating their commitments to follow the principles established at Paris and Accra, in addition to those established at Busan (para. 16) while 'the principles, commitments and actions agreed in the outcome document in Busan shall be the reference for South-South partners on a voluntary basis' (para. 2). In addition, country ownership has remained central and the model on which this is measured is unchanged: the Partnership endorses the use of country-led result frameworks to allow 'all concerned actors to assess performance based on a manageable number of output and outcome indicators' (para. 18(b)), which suggests that the model of the Performance Assessment Framework will endure in some way. Public finance management reforms are still prominent with the Partnership declaration calling partners to 'implement a Global Action Plan to […] ensure sound, result-focused public sector management, and highlight strategy issues for policy decisions' (para 18(c)). The Partnership's proposed indicators show that the World Bank CPIA is still presented as the yardstick according to which the appropriateness of country systems are measured (OECD-DAC Working Party on Aid Effectiveness, 2012).

In addition, according to Hayman (2012: 9), the Busan Partnership recasts aid as 'a catalyst' to attract other 'sources of finance to support sustainable and inclusive development, including taxation and domestic resource mobilisation, private investment, aid for trade, philanthropy, non-concessional public funding and climate change finance' (para. 10, see also para. 9). She convincingly argues that the vision of development put forward in Busan is 'essentially growth-driven, post-aid, aimed at country ownership, and – at its heart – neoliberal' with 'governance [defined as] creating effective states for effective resource mobilisation and service delivery'. This suggests that the neoliberal rationalisation of aid-dependent states analysed in chapter 7

is still at the centre of aid/development effectiveness. In this respect, Busan appears to further the discourse of aid-recipients' self-responsibility, coupled with a neoliberal regime of truth identified in this thesis. Indeed, the Partnership document states:

> '*It is essential to examine the interdependence and coherence of all public policies - not just development policies – to enable countries to make full use of the opportunities presented by international investment and trade, and to expand their domestic capital markets.*'
>
> (Fourth High Level Forum on Aid Effectiveness, 2011: para 9)

The Busan summit can thus be seen as outlining the basis of a weaker but 'broader and more inclusive' partnership (para. 1) establishing a dual track system, with a number traditional donors confirming their interest in furthering the aid effectiveness agenda and a large, diverse group of 'development partners' agreeing on broader principles.

It is thus likely that in spite of the changes highlighted above, the trends identified in this research will persist in this new context. The continuing emphasis on ownership suggests that the processes of subjectification highlighted in this thesis will remain relevant. The emphasis on public finance management in Busan Partnership's proposed indicators also shows that its effect as a 'programmatic technology' is likely to endure. However, as explained in this section, the rise of Southern donors, particularly China, may alter the ability of aid-dependent governments to resist these processes to some extent. The interactions between the GoM and various groups of donors in the years to come will very probably be worthy of further research.

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Appendices

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Appendix A. List of interviewees

ORGANISATION	TITLE OF THE PERSON INTERVIEWED
NATIONAL AND LOCAL GOVERNMENT AND NATIONAL AIDS COMMISSION	
District Assembly (Lilongwe city)	Acting District AIDS coordinator
District Assembly (Lilongwe city)	Chief Accountant
Ministry of Economic Planning and Development	Director, Social Protection
Ministry of Finance	Director of Economic Affairs
Minister of Finance	Director Dept of Aid and Debt
Ministry of Finance	Deputy National Authorising Officer
Ministry of Health	Director SWAp Secretariat
Ministry of Health	Deputy Director, HIV/AIDS unit
Ministry of Health	Health Systems Strengthening Coordinator, Planning Dept
NAC	Executive Director
NAC	Head of Planning, M&E and Research
NAC	Research Officer
Office of the President and Cabinet	Secretary for Nutrition and HIV and AIDS
DONORS	
Canadian High Commission	Aid Liaison Consultant
CIDA	HIV/AIDS Program Manager
DFID	HIV and AIDS Advisor Health and HIV and AIDS Advisor
European Union	Development Economist
European Union	Economist
NORAD	Health Adviser
UNAIDS	Country Coordinator
UNFPA	HIV Prevention Officer

UNICEF	Chief, Social Policy
UNICEF	Reproductive Health & HIV&AIDS Manager
UNICEF	Procurement Specialist
USAID	HIV/AIDS Senior Technical Advisor
WHO	HIV/AIDS Country Officer
World Bank	Health Specialist
INGOs and CSOs	
Action Aid	HIV/AIDS Theme Coordinator
CARE	Learning and Design Unit Manager
Funders Collaborative for Children	Programme Manager
Lighthouse Trust	Executive Director
MACRO (Malawi AIDS Counselling and Resources Organisation)	Executive Director
MANELERA+ (Malawi Network of Religious Leaders Living with or personally affected by HIV and AIDS)	Programme Officer
MANET+	Executive Director
MEJN (Malawi Economic Justice Network)	Executive Director
MHEN (Malawi Health Equity Network)	Project Officer
NAPHAM	Executive Director
National Organisation of Nurses and Midwives of Malawi	Information & Advocacy Manager Project Manager
OXFAM	Advocacy Coordinator
VSO	Programme manager for HIV/AIDS
Fieldwork UK	
ActionAid UK	HIV/AIDS policy officer

B. Information leaflet provided to research participants

Elodie Marandet, PhD candidate,
Brunel University UK

Brunel
UNIVERSITY
WEST LONDON

International AIDS policies in Malawi

and the new aid architecture

This doctoral research project seeks to analyse the effects, benefits and challenges of implementing international AIDS policies in the context of the new aid architecture and the country-led approach promoted by some donors.

High levels of international donor funding have been available for HIV and AIDS-related work in the past few years. In this context, the management and efficiency of increased aid flow have become particularly crucial. The Paris Declaration on Aid Effectiveness (2005) seeks to address these issues and commits signatory donors to promoting their alignment on development strategies and policies of partner countries. However, donors' spending remains guided to some extent by their own corporate policies and strategies. The project seeks to understand how donors balance these various commitments, and the outcomes of their efforts, focusing in particular on the role of UK funding of AIDS policies and interventions in Malawi.

Main Objectives

The study focuses on the following issues:

- The extent to which international AIDS policies are tailored to the specific Malawian context and whether this has changed since the Paris Declaration.
- The ways in which donors balance their corporate strategy with Malawi's priorities.
- The mechanisms used for aid harmonization with other donors
- The ways in which country ownership has impacted relationships between donors and NGOs.
- The impact of the new aid architecture on the types of interventions promoted
- The degree to which monitoring and evaluation of donors' Malawi-based HIV and AIDS activities are fed back to headquarters and into corporate strategies.
- Good practices in promoting aid effectiveness, country ownership and policy alignment.

Methodology

The research involves:

- Analysis of DFID's and Malawi's AIDS policies
- Interviews with DFID and INGOs staff in the UK
- Interviews with staff from donor field offices in Malawi, including DFID, the Department of HIV and AIDS and Nutrition, the Ministry of Health, the National AIDS Commission, INGOs and local NGOs (July-September 2008)
- Participant observation with an NGO based in Lilongwe (July-September 2008)

Ethics

The project has received ethical approval from Brunel University and the National Health Sciences Research Committee in Malawi (TBC). Confidentiality and anonymity of all participants will be ensured. In addition, the study will be sensitive to the need not to harm any relationships between organizations.

Dissemination of research findings

A summary of the research findings will be sent to all research participants in February 2009.

Researcher:

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C. Indicative interview schedule

TOPIC GUIDE MALAWI

Introductions and permission to record

Introduce self and explain the purpose of the project and aim of interview i.e. to look at how the new aid architecture had affected the role of donors and their relationships with recipient government and NGOs in terms of HIV/AIDS intervention in Malawi.

Ask interviewee how much time they have.

Ask for permission to record (explain that the responses of those interviewed will be used in formulating the rest of the research and in writing the thesis).

Ask if they are happy to be quoted in the final report and other publications that may be derived from the study. Ask if they agree that their name appear in the general acknowledgements in the final report. NOTE quotes will be used with the job title and organisation not their name. **Get interviewees to sign the consent form.**

Ask interviewee to introduce themselves, give their job title and explain their role.

The organisation

- Could you start by telling me about **what your organisation does in Malawi** in terms of HIV and AIDS? PROBE for funding and number of staff working in the area.

- For international organisations, PROBE for specificities in Malawi c/to other countries.

- **How has this work evolved in the past 5 years or so**? PROBE for reasons for evolution and trend in terms of funding.

- **How have your current priorities been developed?** For donors, PROBE for role of corporate strategy in formulating these priorities.

- What processes, if any, do you use in **order to ensure that the needs of the people of Malawi are reflected in your priorities**?

- What are the main **challenges** you are facing in implementing your priorities?

- For donors and NGOs/CSOs: where does your organisation see its **niche** in terms of HIV and AIDS work?

- Who are the **other main actors in terms of HIV and AIDS and how do you work with them?**

- Do you conduct **Monitoring and Evaluation** with regards to your work on HIV and AIDS?

- For donors: to what extent monitoring and evaluation of your HIV and AIDS activities in Malawi are **fed back to headquarters and into the corporate strategy/ies?**

HIV and AIDS in Malawi and the Government's policy

- In your opinion, what **should be the current main priorities** in terms of HIV/AIDS in Malawi?

- How suitable is **the current Malawi policy** on HIV and AIDS?

- Malawi's got one HIV/AIDS strategy but other ministries have specific HIV and AIDS policies too? Are they **consistent** with the main strategy?

- How effective has the **implementation of the National Framework for Action** been? PROBE for details and barriers?

- What are the main **gaps in the current provision**? Are there any areas of HIV/AIDS intervention that are lagging behind?

- What are the **main barriers** to addressing these?

- Are there any **funding gaps** in terms of HIV and AIDS?

Funding and the Paris Declaration

- Has the **Paris Declaration** affected the way you work? If yes, in which way?

- **What are the main challenges of implementing the Paris Declaration**? How can they be overcome?

- What are the **positive and negative aspects of implementing the Paris Declaration in the area of HIV and AIDS**? PROBE for alignment, ownership, harmonisation, mutual accountability, managing for results, M and E.

- Do you feel the **role of the donors have changed** with the implementation of the Paris Declaration? If yes, in which ways? Are there any challenges linked to this new role?

- Has this **changed the relationship between donors and NGOs** / CSOs? If yes, in which way?

- What are issues you think may arise for donors as they try to **balance their corporate strategy with their commitment to country ownership?**
- Can you think of **any good practices in that respect?**

- Do you feel that **channelling more money though the national and local governments might increase the politicisation** of the way resources are distributed?

- Do you feel donors still retain some **influence** in terms of policy formulation and implementation in the field of HIV AIDS?
PROBE for **whether this influence is a good or a bad thing.**
PROBE for **differences between donors.**

- Do you feel the government is in the driver's seat now? In which ways?

- In your view what **would contribute to improve relationships between donors and the Government of Malawi / amongst donors?**

- Can you think of any ways in which funding for HIV and AIDS could be made **more effective?**

Further information and contacts

- Do you have any questions for me?

- Are there any documents or studies related to what we have discussed that you think I should look at?

- Is there anyone else that you think I should talk to at this stage or later?

Thank and close

- Ask if it would be possible to contact if any further questions.

- Tell them we'll send them a summary of the findings in February 2009.

- Thank interviewee.

D. Ethical approval from the Malawi National Health Sciences Research Committee

Telephone: + 265 789 400
Facsimile: + 265 789 431

All Communications should be addressed to:

The Secretary for Health and Population

In reply please quote No.
....

MINISTRY OF HEALTH AND POPULATION
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LILONGWE 3
MALAWI

30[h] July, 2008

Eloide Marandet
Brunel University
UNITED KINGDOM.

Dear Sir,

. **RE: PROTOCOL # 537: 'BRITISH INTERNATIONAL HIV AND AIDS POLICIES IN MALAWI AND THE NEW AID ARCHITECHTURE'**

Thank you for the above titled proposal that you submitted to the National Health Sciences Research Committee (NHSRC) for review. Please be advised that the NHSRC has **reviewed** through the expedited process and **approved** your application to conduct the above titled study.

- **APPROVAL NUMBER** : 537
- The above details should be used on all correspondences, consent forms and documents as appropriate.
- **APPROVAL DATE** : 30th July, 2008
- **EXPIRATION DATE**
  This approval expires on 29th July, 2009. After this date, this project may only continue upon renewal. For purposes of renewal, a progress report on a standard form obtainable from the NHSRC Secretariat should be submitted one month before the expiration date for continuing review.
- **SERIOUS ADVERSE EVENT REPORTING:** All serious problems having to do with subject safety must be reported to the NHSRC within 10 working days using standard forms obtainable from the NHSRC Secretariat.
- **MODIFICATIONS:** Prior NHSRC approval using forms obtainable from the NHSRC Secretariat is required before implementing any changes in the protocol (including changes in the consent documents). You may not use any other consent documents besides those approved by the NHSRC.
- **TERMINATION OF STUDY:** On termination of a study, a report has to be submitted to the NHSRC using standard forms obtainable from the NHSRC Secretariat.
- **QUESTIONS:** Please contact the NHSRC on telephone number *+265 1 789 400/321*or by email on doccentre@malawi.net.
- **OTHER:** Please be reminded to send in copies of your final research results for our records (Health Research Database).

Kind regards from the NHSRC Secretariat.

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For: **CHAIRPERSON, NATIONAL HEALTH SCIENCES RESEARCH COMMITTEE**
Promoting Ethical Conduct of Research[1]

Executive Committee: *Dr C. Mwansambo (Chairperson), Prof. E. Molyneux (Vice-Chairperson)*
Registered with the USA Office for Human Research Protections (OHRP) as an International IRB
IRB Number IRB00003905 FWA00005976

E. Report sent to research participants in Malawi

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May 2010

International HIV and AIDS funding in Malawi and the new aid architecture

Preliminary findings

Report for research participants

NHSRC Approval number: 537

Acknowledgements

1. Introduction

This report is based on preliminary findings emerging from the analysis of interviews conducted in Lilongwe from July to October 2008, as part of my PhD fieldwork.

This report aims to provide feedback to all those who have taken part in the research as a way to thank them for their time and in the hope that they will find it useful. It seeks to summarise issues that were raised by participants with regards to the implementation of the so-called new aid architecture (as defined by the Paris Declaration and the Accra Agenda for Action) in the field of AIDS and AIDS-related funding. Thus, the report does not necessarily reflect my opinions but instead present the variety of the views of those interviewed. A more analytical and personal perspective on these data will be available upon request at a later date in the format of my doctoral thesis.

2. Background

This research project seeks to analyse the effects, benefits and challenges of implementing the principles of the new aid architecture (also called aid efficiency agenda) in the context of AIDS funding in Malawi.

High levels of international donor funding have been available for AIDS-related work in the past few years. In this context, the management and efficiency of increased aid flow have become particularly crucial issues. The Paris Declaration on Aid Effectiveness (2005) seeks to address these and commits signatory development partners to promoting the following:

♦ *'Ownership* - Developing countries set their own strategies for poverty reduction, improve their institutions and tackle corruption.
♦ *Alignment* - Donor countries align behind these objectives and use local systems.
♦ *Harmonisation* - Donor countries coordinate, simplify procedures and share information to avoid duplication.
♦ *Results* - Developing countries and donors shift focus to development results and results get measured.
♦ *Mutual Accountability* - Donors and partners are accountable for development results'. (OECD, 2010)

Most interviews used here were conducted shortly before the Accra Agenda for Action (AAA) was made official. The AAA addresses issues such as funding predictability, the use of country systems and the use of conditionalities and tied aid (OECD, 2010), topics which as this report demonstrates were extensively discussed by research participants.

3. Research objectives

The study focused on the following issues:

- The extent to which international AIDS policies are tailored to the specific Malawian context and whether this has changed since the Paris Declaration.
- The ways in which donors balance their corporate strategy with Malawi's priorities.
- The mechanisms used for aid harmonization with other donors.
- The ways in which country ownership has impacted on relationships between the Government of Malawi, donors, INGOs and civil society organisations.
- The impact of the new aid architecture on the Malawian AIDS response.
- The advantages and disadvantages of the new aid architecture for the various partners involved.
- Good practices in promoting aid effectiveness, country ownership and policy alignment.

4. Methods

The research is qualitative in nature and based on literature reviews, analysis of various strategic and policy documents, participant observation through an internship with Action Aid International Malawi in Lilongwe and 40 interviews with staff from donors' field offices in Malawi, personnel from various ministries and institutions linked to the Government of Malawi (including the Office of the President and Cabinet – OPC - and the National AIDS Commission - NAC) and representatives from international and local NGOs and other civil society organisations.

5. Ethics

The project has received ethical approval from Brunel University and the National Health Sciences Research Committee in Malawi (approval number 537). Confidentiality and anonymity of participants has been ensured by anonymising the quotes that are used here. In order to give some sense of the dynamics at stake here, the following labels have been used instead: 'Government of Malawi: Ministry of Health' (thereafter GoM: MoH), 'Government of Malawi: Ministry of Finance' (GoM: MoF), National AIDS Commission (NAC), 'Bilateral Donor', 'Multilateral Donor', 'INGO' and 'CSO'.

6. Structure of the report

The findings are presented in a two-part structure, first examining the benefits of the new aid architecture as pertaining to the AIDS response in Malawi before exploring the challenges and possible limits linked to the implementation of the Paris principles. The conclusion highlights a few of the conceptual problems raised during this research and presents a few suggestions that were made by interviewees in order to enhance aid effectiveness.

7. Positive aspects of the new aid effectiveness agenda in the context of AIDS

7.1. A more coordinated approach

7.1.1. Better communication amongst development partners

Many donor representatives explained how coordinating and funding mechanisms such as the Health Sector-Wide Approach (SWAp) or the pool donor group within the National AIDS Commission (NAC) provided fora where the various partners could engage with one another and thus enabled information to be shared more easily and freely both amongst donors and between donors and the Government.

The variety of technical working groups informing AIDS-related programmes also enabled non-pool donors and other partners such as NGOs to inform plans and policies and learn about the work and perspectives of all those involved, as this discrete donor representative explained:

> *We basically use this [the Health donor group] to get more information with regard to the policy direction, with regard to progress being made in the implementation of the SWAp, with regards to emerging issues from the SWAp, the problems that are coming out there and so on.* (Multilateral Donor)

The exchange of information was particularly important amongst pool partners as they each took a lead on specific issues and represented other pool member donors in technical working groups. As this donor representative explained:

> *We make sure we go to it [technical working group], we make sure that we engage quite a lot with it, we make sure that we communicate with other partners before those meetings to find out if they have particular issues […] [What] they want to bring to the meetings, we communicate back to them after the meetings as to what has been agreed.* (Bilateral Donor)

The enhanced communication was also seen as enabling a more coordinated approach.

7.1.2. Better coordination amongst development partners

Many interviewees recognised that better communication combined with the use of documents such as the National Action Framework (NAF) and integrated annual work plans made it easier for donors to coordinate their action:

> *The Malawi Government has a development system strategy which provides a context and framework for donor support to the Malawi Government, almost a code of conduct on how donors would help and most effectively support this national development agenda. In the AIDS area and to a certain extent to the Health sector, it is easier for the donor Governments to play by the rules.* (Multilateral Donor)

Indeed under the new aid architecture, even discrete donors and NGOs found it easier to identify 'specific things within the integrated annual work plan that they would want to support' (Multilateral Donor) thus filling the gaps within a coherent framework and avoiding duplications.

Some have also observed that the new aid mechanisms have encouraged better coordination amongst development partners, for example within the pool donor group and amongst UN agencies:

> *I think also the UN is now coordinating better [...] we are trying to deliver as one..... you know one plan, the UNDAF [the United Nations Development Assistance Framework], we meet frequently [...] so we all know what we are doing [...] we all support each other technically [...] so I think that's been very positive, better coordination...* (Multilateral Donor)

Some also found the Malawi Global Fund Coordinating Committee, or the Malawi Partnership Forum and their annual review process useful in enabling better coordination and utilization of resources.

7.1.3. A more holistic response

The increased level of coordination is also thought to have fostered a more holistic approach, going beyond medical aspects of AIDS and capturing 'the full range of resources that nations, civil society, and Government can bring to the response' (Multilateral Donor).

7.2. Improved relations between development partners

7.2.1. Increased trust amongst partners

Improved communication and transparency as well as the more intricate relationships between donors and Government departments fostered by the Paris agenda - for example through joint M&E reviews - has contributed to promote greater trust amongst all partners, as this pool donor representative explained:

> *Now that the harmonization agenda has been pushed, we're all equal partners around the table and especially now that the Government has become a pool partner in the HIV pool, it totally means that it facilitates the discussion and a lot more trust around the development partners' table.* (Bilateral Donor)

As a ministry staff member explained, this increased confidence of donors in the Government also led to better and disbursement rates (as detailed in 7.3)

7.2.2. Greater leadership from the Government of Malawi

This greater level of trust amongst development partners was seen as both helped by and enhancing the leadership of the Malawian Government, in line with the Paris principle of ownership. As one interviewee explained:

> *I think Government is leading, they are in the driving seat, I don't think there is any question about that and Malawians are very strong in terms of political will and motivation.* (Multilateral Donor)

In particular, policy was seen as an area where the Government had taken the lead, with donors' input being limited to 'international best practices and things like that' (NAC). It was believed that the relatively small number of donors in Malawi probably made it easier for the Government to demonstrate leadership in this area.

7.2.3. A more equal relationship amongst development partners

One of the perceived consequences of the new aid paradigm was also a more equal balance of power between donors and the Malawian Government. In particular, the leadership displayed by the Government in the policy area provided them with a stronger position during negotiations with discrete donors:

> *We still have donors who have their separate funding sources and within this document [the Malawi Growth and Development strategy] we have six priority areas, so if indeed donors are serious, they need to align their funding to what we have already developed, not to come with new things to say "Oh! No! We want you to do this, we have this money".* (GoM)

Moreover, the interdependence of donors, particularly members of pool funding mechanisms, appeared to have led to greater self-regulation and self-disciplining in terms of demands and prescriptions individual donors feel they can make on the recipient Government.

7.2.4. A process that includes voices from the civil society

According to many civil society organization representatives, the new aid architecture has enabled a greater involvement of NGOs for example by giving them a seat in one of the many technical working groups informing the policy process. Some CSOs also found membership of the Malawi Partnership Forum (a structure that serves as an advisory body to National AIDS commission) or the Malawi Global Fund Coordinating Committee useful in that regard. Working with parliamentary committees on health or budget and finance was yet another way to make their voice heard and be involved in processes shaping the AIDS response.

The new aid architecture also made it easier to track expenses and carry out budget analysis to support advocacy activities as more funding was channeled through the Government's systems.

7.3. Better funding

7.3.1. More predictable funding: improved timeliness and disbursement rates

Many interviewees felt that the greater coordination, trust and transparency brought about by the Paris principles helped funding from donors to be more predictable. In particular, the greater clarity linked to annual work plans and 'peer pressure' amongst donors from pool funding mechanisms allowed for greater disbursement rates and more timely disbursements.

7.3.2. Greater funding mobilization

Another advantage of the new aid architecture cited by interviewees was that it tended to boost the level of available resources:

> *I think the major positive point is that it's a modality of mobilizing resources in significant volume and targeting specific interventions: in this case HIV and AIDS.* (NAC)

7.3.3. More flexible funding

Funding from pool donors was seen as particularly flexible as it could be used to fund any parts of the annual work plan, thus enabling a more holistic approach to spending where all priorities can be addressed adequately:

> *Well the positive [of the SWAp] is that […] we are looking at the entire health delivery system to make sure that everything is in place. We are not only focusing on for example, one component, and leaving out others […] And then we are financing in all these areas to make sure that at least we have everything moving together.* (GoM: MoH)

7.3.4. Fairer distribution of resources

One interviewee also highlighted that the channeling of resources through the districts via the Government could help spreading out funding more equitably amongst the different areas of the country, rather than relying on the highly variable concentration of NGOs.

7.4. Greater effectiveness: making the money 'work harder'

7.4.1 Reduced transactional costs

Interviewees reported that the streamlining of procedures linked to the alignment and harmonization principles of the Paris Declaration has reduced the bureaucratic burden placed on the Government:

> *We have what we call the pool funding arrangement where we have common systems for reporting; this includes financial reporting, procurements, audit, progress reporting and what have you so it has substantially reduced the transactional cost, which was on us, which was demanded by each partner.* (NAC)

7.4.2 More effective interactions

The new aid architecture was seen as facilitating direct contacts amongst donors and between ministries, NAC and donors thus providing opportunities to discuss and resolve issues swiftly and efficiently. The Emergency Human Resource Programme was cited as an example of an initiative that was developed particularly quickly and effectively despite involving a number of partners. This programme also benefited from a phenomenon encouraged by the new aid architecture whereby donors – particularly pool donors – specialize in policy areas and take the lead on initiatives where they have a particular interest or expertise. Indeed, mechanisms such as pool funding within NAC or the Ministry of Health (SWAp) have also contributed to increasing communication amongst donors and facilitated their work:

> *Since working within this donor group, you're getting information from other donors so you don't have to all the time go to the Ministry of Health or to NAC to get your answers you need.* (Bilateral Donor)

7.4.3. Reduced waste and duplication (nationally and locally)

Some interviewees highlighted how the improved coordination amongst donors had helped avoid duplication of efforts and activities. In addition it had led to greater transparency and contributed to limit unproductive practices such as the one described below:

> *So the same organization would be getting funding from DFID, come and get funding from UNICEF, from USAID etc… and probably for the same activity. Because they would write a proposal, the same proposal just change name on the top and adapt it to suit the donor and then send it and then the same … they'll have three fundings for the same kinds of activities, each one the reporting would be the same, they just change the title. And all donors are happy but things are not moving. Now with harmonization, these things cannot happen anymore because for each area there is only one channel of funding.* (INGO)

In addition, the decentralization movement that has been concomitant to the rolling out of the Paris principles has led to the creation of annual district plans for specific areas such as health and HIV and AIDS. These plans enable to capture a wide range of resources available at the local level as well as projects being carried out. They thus help to provide a

clearer picture of the local gaps and needs, and enable NGOs working in the area to complement each other's efforts in a more integrated approach.

The new aid architecture thus appears to have a number of positive characteristics and most interviewees were supportive of this approach. However, numerous issues with this new organization of aid were also highlighted and are detailed below.

8. The challenges of the new aid architecture

8.1. The difficulties of a coordinated approach: a slow moving bureaucracy

8.1.1. Lengthy procedures and the necessity of consensus

One drawback of the participatory nature of processes under the Paris principles is that they can take time:

> *The SWAp themselves are not easy to formulate, they take too long.* (GoM: MoF)

> *Unfortunately in HIV//AIDS, there's a lot of consensus, management by consensus. I think that's one of the challenges. [If] you want to introduce new ideas, new policies, you need to take it to the technical working group where this will be discussed, then it moves to the partnership forum, and sometimes you have to get the pool partners together to sit together, then they vote, at that level you take it to the board for approval.* (NAC)

This can be perceived as particularly problematic and frustrating in crucial areas such as AIDS or Health where delayed implementation can have such dramatic consequences. In addition, the health SWAp was seen as lacking flexibility compared to the 'vertical' (or discrete) approach, as this discrete donor representative explains:

> *The [SWAp] plan of work is only reviewed every year. Outside the pool donors can be much more accommodating to new priorities and gaps.* (Bilateral Donor)

Yet, despite the difficulties linked to creating consensus, one interviewee noted that donors' engagement with Malawian democratic institutions was to a large extent limited to the executive arm of the state at the expense of the Parliament and its committees. This raises the question of whether the Paris Declaration, because of the already inherent complexity of working through consensus, might contribute to sidelining some democratic mechanisms ensuring the accountability of the Government to its electorate and representatives. The issue of accountability to Malawian citizens was also salient at the district level which had seen its role beefed up by decentralization and was becoming in charge of implementing national policies such as the National AIDS Strategy. At the time of the fieldwork however, the lack of recent elections at district assembly level meant that democratic overview at that level was restricted. Questions regarding the transparency and accountability of processes at district assembly level were brought up by many interviewees.

8.1.2. The limits of the Paris approach: the dilemma of double accountability

Despite the enthusiasm of many research participants for the new aid architecture, some acknowledged the inherent tension in the position of donors, one the one hand, pressed to align and harmonize with the recipient country and on the other, accountable for pubic funds to the Government they are working for:

> *Well, I guess Government, development partners and other donors have to account in some coherent fashion to national parliaments and with this comes the desire to seek attribution; this was achieved with say Swedish resources and this was achieved with British resources. This desire for individual attribution is often difficult to reconcile with the pro-Paris agenda and I guess it will be a learning experience as we go through.* (Multilateral Donor)

As a consequence, some donors were reluctant to stop earmarking money for specific programmes, even after signing up to pool funding mechanisms:

> *So there are some partners who will want to for example, earmark some funding when the fund is already in the pool; they'll go 'oh yeah, we have put our money but our money is to do this'. That's not the spirit of the SWAp.* (GoM: MoH)

This was particularly problematic for multilateral donors who were themselves accountable to numerous donors. It was thus more difficult for them to be flexible as their standards were negotiated in advance with their own contributors and could not be altered as easily as those of bilateral donors. As a consequence, organizations such as those from the UN family opted to stay out of pool funding mechanisms. However, they were able to align on the priorities of the Government of Malawi by helping to fund specific aspects of the NAF for example. On the other hand, the Global Fund had decided to enter NAC's pool donor group. The merits and pitfalls of this move were discussed by many interviewees and raised the question of the limits of the approach described under the Paris Declaration. .

One of the main benefits of the Global Fund entering the pool was the substantial increased in available funding through the mechanism. However, the entry of this new member in existing structures such as the pool or the Health SWAp raised many questions, summarized by one interviewee as follows:

> *Is the Global Fund in the current way it works, is it actually poolable?* (Bilateral Donor)

This uncertainty reflected issues raised by the late entry of the Global Fund into these mechanisms, and the ensuing tensions between the existing pool agreement and amendments required by the new partner. While it is understood that as a multilateral institutions, the Global Fund had to relay certain demands from its financers (for example a clause saying that the sub-recipient should not use its funding to finance terrorism), this multiple accountability did not sit well with the principle of alignment. This was seen as especially problematic as the Global Fund did not have a presence in Malawi and was represented by consultants, making the process of amending the agreement particularly

lengthy and frustrating for other development partners. Moreover, these delays had unfortunate consequences in terms of disbursement and implementation.

8.1.3. The size vs. efficiency dilemma

While new streams of funding were seen as positive, the inclusion of new and powerful members such as the Global Fund also created tensions. Interviewees reported that divergence of views amongst donors with regards to expected standards could lead to disagreements about what course of action to follow (e.g. suspend disbursement) should one of the conditions not be met on time. A few development partners highlighted that pool funding mechanisms were not necessarily a 'pool of equals' and that donors that 'weighed' in financial terms had a greater capacity to influence processes:

> *A typical example is in the case of the Global Fund. I think everybody recognizes that they are a major contributor to the pool so by virtue of having that mass of... they have the potential of twisting other donors' arms to maybe follow their own principles. In the process that disadvantages the grant recipient.* (NAC)

As one interviewee explained the AIDS pool fund had become 'a victim of its own success':

> *It's so big now and it's so well subscribed that there has to be massive supervision and all these rigid structures in place because of the arsenal involved and if it was smaller, it probably could be a lot more flexible.* (Bilateral Donor)

These questions raised the issue of whether the new aid architecture is really the panacea described by some or has limits to when and how it can prove a useful tool. As this interviewee summarizes, this in part depends on the attitude of donors:

> *It depends on the organization; if it's an organization that is flexible, I'd say yes, the SWAp is the best way; if it's an organization that is so rigid with a lot of regulations they might find the SWAp a little bit difficult.* (Multilateral Donor)

However, progress within the pool was also seen as highly dependent on a mixture of the institutional commitment of the various partners as well as the personal dedication of individuals involved in the mechanism. Thus the rotation of staff within agencies could seriously slow down processes spearheaded by the pool.

8.1.4. Non-aligned donors

Despite the popularity of the pool mechanisms with many bilateral donors and the efforts of many multilateral institutions to align with Government's policies, there was still reluctance from some development partners to engage with the national institutions and

plans. This kind of attitude mad effective planning difficult and was seen as limiting some of the benefits of the new aid architecture approach:

> *Unfortunately we still have partners who want to come and implement and then they don't want to submit reports, they don't want to share best practices, they don't want to share what they're doing and they don't want to be open to other partners with them to strengthen their interventions. So there are a lot of pockets of unreported programmes which are making things a little bit difficult.* (Bilateral Donor)

8.1.5. A problematic implementation

With more funding going through Government mechanisms, the funding of projects at the local level has become increasingly dependant on a chain of actors: from donors disbursing in a timely fashion, to CSOs following the proper reporting procedures and using the funding before the next cycle. Any 'glitches' in the system could thus destabilize a whole series of processes. This was especially crucial as many activities were seasonal or affected by the agricultural calendar:

> *It's difficult to implement some of the activities: for example, if they have asked for [funding for farming] so that they can care for the orphans and you find out that the funding is coming in February, where here we are suppose to cultivate from now [September] up to December so … Because you know here, we work according to seasons: let's say if they bring some grant money for the CBOs in January. In January nobody can do activities because they are busy in their gardens.* (District Assembly)

8.2. A donor-driven aid architecture

8.2.1. Donor-imposed institutional structures

Interviewees, especially those from Malawian Governmental organizations and the civil society sector were prompt to highlight that while the Paris Declaration insisted that 'developing countries [should] set their own strategies for poverty reduction, improve their institutions and tackle corruption' (OECD, 2010), the institutional architecture of aid was very much donor-driven.

Thus, many interviewees highlighted that donors' reluctance to align and use Government systems had led to the creation of 'donor-driven' institutional structures, such as the National AIDS Commission:

> *I would argue in my case that the work of the NAC is a non-aligned institution. Of course now it appears aligned because it has been naturalized if you see what I mean. It has been here long enough so that people think it's Malawian now but you know it was never Malawian.* (GoM: MoF)

Interviewees from donors institutions argued that the setting up of parastatal organizations such as the NAC or the reformed central medical stores were necessary in order to avoid the bureaucracy involved in working through Government structures which were subject to annual funding allocations decided at Governmental and ministry level. The human resource policies that Governmental institutions had to follow were also seen as a hindrance. In particular, pool personnel who could be moved between departments at any time were seen as creating regular loss of knowledge specific to departments. Disciplinary procedures (and the presumed difficulty of removing inadequate members of staff) were also cited as a barrier to efficiency. However, rather than confronting human resource issues in the Government, donors promoted the setting up of these parastatal 'trusts'. This can read as an avoidance strategy with regards to the supposed spirit of the Paris Declaration:

> *The main reason [the NAC] is there, is … so that donors can control properly, they can monitor things more transparently, than they think they can't do in a ministry. And then there, they prescribe all kinds of procurement, and management or disbursement procedures.* (GoM: MoF)

Thus for many interviewees especially those working in Malawian institutions, the new aid architecture has not necessarily produced a greater balance of power between donors and the Government.

8.2.2. A structure reliant on donors

The reliance on donors to finance the AIDS national response in Malawi was seen as a source of uneasiness, creating a situation where the Government has to tread carefully in order not to compromise programmes available to its citizen:

> *We have more than 180,000 people who are starting on ARTs. This is thanks to courtesy of the Global Fund […]. Suppose the Global Fund closes today which I hope it cannot because they have already made an investment; for them to walk away now, it means putting millions of lives at stake.* (NAC)

The importance of Government decisions and policy decisions, such as the updating of the National AIDS Action Framework were key in influencing the funding environment and building up the trust and confidence of development partners. However, funding dependency could undermine the application of the Paris principles, especially with regards to ownership:

> *[I]f the development partners have another idea that they want the Government to choose then it might not necessarily be so easy to be taking bold leadership and say no we are going this way, we are not going that way.* (Multilateral Donor)

The persistent power imbalances between donors and recipient countries have not been significantly altered by the new aid architecture. Instead, a qualitative change where pressure has been in part replaced by influence was noticeable, although as the quote below illustrates, the boundaries between the two were sometimes blurred:

It [the Paris Declaration] says donors should endorse the national plan. They can only endorse if they think you are doing what they think you should be doing. So it's a question of give and take to see how far away they are taking us from our priority areas. If we are not too far from it, I think we'll just accept it. It's the only way we can get money. (GoM: MoF)

Conversely, the Government was sometimes reluctant to take advice from donors in order to appear as a leader, despite potential benefits. This is was for example the case with the controversial issue of technical assistants.

8.2.3. A Donor-led policy agenda

Another area where donors' influence was seen as sometimes overwhelming was in terms of policies. Despite many interviewees agreeing that the Government was now in the driving seat in terms of policies, further questions shed light on the limits of this sovereignty:

I have to say the pool environment is definitely not a pool of equals and I think firstly the Government, I think it hasn't … they're probably not in the driving seat because donors still have their own agendas, ok. They're happy to say they're pooling but they will drive within the pool, they will drive their agenda through it within this pool environment. (Bilateral Donor)

As this interviewee explains, the Government was free to demonstrate leadership as long as donors were happy with the results:

- In general, it is driven by Government. In general. But in certain specific areas where things are not working well then it gets to be driven by donors.
- Like the central medical store reform?
- Yes, the central medical stores reforms, like general procurement issues err… yeah. If things are not really moving well, then it tends to be overtaken by donors and it becomes driven by donors. (Multilateral Donor)

The issue of procurement procedures was especially divisive with contrasting views expressed by those interviewed. While it is too big and complex an issue to be addressed here, I wish to quickly highlight some of these perceptions. To some it was something needlessly imposed by the donor community which created delays:

The Malawi Government had a very adequate procurement system. Why people can't accept that, why we have to use the World Bank system or the Global Fund system, I actually don't know. (Bilateral Donor)

Others highlighted that changes were necessary at least in terms of international procurements:

As an example, national rules and regulations for procurement would require that your bids are in the national currency, Malawi currency but now Malawi currency is

not exactly stable. If you are quoting from elsewhere, you don't want to take that risk, the risk of an unstable currency, that's one. Secondly, arbitration: according to national procurement regulations it is governed using the national laws, if you are bidding from outside Malawi, you may not find that necessarily very attractive, you might want some international arbitration.(Multilateral Donor)

Although there was greater consensus on the need to reform central medical stores, one interviewee explains how there is a culture of blame focused on Governmental institutions while donors' flaws often go unquestioned:

I attended a meeting on making the money work: how we can accelerate the implementation within the ministry of heath and all I got was what the ministry doesn't do, the whole document, nothing on any other [issues], and that's the culture around here, there is absolutely no way you get anywhere by piling everything that needs to fixed on one end of the partnership, you don't need a PhD to do that. (CSO)

Generally, members of CSOs and Governmental institutions felt that donors were often intrusive and using the power linked to their financial contribution to 'micro-manage'. This was also highlighted by some donors in relation to more powerful peers.

8.3. The inadequate funding of the new system

8.3.1. Lack of predictability

The main issue identified through the interviews with regards to funding was its continuous lack of predictability. If predictability of funding was perceived as having improved within the pool funding mechanism (with the exception of the Global Fund), other non-harmonized donors were more problematic.

Yet the lack of predictability in the long-term was a hindrance to proper planning processes and created a 'high risk environment' in which the Government could be nervous about disbursing money. As a member of staff at the Ministry of Health explained, the lack of predictability and low disbursement rates of some donors had created a catch-22 situation whereby factoring in these financial flow in the budget could have harmful macro-economic implications should the money be retained by the donor, and not including them in the budget could make it difficult for the Government to spend it, once the budget approved:

I'm already looking at the headlines: 'ministry returns donor money because it can't use it' while on the ground the people are suffering. And it is because of the system. So I think we really need to sit and improve the system. (GoM: MoH)

As a consequence, pool mechanisms were still perceived as being less reliable than discrete funding. For example, a member of a civil society organization explained that there were anxieties around the idea of getting ART funded through the pool where it could be delayed by disagreements amongst donors or between donors and the Government, which could jeopardize treatment availability and continuity.

8.3.2. More conditional funding

In line with some recent literature (Gould, 2005) some felt that conditionalities had been creeping back in under the new aid architecture. While these conditions were often less rigid than in previous decades, it was seen as reducing the ability of the Government to exercise its sovereignty and going against the principle of alignment:

> *In principle the policies are supposed to be developed by the Government and the others coming to support but, it's not really the case in real life.[…] EU has their own they call them benchmarks but they are conditionalities, World Bank, they want privatization, for example they want ADMARC to be privatized, they want everything to be in private hands. DFID and NORAD have their own conditions they call them indicators. People used to call them benchmarks but then people got used to that one and said let's call them indicators.* (CSO)

In addition, conditions can lead to delays when they are linked to major policy changes, especially if these reach beyond the mandate of institutions such as NAC or the Ministry of Health (for example a reform of human resource policies). This was also raised in the case of conditions that required an initial investment from the recipient Government, but which did not provide any financial support (see section 8.4.2.). Moreover, there were tensions between conditions set out in the Memorandum of Understanding presiding over pool mechanisms and pre-existing bilateral agreements that specific donors previously had with the Government of Malawi (this was notably mentioned in connection with the Global Fund).

Overall some felt that the new aid architecture could lead to a situation where the highest common denominator prevailed in terms of conditions within pool funding mechanisms. These requirements were sometimes resented by other more flexible partners for the delays and disorganization they could create.

8.3.3. Insufficient funding

Asked whether they felt there was a funding gap in the area of HIV and AIDS, Government staff were quick to point out that the resources promised by donors, notably by the G8 countries, had not all materialized: 'as much as there was this global movement, this global movement has not been matched by funding'. (NAC)

The funding gap was highlighted even further by the thorough costing exercise of the National AIDS Framework (2005-2009) and the Universal Access roadmap (from 2011):

> *The NAF from 2005 to 2009 is costed at 620 million; the UA is almost 1.2 bn. The commitments that we have up to 2009 … currently the commitments start at around 450,000 so really there's a gap with the NAF, and (certainly) there is a gap with the UA.* (NAC)

However despite recognizing the importance of financial resources to implement the AIDS response, some donors questioned the Government's capacity to spend the amounts calculated and felt that the current funding levels were adequate.

Yet, at the local level, some argued that capacity was curtailed by lack of funding rather than an inability to absorb additional money:

> *When you go to the villages, you see the group that is at least doing a commendable job and at the end you are not giving them funds.* (District Assembly)

But the Malawian Government was also perceived as failing to dedicate adequate amounts to Health:

> *In terms of finances we have been lobbying for the Government to fulfill the declaration that was signed in Abuja whereby the Government promised 15% of the national budget to be allocated to the health sector, that has been our campaign for some time now.. we've been making some progress but…every time we make one step forward, we take two backwards…it was nearly 15% last year, it was about 14.5% but this year its gone down to 10.3%* (CSO)

8.4. Lack of funding for civil society organizations: a difficult transition for Non-Governmental actors

8.4.1. A funding gap for INGOs

The reorganization of funding along the Paris principles has made it difficult for NGOs, especially international NGOs to finance their activities. Although INGOs were used in the first phase of the decentralization in order to allow districts to build up their capacity, their role under the new aid architecture is unclear. The funding they used to get from international donors has at least in part been channeled through the recipient Government and as this INGO staff explains, there seems to be a catch-22 situation:

> *We have tried to do that to go to them [the donors] but they will say 'no that's not the way we work we are giving this money to National AIDS Commission' so we can give you the money but you have to go the National AIDS Commission. […] When you go to the National AIDS Commission they will say 'you are an INGO an international organization, we can't give you the money'. That presents a challenge for us: so where do we get the money?* (INGO)

This is seen as a missed opportunity as 'there are some NGOs here that do fantastic work in health and for the Government to ignore these people because they're international NGOs, it's just short-sighted' (Bilateral Donor). In addition, the lack of funding available to NGOs from donors makes it more difficult for them to identify and address possible gaps within the Government's plans. Thus, the Paris Declaration might have contributed to the decline of effective ways of spending aid through INGOs and CSOs.

8.4.2. More prescriptive funding: 'It's so bureaucratic, so restricted, so directed' (Bilateral Donor)

According to some interviewees, activities that used to be financed directly from donors were now being picked up by the Governmental structures which were not always without problems:

> *Before we used to get funding from other donors for our home-based care activities for example, but now it is going through the Government and NAC so you have to access it through the Ministry of Health at the local hospital so it never materializes.* (CSO)

In the same line, NGO staff also highlighted that available funding from the NAC or the Ministry of Health had become tied to heavy bureaucratic requirements:

> *When you get it [funding] from the Commission, the Commission is basically panicking to report, panicking to comply, […] a lot of time is invested in accountability requirements as opposed to technical management support of what's going on.* (INGO)

> *We have been in discussions with NAC for maybe a year now. I mean their process is just ridiculous; it can go as far as three years before you get the funds* (CSO)

Direct funding from donors was generally perceived as easier and faster to obtain and more flexible as processes and outcomes could be negotiated directly with the organization.

A further challenge seen by members of civil society organization was that some funding would not cover the actual running cost of an activity:

> *The challenge is not whether we can raise money, but the challenge is whether we can raise money that is good enough, as in flexible enough to be used for our policy advocacy and our community initiative or interventions without overburdening or overstretching our organisational capacities, the capacity of our partners, and the public social service capacity, the ministry of health and the local assembly capacity, and all other partners that work with Government partners, all that we work with.* (INGO)

Other issues that arose include as the requirements for multiple quotes to procure goods, which was seen as time-consuming and costly and not always justified especially in remote areas.

Moreover, some felt that the new organization of aid made it more difficult for civil society organizations to carry out lobbying and advocacy activities, as funding for this was not forthcoming. This could be a damaging aspect of the Paris principles whereby civil society could lose its ability to hold the Government and donors accountable.

8.4. The issue of capacity

8.4.1. A structure which is still staff-intensive

Lack of adequate human resource capacity within ministries was identified as an issue by interviewees from both donor organizations and staff from various ministries as well as CSOs. The staffing gap was seen as having been made more crucial by the new aid architecture. Despite the streamlining of procedures, such as reporting and monitoring and evaluation, brought about by the Paris principles, staffing needs are still high. Indeed the leadership role played by the Government requires adequate and often increased human resources, especially as the process of consulting and agreeing with development partners can be time-consuming (see section 8.1.1.).

The staffing gap is also felt at the local level, as the rolling out of decentralization has increased the burden of monitoring and evaluation and reporting procedures at the district assembly level:

> *I experience that district assemblies find it difficult to adhere to NAC rules and regulations every three months and […] if they don't write a financial report and put in a financial disbursement request on time then NAC cannot process the next disbursement and so yeah... I mean I've seen it every three months for some times, the scheme gets to a halt.* (Multilateral Donor)

In this case, longer disbursement periods (six months) seemed to have helped lighten this burden.

However, in addition to the staffing needs triggered by the new aid architecture and decentralization, it is worth noting that public health interventions such as the AIDS response are particularly reliant on front line workers in countries like Malawi:

> *The majority of the population is illiterate; our transport network is not as developed as it should be. So as a country we need face to face interaction […] we need the people at the community level to deliver a service.* (GoM)

8.4.2. A structure undermined by lack of capacity

The lack of staff at both Ministry and local levels was seen as an impediment to the country ownership principle. Talking about the high vacancy rate at the Ministry of Health, a donor representative explained:

> *Staff […] have too much work, much too much work... So finding that leadership amongst staff who have so much to do, have so little support in their day jobs, can be very difficult and that's a real challenge.* (Bilateral Donor)

It is worth noting that this high vacancy rate is taking place in a context where the ministry is already under-resourced and under-staffed in proportion to the burden of the disease. Yet, large structures such as the NAC or the Ministry of Health are seen as absorbing a disproportionate amount of funding, leaving even more limited resources to local programmes and health facilities.

The capacity gap can also have negative effects in terms of securing funding from donors, for example by failing to comply with all their requirements. It was felt that donors whose requirements involved high levels of staffing without providing financial help to pay for these were very much stretching ministries' capacity beyond their limits:

> If there is anything, any weaknesses that they see, those should be built into the programme as interventions, to strengthen the system, not to ask the Ministry to strengthen the system first before the money comes. [...] So I believe that probably what needs to happen is that any weaknesses of the systems, those should be part and parcel of the interventions to be carried out with the funding, not that this should be done first before the funds come. (GoM: MoH)

However, both under-staffing and the lack of training and skills in some areas could be problematic and both issues could often reinforce each other, as this Ministry of Health staff dealing with donors' requirements explains:

> There's no one who has been working with me to say that if I leave they would be able to follow up with it. Because [my work] is quite technical and quite time consuming and one has to have a lot of time and dedication and interest to do all those things. (GoM: MoH)

Thus the loss of this member of staff could be translated into important monetary loss with dramatic consequences for AIDS programmes.

In addition, lack of adequate staffing could also cause low absorption capacity. At district level, capacity constraints could have dramatic consequences:

> They don't have enough capacity in most districts to actually handle the funds, to actually channel the funds to the appropriate organisations so what is happening is that most of the funds get stuck at the district assembly's office instead of going into the rural areas. (CSO)

Although not the focus of this research it is worth mentioning that the lack of medical staff has been a serious impediment to the adequate implementation of the AIDS response. The capacity of the civil society as a mechanism to ensure checks and balances vis-à-vis the Government was also mentioned as inadequate and thus problematic.

8.4.3. Barriers to adequate staffing

While recognizing this problem, many donor representatives interviewed felt that increased staffing at ministry level was not necessarily a solution. One drawback was that the Government would not have the financial ability to sustain an increased workforce should donors' support wane. In addition, there was a fear that more staff would be equated with an increased bureaucracy, rather than more efficiency. Some also felt that additional

staffing at ministry level was not the most pressing issue where for example medical personnel were particularly scarce.

The effects of wage bill caps which until recently imposed a ceiling on how much the Government could spend on salaries as a share of its budget (see for example Action Aid, 2005 and 2007) were discussed by a few interviewees:

> *The ministry of Health or the Government had their hands tied when it came to recruitment despite the crisis; their hands were tied because IMF put a ceiling on how much they can spend on the pay roll… Even though there are vacancies the Government cannot recruit more because of that condition.* (CSO)

This was seen as having created an environment where public health interventions were difficult to implement, particularly at the local level:

> *For example, we had a home craft worker who moved from house to house to teach people on nutrition using the home economics approach. We reduced nutrition to a lower level, ok. But when they said your wage bill is very high in 1992, all these people got removed […] as we are talking now there is an outcry that the HIV/AIDS services are not reaching the community, it is because the community worker is not there.* (GoM)

Although wage bill caps had recently been lifted the Government was reluctant to increase the staffing cost for fear of boosting inflation.

But Government HR policies, especially around the issue of continuous transfers were also criticized by interviewees from a variety of institutions:

> *The ministry is sometimes also handicapped in terms of capacity because of the way the overall civil service system is working. We have what we call common service employees. Those are like support staff, then it is like HR people. So you might have you know HR management officer who comes and who will start knowing the system and then they get promoted, they are posted out of the ministry to another ministry.* (GoM: MoH)

The loss of skills and knowledge linked to these transfers was seen as problematic, especially in a context that did not allow the arriving personnel to overlap with her or his predecessor for a significant amount of time.

Another issue raised was the limited ability of the Government of Malawi to offer competitive salaries compared to other development partners such as donors and NGOs. As one participant put it with regards to INGOs:

> *They're coming without adequate human resources and then they expect to source locally from the district local facilities and that's created a massive strain on already weak health systems.* (Bilateral Donor)

8.5. *A more effective system?*

8.5.1. Reduced transactional costs or inflated bureaucracy?

There were questions as to whether the Paris agenda had really reduced transactional costs. While it was recognized that the harmonization of reporting and monitoring and evaluation procedures was beneficial, some interviewees pointed out that the new aid architecture had contributed to creating more bureaucracy by shifting the implementation largely on state systems and creating new institutions such as NAC. There were doubts as to whether total costs were eventually lower than under the previous system:

> *Just how effective is that money and how efficiently is it being used or how much is being absorbed by another layer of the system in that whole set up?* (Bilateral Donor)

One interviewee at the Ministry of Finance highlighted that the Government of Malawi found budget support easier to manage than pool funding mechanisms and ultimately preferable despite their vulnerability to cuts.

8.5.2. A more effective allocation of funding?

A number of interviewees highlighted that although the new aid architecture helped to avoid duplication and waste, they felt that spending was not always as effectively allocated as it could be. The lack of impact analysis was seen as a major barrier to improvements in this area and a number of donor representatives felt the lack of transparency regarding financial flows and their results was regrettable. This was also a salient critique from a number of civil society organizations as it hindered their ability to hold the Government accountable and lobby for change:

> *It's really difficult to find information on how the money is used on ARTs. It is being used but to find the information, we had to go to treasury, then to the Ministry of Health... but the actual information for example: how much was allocated for ARVs? We were not able to get that. And then we go on to the sites, to the cost centers, where they are using that amount of money, for example in hospitals, to find out how much they used for ARVs. In some we could get them, in others we couldn't.* (CSO)

In addition it was felt that this lack of data was a major hindrance to effective reviews and (re)costing of AIDS-related policies.

8.5.3. Effectiveness of other mechanisms

Another point made by a number of interviewees was that the trend of the Paris principles should not over shadow the fact that some vertical programmes (albeit not all) have proven to be very successful. Thus some argued that they should not be dismissed altogether and the comparative advantages of using such an approach should be kept in mind:

> *It's because the vision is discrete, the governance is discrete, the impetus is strong and it's not being diluted by this 'we have to share everything with everybody'. That's why they're successful.* (Bilateral Donor)

Again, this comment raises the question of whether the pool should be seen as the only solution or one mechanism used in tandem with other approaches. This issue was also raised in relation to the waning role of INGOs in service delivery, or the lack of involvement of the private sector, as it was argued that their potential added value should be considered.

9.   Conclusion and recommendations

Most of the individuals interviewed had a rather positive view of the new aid architecture although many issues with this approach were also raised. Both practically and conceptually, the two most salient issues appeared to be the Government's lack of capacity and donors' double accountability.

Many interviewees –especially donors – felt that the idea of putting the Malawian Government in the driving seat should be interpreted more as an aspiration or a trend that could be furthered with time:

> *This concept of donor coordination and Government sovereignty it is a new concept, a very new concept amongst donors ... there's no magic formula and everyone's feeling their way a bit.* (Bilateral Donor)

There was a sense that in practice, the Paris Declaration involved a much messier business of negotiations and experiments than the text itself seemed to acknowledge. As one donor representative noted: **'**the Paris Declaration doesn't tell us how to do it'. Thus the rolling out of the new aid architecture was highly reliant on inter-personal processes amongst those involved, especially as the pool of donors was relatively small in Malawi. Overall, many felt that the Paris principles were relatively recent and that the new system needed time to mature. Time will tell if this is simply a steep learning curve that will work itself out through improvements and new commitments (such as the Accra Agenda for Action) or if the rather technical approach of the new aid architecture and its silence on issues of power differences, accountability, sovereignty and capacity will lead to a new 'development trend' emerging in its place.

Recommendations

These were all suggested by research participants:

- Donors should better support Government capacity at central and district levels
- Greater leadership and ownership from the Government
- Commitment from all partners is key to success
- Increase predictability of funding

- Keep dialogue lines open
- Rationalize the organization i.e. limit the number of task forces, working groups, steering committees etc.
- Rationalize the use of resources using performance-based assessments
- Enable alternative voices to be heard

References

Action Aid (2005) *Square Pegs*, *Round Holes*, *and Why You Can't fight HIV & AIDS with Monetarism*, Issue Briefing.
Action Aid (2007) *Tackling Political Barriers to End AIDS*, Books for Change, Bangalore, 64 pp.
Jeremy Gould (ed) (2005) *The New Conditionality: The Politics of Poverty Reduction Strategies*, Zed Books: London, 180pp.
OECD (2010) http://www.oecd.org/document/18/0,3343,en_2649_3236398_35401554_1_1_1_1,00.html, last consulted in May 2010.

F. List of OECD member countries (with the dates on which they deposited their instruments of ratification)

From: http://www.oecd.org/general/listofoecdmembercountries-ratificationoftheconventionontheoecd.htm

Australia - 7 June 1971
Austria - 29 September 1961
Belgium - 13 September 1961
Canada - 10 April 1961
Chile - 7 May 2010
Czech Republic - 21 December 1995
Denmark - 30 May 1961
Estonia - 9 December 2010
Finland - 28 January 1969
France - 7 August 1961
Germany - 27 September 1961
Greece - 27 September 1961
Hungary- 7 May 1996
Iceland - 5 June 1961
Ireland - 17 August 1961
Israel - 7 September 2010
Italy - 29 March 1962
Japan - 28 April 1964
Korea - 12 December 1996
Luxembourg - 7 December 1961
Mexico - 18 May 1994
Netherlands - 13 November 1961
New Zealand - 29 May 1973
Norway - 4 July 1961
Poland - 22 November 1996
Portugal - 4 August 1961
Slovak Republic - 14 December 2000
Slovenia - 21 July 2010
Spain - 3 August 1961
Sweden - 28 September 1961
Switzerland - 28 September 1961
Turkey - 2 August 1961
United Kingdom - 2 May 1961
United States - 12 April 1961

G. The 2003 Rome Declaration on Harmonisation (OECD, 2003)

Rome Declaration on Harmonisation

Ministers, Heads of Aid Agencies and other Senior Officials representing 28 aid recipient countries and more than 40 multilateral and bilateral development institutions endorsed the Rome Declaration on Harmonisation in February 2003.

We, the heads of multilateral and bilateral development institutions and representatives of the IMF, other multilateral financial institutions, and partner countries gathered in Rome, Italy, on February 24-25, 2003, reaffirm our commitment to eradicating poverty, achieving sustained economic growth, and promoting sustainable development as we advance to an inclusive and equitable global economic system. Our deliberations are an important international effort to harmonise the operational policies, procedures, and practices of our institutions with those of partner country systems to improve the effectiveness of development assistance, and thereby contribute to meeting the Millennium Development Goals (MDGs). They directly support the broad agreement of the international development community on this issue as reflected in the Monterrey Consensus (*Report of the International Conference on Financing for Development*, March 2002, para. 43). We express our appreciation to the governments of Jamaica, Vietnam, and Ethiopia, and to the bilateral donors and international institutions that sponsored and coordinated regional workshops in Kingston, Hanoi, and Addis Ababa in January 2003, in preparation for the Rome Forum. The key principles, lessons, and messages synthesised in the reports of these workshops have provided valuable input to the Forum.

Improvements in development effectiveness

We in the donor community have been concerned with the growing evidence that, over time, the totality and wide variety of donor requirements and processes for preparing, delivering, and monitoring development assistance are generating unproductive transaction costs for, and drawing down the limited capacity of, partner countries. We are also aware of partner country concerns that donors' practices do not always fit well with national development priorities and systems, including their budget, programme, and project planning cycles and public expenditure and financial management systems. We recognise that these issues require

urgent, coordinated, and sustained action to improve our effectiveness on the ground.

We attach high importance to partner countries' assuming a stronger leadership role in the coordination of development assistance, and to assisting in building their capacity to do so. Partner countries on their part will undertake necessary reforms to enable progressive reliance by donors on their systems as they adopt international principles or standards and apply good practices. The key element that will guide this work is a country-based approach that emphasizes country ownership and government leadership, includes capacity building, recognises diverse aid modalities (projects, sector approaches, and budget or balance of payments support), and engages civil society including the private sector.

Good practice standards or principles

We acknowledge that while our historical origins, institutional mandates, governance structures, and authorising environments vary, in many instances we can simplify and harmonise our requirements and reduce their associated costs, while improving fiduciary oversight and public accountability and enhancing the focus on concrete development results. We endorse the good practice work by the technical groups of the DAC-OECD Task Force and the multilateral development banks (MDBs), and look forward to the expected completion next year of the UN harmonisation work that is being coordinated by UNDG. We are ready to follow existing good practices while continuing to identify and disseminate new ones.

Going forward

We agree that, for both donors and partner countries, the progress we make on the ground in programmes and projects will be a concrete and important measure of the success of our efforts. We recognise that such progress can be facilitated and enhanced by harmonisation efforts at the international and regional levels. Building on the work of the DAC-OECD and MDB working groups and on country experience, including the recent country initiatives, we commit to the following activities to enhance harmonisation:

❖ Ensuring that development assistance is delivered in accordance with partner country priorities, including poverty reduction strategies and similar approaches, and that harmonisation efforts are adapted to the country context.

❖ Reviewing and identifying ways to amend, as appropriate, our individual institutions' and countries' policies, procedures, and practices to facilitate harmonisation. In addition, we will work to reduce donor missions, reviews, and reporting, streamline conditionalities, and simplify and harmonise documentation.

❖ Implementing progressively – building on experiences so far and the messages from the regional workshops – the good practice standards or principles in development assistance delivery and management, taking into account specific country circumstances. We will disseminate the good practices to our managers and staff at headquarters and in country offices and to other in-country development partners.

❖ Intensifying donor efforts to work through delegated cooperation at the country level and increasing the flexibility of country-based staff to manage country programmes and projects more effectively and efficiently.

❖ Developing, at all levels within our organisations, incentives that foster management and staff recognition of the benefits of harmonisation in the interest of increased aid effectiveness.

❖ Providing support for country analytic work in ways that will strengthen governments' ability to assume a greater leadership role and take ownership of development results. In particular, we will work with partner governments to forge stronger partnerships and will collaborate to improve the policy relevance, quality, delivery, and efficiency of country analytic work.

❖ Expanding or mainstreaming country-led efforts (whether begun in particular sectors, thematic areas, or individual projects) to streamline donor procedures and practices, including enhancing demand-driven technical cooperation. The list of countries presently involved includes Ethiopia, Jamaica, Vietnam, Bangladesh, Bolivia, Cambodia, Honduras, Kenya, Kyrgyz Republic, Morocco, Niger, Nicaragua, Pacific Islands, Philippines, Senegal, and Zambia.

❖ Providing budget, sector, or balance of payments support where it is consistent with the mandate of the donor, and when appropriate policy and fiduciary arrangements are in place. Good practice principles or standards – including alignment with national budget cycles and national poverty reduction strategy reviews – should be used in delivering such assistance.

❖ Promoting harmonised approaches in global and regional programs.

We wish to record that a positive by-product of our collaboration on harmonisation has been increased information sharing and improved understanding of commonalities and differences during the preparation or revision of our respective operational policies, procedures, and practices. We will deepen this collaboration in the future, and will explore how such collaboration could help to ensure that new or revised policies are appropriately harmonised or "harmonisable" with those of the partner countries and donor institutions.

We recognise the global work on monitoring and assessing the contribution of donor support to the achievement of the MDGs. We will track and, as necessary, refine lead indicators of progress on harmonisation such as those described in the DAC-OECD Good Practice Papers.

We acknowledge the potential contribution of modern information and communication technologies to promoting and facilitating harmonisation – already demonstrated by the use of audio and videoconferencing facilities in the staff work on harmonisation, the Development Gateway, the Country Analytic Work Website, and the early work on e-government, e-procurement, and e-financial management. We commit to further efforts to exploit these technologies.

Next steps

Partner countries are encouraged to design country-based action plans for harmonisation, agreed with the donor community that will set out clear and monitorable proposals to harmonise development assistance using the proposals of the DAC-OECD Task Force and the MDB technical working groups as reference points. In turn, the bilateral and multilateral agencies will take actions to support harmonisation at the country level. As part of their self-evaluation processes, bilateral and multilateral agencies and partner countries will assess and report on progress in applying good practices, and on the impact of such practices. Whenever possible, we will use existing mechanisms to develop such plans and to assess and report on progress, and we will make these plans available to the public.

We will utilise and strengthen, including through partner country participation, existing mechanisms to maintain peer pressure for implementing our agreements on harmonisation. In this regard and in the context of the New Partnership for Africa's Development, we welcome regional initiatives, such as the work by the Economic Commission for

Africa, for a joint annual aid effectiveness review in a framework of mutual accountability that would also address harmonisation issues.

Reflecting our experience over these last two days, we plan stocktaking meetings in early 2005 following the review already scheduled in DAC-OECD in 2004. This follow-up would assess progress in and sustain the momentum for fundamental changes that enhance aid delivery, and would contribute to the review of the implementation of the Monterrey Consensus, the timing and modalities for which are expected to be determined by 2005.

Paris Declaration on Aid Effectiveness

Ownership, Harmonisation, Alignment, Results and Mutual Accountability

I. Statement of Resolve

1. We, Ministers of developed and developing countries responsible for promoting development and Heads of multilateral and bilateral development institutions, meeting in Paris on 2 March 2005, resolve to take far-reaching and monitorable actions to reform the ways we deliver and manage aid as we look ahead to the UN five-year review of the Millennium Declaration and the Millennium Development Goals (MDGs) later this year. As in Monterrey, we recognise that while the volumes of aid and other development resources must increase to achieve these goals, aid effectiveness must increase significantly as well to support partner country efforts to strengthen governance and improve development performance. This will be all the more important if existing and new bilateral and multilateral initiatives lead to significant
further increases in aid.

2. At this High-Level Forum on Aid Effectiveness, we followed up on the Declaration adopted at the High-Level Forum on Harmonisation in Rome (February 2003) and the core principles put forward at the Marrakech Roundtable on Managing for Development Results (February 2004) because we believe they will increase the impact aid has in reducing poverty and inequality, increasing growth, building capacity and accelerating achievement of the MDGs.

Scale up for more effective aid

3. We reaffirm the commitments made at Rome to harmonise and align aid delivery. We are encouraged that many donors and partner countries are making aid effectiveness a high priority, and we reaffirm our commitment to accelerate
progress in implementation, especially in the following areas:

  i.   Strengthening partner countries' national development strategies and associated operational frameworks (*e.g.*, planning, budget, and performance assessment frameworks).

  ii.   Increasing alignment of aid with partner countries' priorities, systems and procedures and helping to strengthen their capacities.

  iii. Enhancing donors' and partner countries' respective accountability to their citizens and parliaments for their development policies, strategies and performance.

  iv.   Eliminating duplication of efforts and rationalising donor activities to make them as cost-effective as possible.

  v.   Reforming and simplifying donor policies and procedures to encourage collaborative behaviour and progressive alignment with partner countries' priorities, systems and procedures.

vi.   Defining measures and standards of performance and accountability of partner country systems in public financial management, procurement, fiduciary safeguards and environmental assessments, in line with broadly accepted good practices and their quick and widespread application.

4. We commit ourselves to taking concrete and effective action to address the remaining challenges, including:

i.   Weaknesses in partner countries' institutional capacities to develop and implement results-driven national development strategies.

ii.   Failure to provide more predictable and multi-year commitments on aid flows to committed partner countries.

iii. Insufficient delegation of authority to donors' field staff, and inadequate attention to incentives for effective development partnerships between donors and partner countries.

iv.   Insufficient integration of global programmes and initiatives into partner countries' broader development agendas, including in critical areas such as HIV/AIDS.

v.   Corruption and lack of transparency, which erode public support, impede effective resource mobilisation and allocation and divert resources away from activities that are vital for poverty reduction and sustainable economic development. Where corruption exists, it inhibits donors from relying on partner country systems.

5. We acknowledge that enhancing the effectiveness of aid is feasible and necessary across all aid modalities. In determining the most effective modalities of aid delivery, we will be guided by development strategies and priorities established by partner countries. Individually and collectively, we will choose and design appropriate and complementary modalities so as to maximise their combined effectiveness.

6. In following up the Declaration, we will intensify our efforts to provide and use development assistance, including the increased flows as promised at Monterrey, in ways that rationalise the often excessive fragmentation of donor activities at the country and sector levels.

Adapt and apply to differing country situations

7. Enhancing the effectiveness of aid is also necessary in challenging and complex situations, such as the tsunami disaster that struck countries of the Indian Ocean rim on 26 December 2004. In such situations, worldwide humanitarian and development assistance must be harmonised within the growth and poverty reduction agendas of partner countries. In fragile states, as we support state-building and delivery of basic services, we will ensure that the principles of harmonisation, alignment and managing for results are adapted to environments of weak governance and capacity. Overall, we will give increased attention to such complex situations as we work toward greater aid effectiveness.

Specify indicators, timetable and targets

8. We accept that the reforms suggested in this Declaration will require continued high-level political support, peer pressure and coordinated actions at the global, regional and country levels. We commit to accelerate the pace of change by implementing, in a spirit

of mutual accountability, the Partnership Commitments presented in Section II and to measure progress against 12 specific indicators that we have agreed today and that are set out in Section III of this Declaration.

9. As a further spur to progress, we will set targets for the year 2010. These targets, which will involve action by both donors and partner countries, are designed to track and encourage progress at the global level among the countries and agencies that have agreed to this Declaration. They are not intended to prejudge or substitute for any targets that individual partner countries may wish to set. We have agreed today to set five preliminary targets against indicators as shown in Section III. We agree to review these preliminary targets and to adopt targets against the remaining indicators as shown in Section III before the UNGA Summit in September 2005; and we ask the partnership of donors and partner countries hosted by the DAC to prepare for this urgently[1]. Meanwhile, we welcome initiatives by partner countries and donors to establish their own targets for improved aid effectiveness within the framework of the agreed Partnership Commitments and Indicators of Progress. For example, a number of partner countries have presented action plans, and a large number of donors have announced important new commitments. We invite all participants who wish to provide information on such initiatives to submit it by 4 April 2005 for subsequent publication.

Monitor and evaluate implementation

10. Because demonstrating real progress at country level is critical, under the leadership of the partner country we will periodically assess, qualitatively as well as quantitatively, our mutual progress at country level in implementing agreed commitments on aid effectiveness. In doing so, we will make use of appropriate country level mechanisms.

11. At the international level, we call on the partnership of donors and partner countries hosted by the DAC to broaden partner country participation and, by the end of 2005, to propose arrangements for the medium term monitoring of the commitments in this Declaration. In the meantime, we ask the partnership to co-ordinate the international monitoring of the Indicators of Progress included in Section III; to refine targets as necessary; to provide appropriate guidance to establish baselines; and to enable consistent aggregation of information across a range of countries to be summed up in a periodic report. We will also use existing peer review mechanisms and regional reviews to support progress in this agenda. We will, in addition, explore independent cross-country monitoring and evaluation processes – which should be applied without imposing additional burdens on partners – to provide a more comprehensive understanding of how increased aid effectiveness contributes to meeting development objectives.

12. Consistent with the focus on implementation, we plan to meet again in 2008 in a developing country and conduct two rounds of monitoring before then to review progress

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[1] In accordance with paragraph 9 of the Declaration, the partnership of donors and partner countries hosted by the DAC (Working Party on Aid Effectiveness) comprising OECD/DAC members, partner countries and multilateral institutions, met twice, on _0-_1 May 2005 and on 7-8 July 2005 to adopt, and review where appropriate, the targets for the twelve Indicators of Progress. At these meetings an agreement was reached on the targets presented under Section III of the present Declaration. This agreement is subject to reservations by one donor on (a) the methodology for assessing the quality of locally-managed procurement systems (relating to targets 2b and 5b) and (b) the acceptable quality of public financial management reform programmes (relating to target 5a.ii). Further discussions are under way to address these issues. The targets, including the reservation, have been notified to the Chairs of the High-level Plenary Meeting of the 59th General Assembly of the United Nations in a letter of 9 September 2005 by Mr. Richard Manning, Chair of the OECD Development Assistance Committee (DAC).

in implementing this Declaration.

II. Partnership Commitments

13. Developed in a spirit of mutual accountability, these Partnership Commitments are based on the lessons of experience. We recognise that commitments need to be interpreted in the light of the specific situation of each partner country.

Ownership

Partner countries exercise effective leadership over their development policies, and strategies and co-ordinate development actions.

14. **Partner countries** commit to:

- Exercise leadership in developing and implementing their national development strategies[2] through broad consultative processes.

- Translate these national development strategies into prioritised results-oriented operational programmes as expressed in medium-term expenditure frameworks and annual budgets (Indicator 1).

- Take the lead in co-ordinating aid at all levels in conjunction with other development resources in dialogue with donors and encouraging the participation of civil society and the private sector.

15. **Donors** commit to:

- Respect partner country leadership and help strengthen their capacity to exercise it.

Alignment

Donors base their overall support on partner countries' national development strategies, institutions and procedures.

Donors align with partners' strategies

16. **Donors** commit to:

- Base their overall support — country strategies, policy dialogues and development co-operation programmes – on partners' national development strategies and periodic reviews of progress in implementing these strategies[3] (Indicator 3).

- Draw conditions, whenever possible, from a partner's national development strategy or its annual review of progress in implementing this strategy. Other conditions would be included only when a sound justification exists and would be undertaken transparently and in close consultation with other donors and stake holders.

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[2] The term `national development strategies' includes poverty reduction and similar over arching strategies as well as sector and thematic strategies.

[3] This includes for example the Annual Progress Review of the Poverty Reduction Strategies (APR).

- Link funding to a single framework of conditions and/or a manageable set of indicators derived from the national development strategy. This does not mean that all donors have identical conditions, but that each donor's conditions should be derived from a common streamlined framework aimed at achieving lasting results.

Donors use strengthened country systems

17. Using a country's own institutions and systems, where these provide assurance that aid will be used for agreed purposes, increases aid effectiveness by strengthening the partner country's sustainable capacity to develop, implement and account for its policies to its citizens and parliament. Country systems and procedures typically include, but are not restricted to, national arrangements and procedures for public financial management, accounting, auditing, procurement, results frameworks and monitoring.

18. Diagnostic reviews are an important – and growing – source of information to governments and donors on the state of country systems in partner countries. Partner countries and donors have a shared interest in being able to monitor progress over time in improving country systems. They are assisted by performance assessment frameworks, and an associated set of reform measures, that build on the information set out in diagnostic reviews and related analytical work.

19. **Partner countries** and **donors** jointly commit to:

- Work together to establish mutually agreed frameworks that provide reliable assessments of performance, transparency and accountability of country systems (Indicator 2).

- Integrate diagnostic reviews and performance assessment frameworks within country-led strategies for capacity development.

20. **Partner countries** commit to:

- Carry out diagnostic reviews that provide reliable assessments of country systems and procedures.

- On the basis of such diagnostic reviews, undertake reforms that may be necessary to ensure that national systems, institutions and procedures for managing aid and other development resources are effective, accountable and transparent.

- Undertake reforms, such as public management reform, that may be necessary to launch and fuel sustainable capacity development processes.

21. **Donors** commit to:

- Use country systems and procedures to the maximum extent possible. Where use of country systems is not feasible, establish additional safeguards and measures in ways that strengthen rather than undermine country systems and procedures (Indicator 5).

- Avoid, to the maximum extent possible, creating dedicated structures for day-to-day management and implementation of aid-financed projects and programmes (Indicator 6).

- Adopt harmonised performance assessment frameworks for country systems so

as to avoid presenting partner countries with an excessive number of potentially conflicting targets.

Partner countries strengthen development capacity with support from donors

22. The capacity to plan, manage, implement, and account for results of policies and programmes, is critical for achieving development objectives – from analysis and dialogue through implementation, monitoring and evaluation. Capacity development is the responsibility of partner countries with donors playing a support role. It needs not only to be based on sound technical analysis, but also to be responsive to the broader social, political and economic environment, including the need to strengthen human resources.

23. **Partner countries** commit to:

- Integrate specific capacity strengthening objectives in national development strategies and pursue their implementation through country-led capacity development strategies where needed.

24. **Donors** commit to:

- Align their analytic and financial support with partners' capacity development objectives and strategies, make effective use of existing capacities and harmonise support for capacity development accordingly (Indicator 4).

Strengthen public financial management capacity

25. **Partner countries** commit to:

- Intensify efforts to mobilise domestic resources, strengthen fiscal sustainability, and create an enabling environment for public and private investments.

- Publish timely, transparent and reliable reporting on budget execution.

- Take leadership of the public financial management reform process.

26. **Donors** commit to:

- Provide reliable indicative commitments of aid over a multi-year framework and disburse aid in a timely and predictable fashion according to agreed schedules (Indicator 7).

- Rely to the maximum extent possible on transparent partner government budget and accounting mechanisms (Indicator 5).

27. **Partner countries** and **donors** jointly commit to:

- Implement harmonised diagnostic reviews and performance assessment frameworks in public financial management.

Strengthen national procurement systems

28. **Partner countries** and **donors** jointly commit to:

- Use mutually agreed standards and processes[4] to carry out diagnostics, develop sustainable reforms and monitor implementation.

- Commit sufficient resources to support and sustain medium and long-term procurement reforms and capacity development.

- Share feedback at the country level on recommended approaches so they can be improved over time.

29. **Partner countries** commit to take leadership and implement the procurement reform process.

30. **Donors** commit to:

- Progressively rely on partner country systems for procurement when the country has implemented mutually agreed standards and processes (Indicator 5).

- Adopt harmonised approaches when national systems do not meet mutually agreed levels of performance or donors do not use them.

Untie aid: getting better value for money

31. Untying aid generally increases aid effectiveness by reducing transaction costs for partner countries and improving country ownership and alignment. DAC Donors will continue to make progress on untying as encouraged by the 2001 DAC Recommendation on Untying Official Development Assistance to the Least Developed Countries (Indicator 8).

Harmonisation

Donors' actions are more harmonised, transparent and collectively effective.

Donors implement common arrangements and simplify procedures

32. **Donors** commit to:

- Implement the donor action plans that they have developed as part of the follow-up to the Rome High-Level Forum.

- Implement, where feasible, common arrangements at country level for planning, funding (*e.g.* joint financial arrangements), disbursement, monitoring, evaluating and reporting to government on donor activities and aid flows. Increased use of programme-based aid modalities can contribute to this effort (Indicator 9).

- Work together to reduce the number of separate, duplicative, missions to the field and diagnostic reviews (Indicator 10); and promote joint training to share lessons learnt and build a community of practice.

Complementarity: more effective division of labour

33. Excessive fragmentation of aid at global, country or sector level impairs aid effectiveness. A pragmatic approach to the division of labour and burden sharing increases complementarity and can reduce transaction costs.

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[4] Such as the processes developed by the joint OECD-DAC – World Bank Round Table on Strengthening Procurement Capacities in Developing Countries.

34. **Partner countries** commit to:

- Provide clear views on donors' comparative advantage and on how to achieve donor complementarity at country or sector level.

35. **Donors** commit to:

- Make full use of their respective comparative advantage at sector or country level by delegating, where appropriate, authority to lead donors for the execution of programmes, activities and tasks.

- Work together to harmonise separate procedures.

Incentives for collaborative behaviour

36. **Donors** and **partner countries** jointly commit to:

- Reform procedures and strengthen incentives – including for recruitment, appraisal and training – for management and staff to work towards harmonisation, alignment and results.

Delivering effective aid in fragile states[5]

37. The long-term vision for international engagement in fragile states is to build legitimate, effective and resilient state and other country institutions. While the guiding principles of effective aid apply equally to fragile states, they need to be adapted to environments of weak ownership and capacity and to immediate needs for basic service delivery.

38. **Partner countries** commit to:

- Make progress towards building institutions and establishing governance structures that deliver effective governance, public safety, security, and equitable access to basic social services for their citizens.

- Engage in dialogue with donors on developing simple planning tools, such as the transitional results matrix, where national development strategies are not yet in place.

- Encourage broad participation of a range of national actors in setting development priorities.

39. **Donors** commit to:

- Harmonise their activities. Harmonisation is all the more crucial in the absence of strong government leadership. It should focus on upstream analysis, joint assessments, joint strategies, co-ordination of political engagement; and practical initiatives such as the establishment of joint donor offices.

- Align to the maximum extent possible behind central government-led strategies or, if that is not possible, donors should make maximum use of country, regional, sector or non-government systems.

- Avoid activities that undermine national institution building, such as bypassing

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[5] The following section draws on the draft Principles for Good International Engagement in Fragile States, which emerged from the Senior Level Forum on Development Effectiveness in Fragile States (London, January 2005).

national budget processes or setting high salaries for local staff.

- Use an appropriate mix of aid instruments, including support for recurrent financing, particularly for countries in

promising but high-risk transitions.

Promoting a harmonised approach to environmental assessments

40. Donors have achieved considerable progress in harmonisation around environmental impact assessment (EIA) including relevant health and social issues at the project level. This progress needs to be deepened, including on addressing implications of global environmental issues such as climate change, desertification and loss of biodiversity.

41. **Donors** and **partner countries** jointly commit to:

- Strengthen the application of EIAs and deepen common procedures for projects, including consultations with stake holders; and develop and apply common approaches for "strategic environmental assessment" at the sector and national levels.

- Continue to develop the specialised technical and policy capacity necessary for environmental analysis and for enforcement of legislation.

42. Similar harmonisation efforts are also needed on other cross-cutting issues, such as gender equality and other thematic issues including those financed by dedicated funds.

Managing for Results

Managing resources and improving decision-making for results

43. Managing for results means managing and implementing aid in a way that focuses on the desired results and uses information to improve decision-making.

44. **Partner countries** commit to:

- Strengthen the linkages between national development strategies and annual and multi-annual budget processes.

- Endeavour to establish results-oriented reporting and assessment frameworks that monitor progress against key dimensions of the national and sector development strategies; and that these frameworks should track a manageable number of indicators for which data are cost-effectively available (Indicator 11).

45. **Donors** commit to:

- Link country programming and resources to results and align them with effective partner country performance assessment frameworks, refraining from requesting the introduction of performance indicators that are not consistent with partners' national development strategies.

- Work with partner countries to rely, as far as possible, on partner countries'

results-oriented reporting and monitoring frameworks.

- Harmonise their monitoring and reporting requirements, and, until they can rely more extensively on partner countries' statistical, monitoring and evaluation systems, with partner countries to the maximum extent possible on joint formats for periodic reporting.

46. **Partner countries** and **donors** jointly commit to:

- Work together in a participatory approach to strengthen country capacities and demand for results-based management.

Mutual Accountability

Donors and partners are accountable for development results

47. A major priority for partner countries and donors is to enhance mutual accountability and transparency in the use of development resources. This also helps strengthen public support for national policies and development assistance.

48. **Partner countries** commit to:

- Strengthen as appropriate the parliamentary role in national development strategies and/or budgets.

- Reinforce participatory approaches by systematically involving a broad range of development partners when formulating and assessing progress in implementing national development strategies.

49. **Donors** commit to:

- Provide timely, transparent and comprehensive information on aid flows so as to enable partner authorities to present comprehensive budget reports to their legislatures and citizens

50. **Partner countries** and **donors** commit to:

- Jointly assess through existing and increasingly objective country level mechanisms mutual progress in implementing agreed commitments on aid effectiveness, including the Partnership Commitments. (Indicator 12).

III. Indicators of Progress

To be measured nationally and monitored internationally

OWNERSHIP	TARGET FOR 2010
1 *Partners have operational development strategies* – Number of countries with national development strategies (including PRSs) that have clear strategic priorities linked to a medium-term expenditure framework and reflected in annual budgets.	**At least 75% of partner countries** have operational development strategies.

ALIGNMENT	TARGET FOR 2010
2 *Reliable country systems* – Number of partner countries that have procurement and public financial management systems that either (a) adhere to broadly accepted good practices or (b) have a reform programme in place to achieve these.	(a) **Public financial management** – Half of partner countries move up at least one measure (*i.e.*, 0.5 points) on the PFM/ CPIA (Country Policy and Institutional Assessment) scale of performance. (b) **Procurement** – One-third of partner countries move up at least one measure (*i.e.*, from D to C, C to B or B to A) on the four-point scale used to assess performance for this indicator.
3 *Aid flows are aligned on national priorities* – Percent of aid flows to the government sector that is reported on partners' national budgets.	**Halve the gap** – halve the proportion of aid flows to government sector not reported on government's budget(s) (with at least 85% reported on budget).
4 *Strengthen capacity by co-ordinated support* – Percent of donor capacity-development support provided through co-ordinated programmes consistent with partners' national development strategies.	**50% of technical co-operation flows** are implemented through co-ordinated programmes consistent with national development strategies.

5a *Use of country public financial management systems* – Percent of donors and of aid flows that use public financial management systems in partner countries, which either (a) adhere to broadly accepted good practices or (b) have a reform programme in place to achieve these.

PERCENTAGE OF DONORS	
TARGET	SCORE*
All donors use partner countries' PFM systems.	5+
90% of donors use partner countries' PFM systems.	3.5 to 4.5

PERCENTAGE OF AID FLOWS	
TARGET	SCORE*
A two-thirds reduction in the % of aid to the public sector not using partner countries' PFM systems.	5+
A one-third reduction in the % of aid to the public sector not using partner countries' PFM systems.	3.5 to 4.5

5b *Use of country procurement systems* – Percent of donors and of aid flows that use partner country procurement systems which either (a) adhere to broadly accepted good practices or (b) have a reform programme in place to achieve these.

PERCENTAGE OF DONORS	
TARGET	SCORE*
All donors use partner countries' procurement systems.	A
90% of donors use partner countries' procurement systems.	B

PERCENTAGE OF AID FLOWS	
TARGET	SCORE*
A two-thirds reduction in the % of aid to the public sector not using partner	A
A one-third reduction in the % of aid to the public sector not using partner countries' procurement systems.	B

6 *Strengthen capacity by avoiding parallel implementation structures* – Number of parallel project implementation units (PIUs) per country.	**Reduce by two-thirds** the stock of parallel project implementation units (PIUs).

ALIGNMENT	TARGET FOR 2010
7	*Aid is more predictable* – Percent of aid disbursements released according to agreed schedules in annual or multi-year frameworks.	**Halve the gap** halve the proportion of aid not disbursed within the fiscal year for which it was scheduled.
8	*Aid is untied* – Percent of bilateral aid that is untied.	**Continued progress over time.**

HARMONISATION	TARGET FOR 2010
9	*Use of common arrangements or procedures* – Percent of aid provided as programme-based approaches.	**66% of aid flows** are provided in the context of programme-based approaches.
10	*Encourage shared analysis* – Percent of (a) field missions and/or (b) country analytic work, including diagnostic reviews that are joint.	(a) **40% of donor missions** to the field are joint. (b) **66% of country analytic work is joint.**

MANAGING FOR RESULTS	TARGET FOR 2010
11	*Results-oriented frameworks* – Number of countries with transparent and monitorable performance assessment frameworks to assess progress against (a) the national development strategies and (b) sector programmes.	**Reduce the gap by one-third** – Reduce the proportion of countries without transparent and monitorable performance assessment frameworks by one-third.

MUTUAL ACCOUNTABILITY	TARGET FOR 2010
12	*Mutual accountability* – Number of partner countries that undertake mutual assessments of progress in implementing agreed commitments on aid effectiveness including those in this Declaration.	**All partner countries** have mutual assessment reviews in place.

Important note: In accordance with paragraph 9 of the Declaration, the partnership of donors and partner countries hosted by the DAC (Working Party on Aid Effectiveness) comprising OECD/DAC members, partner countries and multilateral institutions, met twice, on _0-_1 May 2005 and on 7-8 July 2005 to adopt, and review where appropriate, the targets for the twelve Indicators of Progress. At these meetings an agreement was reached on the targets presented under Section III of the present Declaration. This agreement is subject to reservations by one donor on (a) the methodology for assessing the quality of locally-managed procurement systems (relating to targets 2b and 5b) and (b) the acceptable quality of public financial management reform programmes (relating to target 5a.ii). Further discussions are underway to address these issues. The targets, including the reservation,have been notified to the Chairs of the High-level Plenary Meeting of the 59th General Assembly of the United Nations in a letter of 9 September 2005 by Mr. Richard Manning, Chair of the OECD Development Assistance Committee (DAC).

*note on Indicator 5: Scores for Indicator 5 are determined by the methodology used to measure quality of procurement and public financial management systems under Indicator 2 above.

List of Participating Countries and Organisations

Participating Countries

Albania	Australia	Austria	Bangladesh
Belgium	Benin	Bolivia	Botswana
[Brazil]*	Burkina Faso	Burundi	Cambodia
Cameroon	Canada	China	Congo D.R.
Czech Republic	Denmark	Dominican Republic	Egypt
Ethiopia	European Commission	Fiji	Finland
France	Gambia, The	Germany	Ghana
Greece	Guatemala	Guinea	Honduras
Iceland	Indonesia	Ireland	Italy
Jamaica	Japan	Jordan	Kenya
Korea	Kuwait	Kyrgyz Republic	Lao PDR
Luxembourg	Madagascar	Malawi	Malaysia
Mali	Mauritania	Mexico	Mongolia
Morocco	Mozambique	Nepal	Netherlands
New Zealand	Nicaragua	Niger	Norway
Pakistan	Papua New Guinea	Philippines	Poland
Portugal	Romania	Russian Federation	Rwanda
Saudi Arabia	Senegal	Serbia and Montenegro	Slovak Republic
Solomon Islands	South Africa	Spain	Sri Lanka
Sweden	Switzerland	Tajikistan	Tanzania
Thailand	Timor-Leste	Tunisia	Turkey
Uganda	United Kingdom	United States of America	Vanuatu
Vietnam	Yemen	Zambia	

*To be confirmed.

More countries than listed here have endorsed the Paris Declaration. For a full and up to date list please consult www.oecd.org/dac/effectiveness/parisdeclaration/members.

Participating Organisations

African Development Bank
Arab Bank for Economic Development in Africa
Asian Development Bank
Commonwealth Secretariat
Consultative Group to Assist the Poorest (CGAP)
Council of Europe Development Bank (CEB)
Economic Commission for Africa (ECA)
Education for All Fast Track Initiative (EFA-FTI)
European Bank for Reconstruction and Development (EBRD)
European Investment Bank (EIB)

Global Fund to Fight Aids, Tuberculosis and Malaria
G24
Inter-American Development Bank
International Fund for Agricultural Development (IFAD)
International Monetary Fund (IMF)
International Organisation of the Francophonie
Islamic Development Bank
Millennium Campaign New Partnership for Africa's Development (NEPAD)
Nordic Development Fund
Organisation for Economic Co-operation and Development (OECD)
Organisation of Eastern Caribbean States (OECS)
OPEC Fund for International Development
Pacific Islands Forum Secretariat
United Nations Development Group (UNDG)
World Bank

Civil Society Organisations

Africa Humanitarian Action
AFRODAD
Bill and Melinda Gates Foundations
Canadian Council for International Cooperation (CCIC)
Comité Catholique contre la Faim et pour le Développement (CCFD)
Coopération Internationale pour le Développement et la Solidarité (CIDSE)
Comisión Económica (Nicaragua)
ENDA Tiers Monde
EURODAD
International Union for Conservation of Nature and Natural Resources (IUCN)
Japan NGO Center for International Cooperation (JANIC)
Reality of Aid Network
Tanzania Social and Economic Trust (TASOET)
UK Aid Network

I. The 2008 Accra agenda for Action

Accra Agenda for Action

Ministers of developing and donor countries responsible for promoting development and Heads of multilateral and bilateral development institutions endorsed the following statement in Accra, Ghana, on 4 September 2008 to accelerate and deepen implementation of the Paris Declaration on Aid Effectiveness (2 March 2005).

This is a moment of opportunity

1. We are committed to eradicating poverty and promoting peace and prosperity by building stronger, more effective partnerships that enable developing countries to realise their development goals.

2. There has been progress. Fifteen years ago, two out of five people lived in extreme poverty; today, that figure has been reduced to one in four. However, 1.4 billion people – most of them women and girls – still live in extreme poverty[1] and access to safe drinking water and health care remains a major issue in many parts of the world. In addition, new global challenges – rising food and fuel prices and climate change – threaten the advances against poverty many countries have made.

3. We need to achieve much more if all countries are to meet the Millennium Development Goals (MDGs). Aid is only one part of the development picture. Democracy, economic growth, social progress, and care for the environment are the prime engines of development in all countries. Addressing inequalities of income and opportunity within countries and between states is essential to global progress. Gender equality, respect for human rights, and environmental sustainability are cornerstones for achieving enduring impact on the lives and potential of poor women, men, and children. It is vital that all our policies address these issues in a more systematic and coherent way.

4. In 2008, three international conferences will help us accelerate the pace of change: the Accra High Level Forum on Aid Effectiveness, the United Nations High Level Event on the MDGs in New York, and the Financing for Development follow-up meeting in Doha. Today at Accra, we are leading the way, united in a common objective: to unlock the full potential of aid in achieving lasting development results.

We are making progress, but not enough

5. Learning from our past successes and failures in development co-operation and building on the 200_ Rome Declaration on Harmonisation, in March 2005 we adopted an ambitious set of reforms: the Paris Declaration on Aid Effectiveness. In the Paris Declaration, we agreed to develop a genuine partnership, with developing countries clearly in charge of their own development processes. We also agreed to hold each other accountable for achieving concrete development results. Three and one-half years later, we are reconvening in Accra to review progress and address the challenges that now face us.

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[1] These figures are based on a recent World Bank study that found the poverty line to be $1.25 a day in 2005 prices.

6. Evidence shows we are making progress, but not enough. A recent evaluation shows that the Paris Declaration has created powerful momentum to change the way developing countries and donors work together on the ground. According to the 2008 Monitoring Survey, a large number of developing countries have improved their management of public funds. Donors, in turn, are increasingly improving their co-ordination at country level. Yet the pace of progress is too slow. Without further reform and faster action we will not meet our 2010 commitments and targets for improving the quality of aid.

We will take action to accelerate progress

7. Evidence shows that we will need to address three major challenges to accelerate progress on aid effectiveness:

8. Country ownership is key. Developing country governments will take stronger leadership of their own development policies, and will engage with their parliaments and citizens in shaping those policies. Donors will support them by respecting countries' priorities, investing in their human resources and institutions, making greater use of their systems to deliver aid, and increasing the predictability of aid flows.

9. Building more effective and inclusive partnerships. In recent years, more development actors – middle-income countries, global funds, the private sector, civil society organisations – have been increasing their contributions and bringing valuable experience to the table. This also creates management and co-ordination challenges. Together, all development actors will work in more inclusive partnerships so that all our efforts have greater impact on reducing poverty.

10. Achieving development results – and openly accounting for them – must be at the heart of all we do. More than ever, citizens and taxpayers of all countries expect to see the tangible results of development efforts. We will demonstrate that our actions translate into positive impacts on people's lives. We will be accountable to each other and to our respective parliaments and governing bodies for these outcomes.

11. Without addressing these obstacles to faster progress, we will fall short of our commitments and miss opportunities to improve the livelihoods of the most vulnerable people in the world. Therefore, we are reaffirming the commitments we made in the Paris Declaration and, in this Accra Agenda for Action, are agreeing on concrete and monitorable actions to accelerate progress to meet those commitments by 2010. We commit to continuing efforts in monitoring and evaluation that will assess whether we have achieved the commitments we agreed in the Paris Declaration and the Accra Agenda for Action, and to what extent aid effectiveness is improving and generating greater development impact.

Strengthening Country Ownership over Development

12. Developing countries determine and implement their development policies to achieve their own economic, social and environmental goals. We agreed in the Paris Declaration that this would be our first priority. Today, we are taking additional steps to turn this resolution into a reality.

We will broaden country-level policy dialogue on development

13. We will engage in open and inclusive dialogue on development policies. We acknowledge the critical role and responsibility of parliaments in ensuring country ownership of development processes. To further this objective we will take the following actions:

a) Developing country governments will work more closely with parliaments and local authorities in preparing, implementing and monitoring national development policies and plans. They will also engage with civil society organisations (CSOs).

b) Donors will support efforts to increase the capacity of all development actors – parliaments, central and local governments, CSOs, research institutes, media and the private sector – to take an active role in dialogue on development policy and on the role of aid in contributing to countries' development objectives.

c) Developing countries and donors will ensure that their respective development policies and programmes are designed and implemented in ways consistent with their agreed international commitments on gender equality, human rights, disability and environmental sustainability.

Developing countries will strengthen their capacity to lead and manage development

14. Without robust capacity – strong institutions, systems, and local expertise – developing countries cannot fully own and manage their development processes. We agreed in the Paris Declaration that capacity development is the responsibility of developing countries, with donors playing a supportive role, and that technical co-operation is one means among others to develop capacity. Together, developing countries and donors will take the following actions to strengthen capacity development:

a) Developing countries will systematically identify areas where there is a need to strengthen the capacity to perform and deliver services at all levels – national, sub-national, sectoral, and thematic – and design strategies to address them. Donors will strengthen their own capacity and skills to be more responsive to developing countries' needs.

b) Donors' support for capacity development will be demand-driven and designed to support country ownership. To this end, developing countries and donors will i) jointly select and manage technical co-operation, and ii) promote the provision of technical co-operation by local and regional resources, including through South-South co-operation.

c) Developing countries and donors will work together at all levels to promote operational changes that make capacity development support more effective.

We will strengthen and use developing country systems to the maximum extent possible

15. Successful development depends to a large extent on a government's capacity to implement its policies and manage public resources through its own institutions and systems. In the Paris Declaration, developing countries committed to strengthen their systems[2] and donors committed to use those systems to the maximum extent possible.

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[2] These include, but are not limited to, systems for public financial management, procurement, audit, monitoring and evaluation, and social and environmental assessment.

Evidence shows, however, that developing countries and donors are not on track to meet these commitments. Progress in improving the quality of country systems varies considerably among countries; and even when there are good-quality country systems, donors often do not use them. Yet it is recognised that using country systems promotes their development. To strengthen and increase the use of country systems, we will take the following actions:

a) Donors agree to use country systems as the first option for aid programmes in support of activities managed by the public sector.

b) Should donors choose to use another option and rely on aid delivery mechanisms outside country systems (including parallel project implementation units), they will transparently state the rationale for this and will review their positions at regular intervals. Where use of country systems is not feasible, donors will establish additional safeguards and measures in ways that strengthen rather than undermine country systems and procedures.

c) Developing countries and donors will jointly assess the quality of country systems in a country-led process using mutually agreed diagnostic tools. Where country systems require further strengthening, developing countries will lead in defining reform programmes and priorities. Donors will support these reforms and provide capacity development assistance.

d) Donors will immediately start working on and sharing transparent plans for undertaking their Paris commitments on using country systems in all forms of development assistance; provide staff guidance on how these systems can be used; and ensure that internal incentives encourage their use. They will finalise these plans as a matter of urgency.

e) Donors recollect and reaffirm their Paris Declaration commitment to provide 66% of aid as programme-based approaches. In addition, donors will aim to channel 50% or more of government-to-government assistance through country fiduciary systems, including by increasing the percentage of assistance provided through programme-based approaches.

Building More Effective and Inclusive Partnerships for Development

16. Aid is about building partnerships for development. Such partnerships are most effective when they fully harness the energy, skills and experience of all development actors—bilateral and multilateral donors, global funds, CSOs, and the private sector. To support developing countries' efforts to build for the future, we resolve to create partnerships that will include all these actors.

We will reduce costly fragmentation of aid

17. The effectiveness of aid is reduced when there are too many duplicating initiatives, especially at country and sector levels. We will reduce the fragmentation of aid by improving the complementarity of donors' efforts and the division of labour among donors, including through improved allocation of resources within sectors, within countries, and across countries. To this end:

a) Developing countries will lead in determining the optimal roles of donors in supporting their development efforts at national, regional and sectoral levels. Donors will respect developing countries' priorities, ensuring that new arrangements on the division of labour will not result in individual developing

countries receiving less aid.

b) Donors and developing countries will work together with the Working Party on Aid Effectiveness to complete good practice principles on country-led division of labour. To that end, they will elaborate plans to ensure the maximum co-ordination of development co-operation. We will evaluate progress in implementation starting in 2009.

c) We will start dialogue on international division of labour across countries by June 2009.

d) We will work to address the issue of countries that receive insufficient aid.

We will increase aid's value for money

18. Since the Paris Declaration was agreed in 2005, OECD-DAC donors have made progress in untying their aid. A number of donors have already fully untied their aid, and we encourage others to do so. We will pursue, and accelerate, these efforts by taking the following actions:

a) OECD-DAC donors will extend coverage of the 2001 DAC Recommendation on Untying Aid to non-LDC HIPCs[3] and will improve their reporting on the 2001 DAC Recommendation.

b) Donors will elaborate individual plans to further untie their aid to the maximum extent.

c) Donors will promote the use of local and regional procurement by ensuring that their procurement procedures are transparent and allow local and regional firms to compete. We will build on examples of good practice to help improve local firms' capacity to compete successfully for aid-funded procurement.

d) We will respect our international agreements on corporate social responsibility.

We welcome and will work with all development actors

19. The contributions of all development actors are more effective when developing countries are in a position to manage and co-ordinate them. We welcome the role of new contributors and will improve the way all development actors work together by taking the following actions:

a) We encourage all development actors, including those engaged in South-South co-operation, to use the Paris Declaration principles as a point of reference in providing development co-operation.

b) We acknowledge the contributions made by all development actors, and in particular the role of middle-income countries as both providers and recipients of aid. We recognise the importance and particularities of South-South co-operation and acknowledge that we can learn from the experience of developing countries. We encourage further development of triangular co-operation.

c) Global funds and programmes make an important contribution to development. The

[3] The 2001 DAC recommendation on Untying ODA to the Least Developed Countries (LDCs) covers _1 so-called Heavily Indebted Poor Countries (HIPCs). The OECD Development Assistance Committee (DAC) at its 2008 High Level Meeting agreed to extend the 2001 Recommendation to cover the remaining eight countries that are part of the HIPC initiative: Bolivia, Cameroon, Côte d'Ivoire, Ghana, Guyana, Honduras, Nicaragua and Republic of Congo.

programmes they fund are most effective in conjunction with complementary efforts to improve the policy environment and to strengthen the institutions in the sectors in which they operate. We call upon all global funds to support country ownership, to align and harmonise their assistance proactively, and to make good use of mutual accountability frameworks, while continuing their emphasis on achieving results. As new global challenges emerge, donors will ensure that existing channels for aid delivery are used and, if necessary, strengthened before creating separate new channels that risk further fragmentation and complicate co-ordination at country level.

d) We encourage developing countries to mobilise, manage and evaluate their international co-operation initiatives for the benefit of other developing countries.

e) South-South co-operation on development aims to observe the principle of non-interference in internal affairs, equality among developing partners and respect for their independence, national sovereignty, cultural diversity and identity and local content. It plays an important role in international development co-operation and is a valuable complement to North-South co-operation.

We will deepen our engagement with civil society organisations

20. We will deepen our engagement with CSOs as independent development actors in their own right whose efforts complement those of governments and the private sector. We share an interest in ensuring that CSO contributions to development reach their full potential. To this end:

a) We invite CSOs to reflect on how they can apply the Paris principles of aid effectiveness from a CSO perspective.

b) We welcome the CSOs' proposal to engage with them in a CSO-led multistakeholder process to promote CSO development effectiveness. As part of that process, we will seek to i) improve co-ordination of CSO efforts with government programmes, ii) enhance CSO accountability for results, and iii) improve information on CSO activities.

c) We will work with CSOs to provide an enabling environment that maximises their contributions to development.

We will adapt aid policies for countries in fragile situations

21. In the Paris Declaration, we agreed that aid effectiveness principles apply equally to development co-operation in situations of fragility, including countries emerging from conflict, but that these principles need to be adapted to environments of weak ownership or capacity. Since then, Principles for Good International Engagement in Fragile States and Situations have been agreed. To further improve aid effectiveness in these environments, we will take the following actions:

a) Donors will conduct joint assessments of governance and capacity and examine the causes of conflict, fragility and insecurity, engaging developing country authorities and other relevant stake holders to the maximum extent possible.

b) At country level, donors and developing countries will work and agree on a set of realistic peace- and state-building objectives that address the root causes of conflict and fragility and help ensure the protection and participation of women. This process will be informed by international dialogue between partners and donors on these objectives as prerequisites for development.

c) Donors will provide demand-driven, tailored and co-ordinated capacity-

development support for core state functions and for early and sustained recovery. They will work with developing countries to design interim measures that are appropriately sequenced and that lead to sustainable local institutions.

d) Donors will work on flexible, rapid and long-term funding modalities, on a pooled basis where appropriate, to i) bridge humanitarian, recovery and longer-term development phases, and ii) support stabilisation, inclusive peace building, and the building of capable, accountable and responsive states. In collaboration with developing countries, donors will foster partnerships with the UN System, international financial institutions and other donors.

e) At country level and on a voluntary basis, donors and developing countries will monitor implementation of the Principles for Good International Engagement in Fragile States and Situations, and will share results as part of progress reports on implementing the Paris Declaration.

Delivering and Accounting for Development Results

22. We will be judged by the impacts that our collective efforts have on the lives of poor people. We recognise that greater transparency and accountability for the use of development resources—domestic as well as external—are powerful drivers of progress.

We will focus on delivering results

23. We will improve our management for results by taking the following actions:

a) Developing countries will strengthen the quality of policy design, implementation and assessment by improving information systems, including, as appropriate, disaggregating data by sex, region and socioeconomic status.

b) Developing countries and donors will work to develop cost-effective results management instruments to assess the impact of development policies and adjust them as necessary. We will better co-ordinate and link the various sources of information, including national statistical systems, budgeting, planning, monitoring and country-led evaluations of policy performance.

c) Donors will align their monitoring with country information systems. They will support, and invest in strengthening, developing countries' national statistical capacity and information systems, including those for managing aid.

d) We will strengthen incentives to improve aid effectiveness. We will systematically review and address legal or administrative impediments to implementing international commitments on aid effectiveness. Donors will pay more attention to delegating sufficient authority to country offices and to changing organisational and staff incentives to promote behaviour in line with aid effectiveness principles.

We will be more accountable and transparent to our publics for results

24. Transparency and accountability are essential elements for development results. They lie at the heart of the Paris Declaration, in which we agreed that countries and donors would become more accountable to each other and to their citizens. We will pursue these efforts by taking the following actions:

a) We will make aid more transparent. Developing countries will facilitate parliamentary oversight by implementing greater transparency in public

financial management, including public disclosure of revenues, budgets, expenditures, procurement and audits. Donors will publicly disclose regular, detailed and timely information on volume, allocation and, when available, results of development expenditure to enable more accurate budget, accounting and audit by developing countries.

b) We will step up our efforts to ensure that – as agreed in the Paris Declaration – mutual assessment reviews are in place by 2010 in all countries that have endorsed the Declaration. These reviews will be based on country results reporting and information systems complemented with available donor data and credible independent evidence. They will draw on emerging good practice with stronger parliamentary scrutiny and citizen engagement. With them we will hold each other accountable for mutually agreed results in keeping with country development and aid policies.

c) To complement mutual assessment reviews at country level and drive better performance, developing countries and donors will jointly review and strengthen existing international accountability mechanisms, including peer review with participation of developing countries. We will review proposals for strengthening the mechanisms by end 2009.

d) Effective and efficient use of development financing requires both donors and partner countries to do their utmost to fight corruption. Donors and developing countries will respect the principles to which they have agreed, including those under the UN Convention against Corruption. Developing countries will address corruption by improving systems of investigation, legal redress, accountability and transparency in the use of public funds. Donors will take steps in their own countries to combat corruption by individuals or corporations and to track, freeze, and recover illegally acquired assets.

We will continue to change the nature of conditionality to support ownership

25. To strengthen country ownership and improve the predictability of aid flows, donors agreed in the Paris Declaration that, whenever possible, they would draw their conditions from developing countries' own development policies. We reaffirm our commitment to this principle and will continue to change the nature of conditionality by taking the following actions:

a) Donors will work with developing countries to agree on a limited set of mutually agreed conditions based on national development strategies. We will jointly assess donor and developing country performance in meeting commitments.

b) Beginning now, donors and developing countries will regularly make public all conditions linked to disbursements.

c) Developing countries and donors will work together at the international level to review, document and disseminate good practices on conditionality with a view to reinforcing country ownership and other Paris Declaration Principles by increasing emphasis on harmonised, results-based conditionality. They will be receptive to contributions from civil society.

We will increase the medium-term predictability of aid

26. In the Paris Declaration, we agreed that greater predictability in the provision of aid flows is needed to enable developing countries to effectively plan and manage their development programmes over the short and medium term. As a matter of priority, we

will take the following actions to improve the predictability of aid:

   a) Developing countries will strengthen budget planning processes for managing domestic and external resources and will improve the linkages between expenditures and results over the medium term.

   b) Beginning now, donors will provide full and timely information on annual commitments and actual disbursements so that developing countries are in a position to accurately record all aid flows in their budget estimates and their accounting systems.

   c) Beginning now, donors will provide developing countries with regular and timely information on their rolling three-to five-year forward expenditure and/or implementation plans, with at least indicative resource allocations that developing countries can integrate in their medium-term planning and macroeconomic frameworks. Donors will address any constraints to providing such information.

   d) Developing countries and donors will work together at the international level on ways of further improving the medium-term predictability of aid, including by developing tools to measure it.

Looking Forward

27. The reforms we agree on today in Accra will require continued high level political support, peer pressure, and co-ordinated action at global, regional, and country levels. To achieve these reforms, we renew our commitment to the principles and targets established in the Paris Declaration, and will continue to assess progress in implementing them.

28. The commitments we agree today will need to be adapted to different country circumstances – including in middle-income countries, small states and countries in situations of fragility. To this end, we encourage developing countries to design – with active support from donors – country-based action plans that set out time-bound and monitorable proposals to implement the Paris Declaration and the Accra Agenda for Action.

29. We agree that, by 2010, each of us should meet the commitments we made on aid effectiveness in Paris and today in Accra, and to reach beyond these commitments where we can. We agree to reflect and draw upon the many valuable ideas and initiatives that have been presented at this High Level Forum. We agree that challenges such as climate change and rising food and fuel prices underline the importance of applying aid effectiveness principles. In response to the food
crisis, we will develop and implement the global partnership on agriculture and food swiftly, efficiently and flexibly.

30. We ask the Working Party on Aid Effectiveness to continue monitoring progress on implementing the Paris Declaration and the Accra Agenda for Action and to report back to the Fourth High Level Forum on Aid Effectiveness in 2011. We recognise that additional work will be required to improve the methodology and indicators of progress of aid effectiveness. In 2011, we will undertake the third round of monitoring that will tell us whether we have achieved the targets for 2010 agreed in Paris in 2005[4]. To carry

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[4] We will have that information available for the Fourth High Level Forum on Aid Effectiveness in 2011, along with comprehensive second phase evaluations of the implementation of the Paris Declaration and the Accra Agenda for

forward this work, we will need to develop institutionalised processes for the joint and equal partnership of developing countries and the engagement of stakeholders.

31. We recognise that aid effectiveness is an integral part of the broader financing for development agenda. To achieve development outcomes and the MDGs we need to meet our commitments on both aid quality and aid volumes. We ask the Secretary General of the United Nations to transmit the conclusions of the Third High Level Forum on Aid Effectiveness to the High Level Event on the MDGs in New York later this month and the Financing for Development Review meeting in Doha in November 2008. We welcome the contribution that the ECOSOC Development Co-operation Forum is making to the international dialogue and to mutual accountability on aid issues. We call upon the UN development system to further support the capacities of developing countries for effective management of development assistance.

32. Today, more than ever, we resolve to work together to help countries across the world build the successful future all of us want to see – a future based on a shared commitment to overcome poverty, a future in which no countries will depend on aid.

Action as of 2010. Attention will also be paid to improving and developing communications on aid effectiveness for long-term development success and broad-based public support.

J. The 2011 Busan Partnership (see overleaf)

BUSAN PARTNERSHIP FOR EFFECTIVE DEVELOPMENT CO-OPERATION

**FOURTH HIGH LEVEL FORUM ON AID EFFECTIVENESS, BUSAN, REPUBLIC OF KOREA,
29 NOVEMBER-1 DECEMBER 2011**

1.   We, Heads of State, Ministers and representatives of developing and developed countries, heads of multilateral and bilateral institutions, representatives of different types of public, civil society, private, parliamentary, local and regional organisations meeting here in Busan, Republic of Korea, recognise that we are united by a new partnership that is broader and more inclusive than ever before, founded on shared principles, common goals and differential commitments for effective international development.

2.   The nature, modalities and responsibilities that apply to South-South co-operation differ from those that apply to North-South co-operation. At the same time, we recognise that we are all part of a development agenda in which we participate on the basis of common goals and shared principles. In this context, we encourage increased efforts to support effective co-operation based on our specific country situations. The principles, commitments and actions agreed in the outcome document in Busan shall be the reference for South-South partners on a voluntary basis.

3.   The world stands at a critical juncture in global development. Poverty and inequality remain the central challenge. The Millennium Declaration sets out our universal mandate for development and, with the target date for the Millennium Development Goals less than four years away, the urgency of achieving strong, shared and sustainable growth and decent work in developing countries is paramount. Moreover, the Declaration identifies that promoting human rights, democracy and good governance are an integral part of our development efforts. Nowhere are our development goals more urgent than in fragile and conflict-affected states. Political will is vital if these challenges are to be addressed.

4.   As we reaffirm our development commitments, we realise that the world has changed profoundly since development co-operation began over 60 years ago. Economic, political, social and technological developments have revolutionised the world in which we live. Yet poverty, inequality and hunger persist. Eradicating poverty and tackling the global and regional challenges that have adverse effects on the citizens of developing countries are central to ensuring the achievement of the Millennium Development Goals and a more robust and resilient global economy for all. Our success depends on the results and impact of our joint efforts and investments as we address challenges such as health pandemics, climate change, economic downturns, food and fuel price crises, conflict, fragility and vulnerability to shocks and natural disasters.

5.   We also have a more complex architecture for development co-operation, characterised by a greater number of state and non-state actors, as well as co-operation among countries at different stages in their development, many of them middle-income countries. South-South and triangular co-operation, new forms of public-private partnership, and other modalities and vehicles for development have become more prominent, complementing North-South forms of co-operation.

6.   International development co-operation has achieved many positive results. When we met in Monterrey a decade ago, we recognised that increases in volumes of financing for development must be coupled with more effective action to generate sustainable and transparent results for all citizens. Our dialogue in Busan builds on the foundations laid by previous High Level Fora, which have been proven to remain relevant, and which have helped to improve the quality of development co-operation. Yet we recognise that progress has been uneven and neither fast nor far-reaching enough. We each reaffirm our respective commitments and will implement in full the actions to which we have already agreed.

7.   We can and must improve and accelerate our efforts. We commit to modernise, deepen and broaden our co-operation, involving state and non-state actors that wish to shape an agenda that has until recently been dominated by a narrower group of development actors. In Busan, we forge a new global development partnership that embraces diversity and recognises the distinct roles that all stakeholders in co-operation can play to support development.

8.   Our partnership is founded on a common set of principles that underpin all forms of development co-operation. At the same time, we recognise that the ways in which these principles are applied differ across countries at various stages of development, and among the different types of public and private stakeholders involved. Lessons should be shared by all who participate in development co-operation. We welcome the opportunities presented by diverse approaches to development co-operation, such as South-South co-operation, as well as the contribution of civil society organisations and private actors; we will work together to build on and learn from their achievements and innovations, recognising their unique characteristics and respective merits.

9.   Sustainable development results are the end goal of our commitments to effective co-operation. While development co-operation is only part of the solution, it plays a catalytic and indispensable role in supporting poverty eradication, social protection, economic growth and sustainable development. We reaffirm our respective commitments to scale up development co-operation. More effective co-operation should not lead to a reduction in resources for development. Over time, we will aim to increase independence from aid, always taking into account the consequences for the poorest people and countries. In this process, it is essential to examine the interdependence and coherence of all public policies – not just development policies – to enable countries to make full use of the opportunities presented by international investment and trade, and to expand their domestic capital markets.

10.   As we partner to increase and reinforce development results, we will take action to facilitate, leverage and strengthen the impact of diverse sources of finance to support sustainable and inclusive development, including taxation and domestic resource mobilisation, private investment, aid for trade, philanthropy, non-concessional public funding and climate change finance. At the same time, new financial instruments, investment options, technology and knowledge sharing, and public-private partnerships are called for.

Shared principles to achieve common goals

11.　　As we embrace the diversity that underpins our partnership and the catalytic role of development co-operation, we share common principles which – consistent with our agreed international commitments on human rights, decent work, gender equality, environmental sustainability and disability – form the foundation of our co-operation for effective development:

a) *Ownership of development priorities by developing countries.* Partnerships for development can only succeed if they are led by developing countries, implementing approaches that are tailored to country-specific situations and needs.

b) *Focus on results.* Our investments and efforts must have a lasting impact on eradicating poverty and reducing inequality, on sustainable development, and on enhancing developing countries' capacities, aligned with the priorities and policies set out by developing countries themselves.

c) *Inclusive development partnerships.* Openness, trust, and mutual respect and learning lie at the core of effective partnerships in support of development goals, recognising the different and complementary roles of all actors.

d) *Transparency and accountability to each other.* Mutual accountability and accountability to the intended beneficiaries of our co-operation, as well as to our respective citizens, organisations, constituents and shareholders, is critical to delivering results. Transparent practices form the basis for enhanced accountability.

12.　　These shared principles will guide our actions to:

a) Deepen, extend and operationalise the democratic ownership of development policies and processes.

b) Strengthen our efforts to achieve concrete and sustainable results. This involves better managing for results, monitoring, evaluating and communicating progress; as well as scaling up our support, strengthening national capacities and leveraging diverse resources and initiatives in support of development results.

c) Broaden support for South-South and triangular co-operation, helping to tailor these horizontal partnerships to a greater diversity of country contexts and needs.

d) Support developing countries in their efforts to facilitate, leverage and strengthen the impact of diverse forms of development finance and activities, ensuring that these diverse forms of co-operation have a catalytic effect on development.

13.　　We recognise the urgency with which these actions must be implemented. Beginning implementation now – or accelerating efforts where they are ongoing – is essential if our renewed approach to partnership is to have the maximum possible impact on the realisation of the Millennium Development Goals by 2015, as well as on development results over the longer term. We will hold each other accountable for implementing our respective actions in developing countries and at the international level. As we focus on implementing our commitments at the country level, we will form a new, inclusive Global Partnership for Effective Development Co-operation to support implementation at the political level.

Realising change: Complementary actions to reach common goals

Inclusion of new actors on the basis of shared principles and differential commitments

14.   Today's complex architecture for development co-operation has evolved from the North-South paradigm. Distinct from the traditional relationship between aid providers and recipients, developing nations and a number of emerging economies have become important providers of South-South development co-operation. They remain developing countries and still face poverty at home. As such, they remain eligible to benefit from development co-operation provided by others, yet they have increasingly taken upon themselves the responsibility to share experiences and co-operate with other developing countries. The Paris Declaration did not address the complexity of these new actors, while the Accra Agenda for Action recognised their importance and specificities. While North-South co-operation remains the main form of development co-operation, South-South co-operation continues to evolve, providing additional diversity of resources for development. At Busan, we now all form an integral part of a new and more inclusive development agenda, in which these actors participate on the basis of common goals, shared principles and differential commitments. On this same basis, we welcome the inclusion of civil society, the private sector and other actors.

Improving the quality and effectiveness of development co-operation

15.   Progress has been made in advancing the aid effectiveness agenda, yet major challenges persist. Evidence has shown that – despite the challenges encountered in the implementation of our respective commitments – many of the principles underpinning the Paris Declaration on Aid Effectiveness and Accra Agenda for Action have contributed to higher quality, more transparent and effective development co-operation.

16.   We will sustain our high-level political leadership to ensure that the commitments made here in Busan are implemented. Within this context, those of us that endorsed the mutually agreed actions set out in Paris and Accra will intensify our efforts to implement our respective commitments in full. A growing range of actors – including middle-income countries, partners of South-South and triangular co-operation and civil society organisations – have joined others to forge a broader, more inclusive agenda since Paris and Accra, embracing their respective and different commitments alongside shared principles.

17.   Drawing on the evidence generated through periodic monitoring and the independent evaluation of the Paris Declaration, we will be guided by a focus on sustainable results that meet the priority needs of developing countries, and will make the urgently needed changes to improve the effectiveness of our partnerships for development.

Ownership, results and accountability

18.   Together, we will increase our focus on development results. To this end:

   a)   Developing countries' efforts and plans to strengthen core institutions and policies will be supported through approaches that aim to manage – rather than avoid – risk, including through the development of joint risk management frameworks with providers of development co-operation.

b) Where initiated by the developing country, transparent, country-led and country-level results frameworks and platforms will be adopted as a common tool among all concerned actors to assess performance based on a manageable number of output and outcome indicators drawn from the development priorities and goals of the developing country. Providers of development co-operation will minimise their use of additional frameworks, refraining from requesting the introduction of performance indicators that are not consistent with countries' national development strategies.

c) We will partner to implement a global Action Plan to enhance capacity for statistics to monitor progress, evaluate impact, ensure sound, results-focused public sector management, and highlight strategic issues for policy decisions.

d) As we deepen our efforts to ensure that mutual assessment reviews are in place in all developing countries, we encourage the active participation of all development co-operation actors in these processes.

e) Pursuant to the Accra Agenda for Action, we will accelerate our efforts to untie aid. We will, in 2012, review our plans to achieve this. In addition to increasing value for money, untying can present opportunities for local procurement, business development, employment and income generation in developing countries. We will improve the quality, consistency and transparency of reporting on the tying status of aid.

19.   The use and strengthening of developing countries' systems remains central to our efforts to build effective institutions. We will build on our respective commitments set out in the Paris Declaration and Accra Agenda for Action to:

a) Use country systems as the default approach for development co-operation in support of activities managed by the public sector, working with and respecting the governance structures of both the provider of development co-operation and the developing country.

b) Assess jointly country systems using mutually agreed diagnostic tools. Based on the results of these assessments, providers of development co-operation will decide on the extent to which they can use country systems. Where the full use of country systems is not possible, the provider of development co-operation will state the reasons for non-use, and will discuss with government what would be required to move towards full use, including any necessary assistance or changes for the strengthening of systems. The use and strengthening of country systems should be placed within the overall context of national capacity development for sustainable outcomes.

20.   We must accelerate our efforts to achieve gender equality and the empowerment of women through development programmes grounded in country priorities, recognising that gender equality and women's empowerment are critical to achieving development results. Reducing gender inequality is both an end in its own right and a prerequisite for sustainable and inclusive growth. As we redouble our efforts to implement existing commitments we will:

a) Accelerate and deepen efforts to collect, disseminate, harmonise and make full use of data disaggregated by sex to inform policy decisions and guide investments, ensuring in turn that public expenditures are targeted appropriately to benefit both women and men.

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b) Integrate targets for gender equality and women's empowerment in accountability mechanisms, grounded in international and regional commitments.

c) Address gender equality and women's empowerment in all aspects of our development efforts, including peacebuilding and statebuilding.

21. Parliaments and local governments play critical roles in linking citizens with government, and in ensuring broad-based and democratic ownership of countries' development agendas. To facilitate their contribution, we will:

a) Accelerate and deepen the implementation of existing commitments to strengthen the role of parliaments in the oversight of development processes, including by supporting capacity development – backed by adequate resources and clear action plans.

b) Further support local governments to enable them to assume more fully their roles above and beyond service delivery, enhancing participation and accountability at the sub-national levels.

22. Civil society organisations (CSOs) play a vital role in enabling people to claim their rights, in promoting rights-based approaches, in shaping development policies and partnerships, and in overseeing their implementation. They also provide services in areas that are complementary to those provided by states. Recognising this, we will:

a) Implement fully our respective commitments to enable CSOs to exercise their roles as independent development actors, with a particular focus on an enabling environment, consistent with agreed international rights, that maximises the contributions of CSOs to development.

b) Encourage CSOs to implement practices that strengthen their accountability and their contribution to development effectiveness, guided by the Istanbul Principles and the International Framework for CSO Development Effectiveness.

Transparent and responsible co-operation

23. We will work to improve the availability and public accessibility of information on development co-operation and other development resources, building on our respective commitments in this area. To this end, we will:

a) Make the full range of information on publicly funded development activities, their financing, terms and conditions, and contribution to development results, publicly available subject to legitimate concerns about commercially sensitive information.

b) Focus, at the country level, on establishing transparent public financial management and aid information management systems, and strengthen the capacities of all relevant stakeholders to make better use of this information in decision-making and to promote accountability.

c) Implement a common, open standard for electronic publication of timely, comprehensive and forward-looking information on resources provided through development co-

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operation, taking into account the statistical reporting of the OECD-DAC and the complementary efforts of the International Aid Transparency Initiative and others. This standard must meet the information needs of developing countries and non-state actors, consistent with national requirements. We will agree on this standard and publish our respective schedules to implement it by December 2012, with the aim of implementing it fully by December 2015.

24.   We will also work to make development co-operation more predictable in its nature. To this end:

a)   Those of us who committed, through the Accra Agenda for Action, to improve medium-term predictability will implement fully our commitments in this area, introducing reforms where needed. By 2013, they will provide available, regular, timely rolling three- to five-year indicative forward expenditure and/or implementation plans as agreed in Accra to all developing countries with which they co-operate. Other actors will aim to provide developing countries with timely and relevant information on their intentions with regard to future co-operation over the medium term.

25.   We welcome the diversity of development co-operation actors. Developing countries will lead consultation and co-ordination efforts to manage this diversity at the country level, while providers of development assistance have a responsibility to reduce fragmentation and curb the proliferation of aid channels. We will ensure that our efforts to reduce fragmentation do not lead to a reduction in the volume and quality of resources available to support development. To this end:

a)   We will, by 2013, make greater use of country-led co-ordination arrangements, including division of labour, as well as programme-based approaches, joint programming and delegated co-operation.

b)   We will improve the coherence of our policies on multilateral institutions, global funds and programmes. We will make effective use of existing multilateral channels, focusing on those that are performing well. We will work to reduce the proliferation of these channels and will, by the end of 2012, agree on principles and guidelines to guide our joint efforts. As they continue to implement their respective commitments on aid effectiveness, multilateral organisations, global funds and programmes will strengthen their participation in co-ordination and mutual accountability mechanisms at the country, regional and global levels.

c)   We will accelerate efforts to address the issue of countries that receive insufficient assistance, agreeing – by the end of 2012 – on principles that will guide our actions to address this challenge. These efforts will encompass all development co-operation flows.

d)   Providers of development co-operation will deepen and accelerate efforts to address the problem of insufficient delegation of authority to their field staff. They will review all aspects of their operations, including delegation of financial authority, staffing, and roles and responsibilities in the design and implementation of development programmes; and they will implement measures that address the remaining bottlenecks.

Promoting sustainable development in situations of conflict and fragility

26.   Fragile states are for the large part off-track to meet the Millennium Development Goals (MDGs). Achieving these goals will depend on our collective ability to understand the unique challenges facing fragile states, overcome these challenges, and promote foundations for lasting development. We welcome the New Deal developed by the International Dialogue on Peacebuilding and Statebuilding, including the g7+ group of fragile and conflict-affected states. Those of us who have endorsed the New Deal will pursue actions to implement it and, in doing so, will use:

a) The Peacebuilding and Statebuilding Goals (PSGs) – which prioritise legitimate politics, people's security, justice, economic foundations and revenues and fair services – as an important foundation to enable progress towards the MDGs to guide our work in fragile and conflict-affected states.

b) FOCUS – a new country-led and country-owned way of engaging in fragile states.

c) TRUST – a set of commitments to enhance transparency; manage risk to use country systems; strengthen national capacities; and improve the timeliness and predictability of aid – to achieve better results.

Partnering to strengthen resilience and reduce vulnerability in the face of adversity

27.   We must ensure that development strategies and programmes prioritise the building of resilience among people and societies at risk from shocks, especially in highly vulnerable settings such as small island developing states. Investing in resilience and risk reduction increases the value and sustainability of our development efforts. To this end:

a) Developing countries will lead in integrating resilience to shocks and measures for disaster management within their own policies and strategies.

b) Responding to the needs articulated by developing countries, we will work together to invest in shock resistant infrastructure and social protection systems for at-risk communities. In addition, we will increase the resources, planning and skills for disaster management at the national and regional levels.

From effective aid to co-operation for effective development

28.   Aid is only part of the solution to development. It is now time to broaden our focus and attention from aid effectiveness to the challenges of effective development. This calls for a framework within which:

a)   Development is driven by strong, sustainable and inclusive growth.

b)   Governments' own revenues play a greater role in financing their development needs. In turn, governments are more accountable to their citizens for the development results they achieve.

c)   Effective state and non-state institutions design and implement their own reforms and hold each other to account.

d)   Developing countries increasingly integrate, both regionally and globally, creating economies of scale that will help them better compete in the global economy.

      To this effect, we will rethink what aid should be spent on and how, in ways that are consistent with agreed international rights, norms and standards, so that aid catalyses development.

29.   Effective institutions and policies are essential for sustainable development. Institutions fulfilling core state functions should, where necessary, be further strengthened, alongside the policies and practices of providers of development co-operation, to facilitate the leveraging of resources by developing countries. Developing countries will lead in efforts to strengthen these institutions, adapting to local context and differing stages of development. To this end, we will:

a)   Support the implementation of institutional and policy changes led by developing countries, resulting in effective resource mobilisation and service delivery, including national and sub-national institutions, regional organisations, parliaments and civil society.

b)   Assess country institutions, systems and capacity development needs, led by developing countries.

c)   Support the development of improved evidence on institutional performance to inform policy formulation, implementation and accountability, led by developing countries.

d)   Deepen our learning on the determinants of success for institutional reform, exchanging knowledge and experience at the regional and global levels.

South-South and triangular co-operation for sustainable development

30.   The inputs to sustainable development extend well beyond financial co-operation to the knowledge and development experience of all actors and countries. South-South and triangular co-operation have the potential to transform developing countries' policies and approaches to service delivery by bringing effective, locally owned solutions that are appropriate to country contexts.

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31.   We recognise that many countries engaged in South-South co-operation both provide and receive diverse resources and expertise at the same time, and that this should enrich co-operation without affecting a country's eligibility to receive assistance from others. We will strengthen the sharing of knowledge and mutual learning by:

a) Scaling up – where appropriate – the use of triangular approaches to development co-operation.

b) Making fuller use of South-South and triangular co-operation, recognising the success of these approaches to date and the synergies they offer.

c) Encouraging the development of networks for knowledge exchange, peer learning and co-ordination among South-South co-operation actors as a means of facilitating access to important knowledge pools by developing countries.

d) Supporting efforts to strengthen local and national capacities to engage effectively in South-South and triangular co-operation.

Private sector and development

32.   We recognise the central role of the private sector in advancing innovation, creating wealth, income and jobs, mobilising domestic resources and in turn contributing to poverty reduction. To this end, we will:

a) Engage with representative business associations, trade unions and others to improve the legal, regulatory and administrative environment for the development of private investment; and also to ensure a sound policy and regulatory environment for private sector development, increased foreign direct investment, public-private partnerships, the strengthening of value chains in an equitable manner and giving particular consideration to national and regional dimensions, and the scaling up of efforts in support of development goals.

b) Enable the participation of the private sector in the design and implementation of development policies and strategies to foster sustainable growth and poverty reduction.

c) Further develop innovative financial mechanisms to mobilise private finance for shared development goals.

d) Promote "aid for trade" as an engine of sustainable development, focusing on outcomes and impact, to build productive capacities, help address market failures, strengthen access to capital markets and to promote approaches that mitigate risk faced by private sector actors.

e) Invite representatives of the public and private sectors and related organisations to play an active role in exploring how to advance both development and business outcomes so that they are mutually reinforcing.

Combating corruption and illicit flows

33.   Corruption is a plague that seriously undermines development globally, diverting resources that could be harnessed to finance development, damaging the quality of governance institutions, and threatening human security. It often fuels crime and contributes to conflict and fragility. We will intensify our joint efforts to fight corruption and illicit flows, consistent with the UN Convention Against Corruption and other agreements to which we are party, such as the OECD Anti-Bribery Convention. To this end, we will:

a)   Implement fully our respective commitments to eradicate corruption, enforcing our laws and promoting a culture of zero tolerance for all corrupt practices. This includes efforts to improve fiscal transparency, strengthen independent enforcement mechanisms, and extend protection for whistleblowers.

b)   Accelerate our individual efforts to combat illicit financial flows by strengthening anti money laundering measures, addressing tax evasion, and strengthening national and international policies, legal frameworks and institutional arrangements for the tracing, freezing and recovery of illegal assets. This includes ensuring enactment and implementation of laws and practices that facilitate effective international co-operation.

Climate change finance

34.   Global climate change finance is expected to increase substantially in the medium term. Recognising that this resource flow brings with it new opportunities and challenges, we will endeavour to promote coherence, transparency and predictability across our approaches for effective climate finance and broader development co-operation, including to:

a)   Continue to support national climate change policy and planning as an integral part of developing countries' overall national development plans, and ensure that – where appropriate – these measures are financed, delivered and monitored through developing countries' systems in a transparent manner.

b)   Continue to share lessons learned in development effectiveness with those entities engaged in climate activities and ensure that broader development co-operation is also informed by innovations in climate finance.

The road ahead: Partnering for progress towards and beyond the MDGs

35.   We will hold each other accountable for making progress against the commitments and actions agreed in Busan, alongside those set out in the Paris Declaration on Aid Effectiveness and Accra Agenda for Action. To this end, we will:

a) At the level of individual developing countries, agree on frameworks based on national needs and priorities for monitoring progress and promoting mutual accountability in our efforts to improve the effectiveness of our co-operation and, in turn, development results. Developing countries will lead in the elaboration of such frameworks which, together with any indicators and targets agreed, will respond to their specific needs and will be grounded in their aid and development policies. The results of these exercises will be made public.

b) Agree, by June 2012, on a selective and relevant set of indicators and targets through which we will monitor progress on a rolling basis, supporting international and regional accountability for the implementation of our commitments. We will build on the initiatives led by developing countries and learn from existing international efforts to monitor aid effectiveness. We will review these arrangements in the context of the post-MDG framework. We will periodically publish the results of these exercises.

c) Support initiatives at the national and regional levels led by developing countries that strengthen capacities to monitor progress and evaluate the impact of efforts to improve development effectiveness.

36.   We accept that the strengthening of our co-operation and the adherence to both common goals and differential commitments calls for continued high-level political support, as well as an inclusive space for dialogue, mutual learning and accountability at the global level. Regional organisations can and should play an important role in supporting implementation at the country level, and in linking country priorities with global efforts. The UN Development Cooperation Forum is also invited to play a role in consulting on the implementation of agreements reached in Busan. To this end, we will:

a) Establish a new, inclusive and representative Global Partnership for Effective Development Co-operation to support and ensure accountability for the implementation of commitments at the political level. This Partnership will offer an open platform that embraces diversity, providing a forum for the exchange of knowledge and the regular review of progress.

b) Agree, by June 2012, on light working arrangements for this Global Partnership, including its membership and opportunities for regular ministerial-level engagement that complements, and is undertaken in conjunction with, other fora.

c) Call on the Working Party on Aid Effectiveness (WP-EFF) to convene representatives of all countries and stakeholders endorsing this document with a view to reaching agreement on the working arrangements for the Global Partnership – and the indicators and channels through which global monitoring and accountability will be supported – in preparation for the phasing out of the WP-EFF and its associated structures in June 2012.

d) Invite the Organisation for Economic Co-operation and Development and the United Nations Development Programme to support the effective functioning of the Global Partnership, building on their collaboration to date and their respective mandates and areas of comparative advantage.

K. PEFA Public Finance Management High-Level Performance Indicators Set

The PFM High-Level Performance Indicator Set

Overview of the indicator set

(from PEFA Secretariat, 2005: 9)

	A. PFM-OUT-TURNS: Credibility of the budget
PI-1	Aggregate expenditure out-turn compared to original approved budget
PI-2	Composition of expenditure out-turn compared to original approved budget
PI-3	Aggregate revenue out-turn compared to original approved budget
PI-4	Stock and monitoring of expenditure payment arrears
	B. KEY CROSS-CUTTING ISSUES: Comprehensiveness and Transparency
PI-5	Classification of the budget
PI-6	Comprehensiveness of information included in budget documentation
PI-7	Extent of unreported government operations
PI-8	Transparency of inter-governmental fiscal relations
PI-9	Oversight of aggregate fiscal risk from other public sector entities.
PI-10	Public access to key fiscal information
	C. BUDGET CYCLE
	C(i) Policy-Based Budgeting
PI-11	Orderliness and participation in the annual budget process
PI-12	Multi-year perspective in fiscal planning, expenditure policy and budgeting
	C(ii) Predictability and Control in Budget Execution
PI-13	Transparency of taxpayer obligations and liabilities
PI-14	Effectiveness of measures for taxpayer registration and tax assessment
PI-15	Effectiveness in collection of tax payments
PI-16	Predictability in the availability of funds for commitment of expenditures
PI-17	Recording and management of cash balances, debt and guarantees
PI-18	Effectiveness of payroll controls
PI-19	Competition, value for money and controls in procurement
PI-20	Effectiveness of internal controls for non-salary expenditure
PI-21	Effectiveness of internal audit
	C(iii) Accounting, Recording and Reporting
PI-22	Timeliness and regularity of accounts reconciliation
PI-23	Availability of information on resources received by service delivery units
PI-24	Quality and timeliness of in-year budget reports
PI-25	Quality and timeliness of annual financial statements
	C(iv) External Scrutiny and Audit
PI-26	Scope, nature and follow-up of external audit
PI-27	Legislative scrutiny of the annual budget law
PI-28	Legislative scrutiny of external audit reports

	D. DONOR PRACTICES
D-1	Predictability of Direct Budget Support
D-2	Financial information provided by donors for budgeting and reporting on project and program aid
D-3	Proportion of aid that is managed by use of national procedures

L. Malawi's 2006 and 2007 Performance Assessment Frameworks

Malawi's 2006 Performance Assessment Framework indicators: achievements against 2006 targets
(from European Commission, DFID, Norwegian Embassy, African Development Bank, 2007)

Public Finance Management	
Indicator	Achievements against 2006 targets
1 Macro	The target was achieved. PRGF is on track as of 3rd Review on 14/03/2007.
2 Budget Comprehensiveness	The target was achieved. All donors who provided data within deadline were recorded in budget documents.
3 Budget Outturn	The target was achieved. Variance in expenditure composition exceeded overall deviation in primary expenditure by 2% - within the 10% limit.
4 PPE Outturn	The target was achieved. Variance in actual PPE expenditure exceeded overall deviation by 0.5% - within the 5% limit.
5 Health Outturn	The target was not achieved Actual ORT expenditure was 35.7% above budget while overall deviation was minus 16.4%.
6 Education Outturn	The target was not achieved. Actual ORT expenditure was 33.2% above budget while overall deviation was minus 16.4%.
7 Payroll	The target was achieved. The reconciliation of the payroll with the backlog of personnel data by December 2006 was completed.
8 Internal Audit	The target was achieved. According to GoM internal audit units are functioning in all ministries and reports are issued regularly to the line ministries, the Ministry of Finance and the NAO.
9 Public Accounts	The target was not achieved. Final accounts for FY 2005/06 have not been submitted within 6 months.
10 External Audit	The target was partly achieved. For FY 2004/05 NAO will be able to audit more than 50 % of expenditure of ministries and departments. However, the audit report for 2004/05 was not submitted to Parliament by December 2006.
11 External Scrutiny	The target was achieved. Scrutiny of the audit report for FY 2002/03 is completed.
Social Sectors	
Indicator	Achievements against 2006 targets
12 Pupil per teacher in rural area	The target was not achieved. 2006 ratio was 90:1 against a target of 75:1

13 Female Literacy rate	The target was achieved. The indicator is at 56% against a target of 55%.
14 Survival rate	The target was achieved. The survival rate for 2006 is at 53.3% for boys and 52.9% for girls against targets of 52% for boys and 48% for girls.
15 Immunization	The target was not achieved. The indicator was reported at 82% in 2006 against a target of 85%.
16 Birth attended by skilled staff	The target was achieved. Indicator reported at 40% in line with PAF target at 40%.
17 Nurses per population ratio	The target was achieved. The ratio for 2006 is at 1:3,653, exceeding the target of 1:3,900
18 People alive on ART	The target was achieved. The indicator as of end of 2006 is above target of 60,000.
19 Women in decision making positions	The target was achieved. 2006 figure was 18.4% against a target of 16%

Governance

Indicator	Achievement against 2006 PAF
20 MGDS	The target was partly achieved. MGDS approved in Nov 2006. M&E Road Map not aligned with MGDS yet.
21 Constitution and the Rule of Law	a) The target was not achieved. Position on Local Government Elections was not regularized by February 2007. b) The target was not achieved Legislation not presented to Parliament.
22 Elections	a) The target was partly achieved MEC strategic plan revised and partly implemented. Commissioners are not appointed. b) The target can not be assessed. No elections were held in 2006.
23 Corruption	The target was achieved. The 15 cases completed during the designated period were concluded in an average of 8.3 months.
24 Corruption	The target was achieved. 73% of completed cases were concluded within 12 months.
25 Corruption	The target was achieved. DPP did not refuse any ACB requests to prosecute and DPP consents were given within a reasonable time.
26 Procurement	The target was achieved. All ministries, departments and agencies included in the target complied with the reporting requirement.
27 GoM Funding	The target was partly achieved. Actual recurrent expenditure for governance institutions in 05/06 was increased in real term from 04/05 but for the Malawi

	Electoral Commission and Legal Aid Department.
28 Prisons	a) The target was partly achieved. There was a 28% decline in the number of pre-trial detainees exceeding the maximum permitted remand period in 2006. Good progress was made. b) The target was not achieved. The number of deaths in prison due to poor nutrition, HIV/AIDS etc. was at 19/10,000 in 2006 according to prisons figures.

Malawi's 2007 Performance Assessment Framework (Mai 2007)

No	Indicator	Baseline	Target for 2008 review
Public Financial Management Indicators			
1	Overall macroeconomic programme implemented	PRGF programme signed in August 2005	On track with IMF as of the latest IMF quarterly review.
2	Predictability & comprehensiveness : Disbursement estimates are provided by donors and are reflected in budget documentation.	Not all CABS donors provide estimates of budget support disbursements in the medium term in accordance with Joint Framework. Baseline : FY 06/07 for 2007 review. FY 07/08 for 2008 review. FY 08/09 for 2009 review.	(i)For FY 2007/08: Same as for FY 06/07 + UN-system, JICA and CIDA are included in budget documents. (ii) All CABS members disburse budget support for FY 2007/08 according to estimates provided to GoM. (iii) All CABS members provide indicative information on the size and timing of budget support disbursement for FY 2008/09 and 2009/10.
3	Composition of expenditure out-turn compared to original approved budget.	FY 05/06 for 2007 review. FY 06/07 for 2008 review. FY 07/08 for 2009 review.	For FY 06/07, variance in expenditure composition exceeded overall deviation in primary expenditure by no more than 10%.
4	Budgeted ORT appropriations	FY 05/06 for 2008 review.	For FY 07/08, budgeted ORT will be no lower as a proportion of primary expenditure than their FY 2005/06 level
5	Improved budget process	IMF 2007 Review of Budget Process.	Introduce budget calendar that incorporates all budget related activities by Dec. 2007.
6	Improved payroll management	Situation as of end December 2006 for 2007 review. Situation as of end of December 2007 for 2008 review. Situation as of end of Dec 2008 for 2009 review.	Conduct review of the HRMIS and start implementation of a time bound Action Plan by Dec 2007.
7	Timeliness of annual financial statements	FY05/06 for 2007 review. FY 06/07 for 2008 review. FY 07/08 for 2009 review. Baseline : FY05/06 not submitted within 6 months.	Consolidated GoM statement is submitted for external audit within 6 months of the end of FY.
8	Improved timeliness and follow up of external audit	FY04/05 for 2007 review. FY 03/04 and FY05/06 for 2008 review. FY 04/05 and FY 06/07 for 2009 review.	(i) Audit report on FY 05/06 submitted to legislature by Dec. 2007. (ii) Report on audit related recommendations by the Public Accounts Committee on the Audit Report for FY 03/04 is issued by OPC by Dec. 2007.
9	Improved debt management	Policy is in draft form.	Cabinet approves Debt and Aid Management policy by Dec. 2007.

No	Indicator	Baseline	Target for 2008 review
10	Improved GoM procurement capacity.	Only MoF and ACB complying with reporting in 2005 Number of IPCs and SPUs at February 2007: IPCs – 170 (100%) SPUs – 29 (17%)	(i) 30% increase in number of SPUs by Dec 2007. (ii) SPUs are functional in the 10 largest spending institutions[1] by Dec 2007. (iii) IPCs number is maintained as at Dec 2007.
11	Proportion of Required Routine and Periodic Road Maintenance Expenditure Financed Domestically	35% (FY 2006/2007)	By December 2007 Cabinet approves staged plan to achieve 100% domestic funding of required routine and periodic road maintenance by FY 2010/11.

Economic Growth and Social Protection Indicators

No	Indicator	Baseline	Target for 2008 review
12	Improved business environment through improvements in the legal framework	Average number of days to settle commercial disputes is 337 days in 2006 Average number of days to get a business license is 185 days in 2006	(i) Average number of days to settle commercial disputes is 290 or less in 2007. (ii) Average number of days to get a business license is 135 days or less in 2007.
13	Improved functioning of agricultural output markets	As of 2006 (i) three satellite auction floors are established (ii) strategic refocusing of ADMARC has started by winding down non-core business interests held through AIHC	(i) MAWTCO established and operational in 2007. (ii) Substantial progress in ADMARC re-structuring as proposed in the agreed business plans in 2007.
14	Improved functioning of agricultural input markets	As of 2006, (i) Implemented a targeted fertilizer and seed subsidy program that included private sector participation in fertilizer distribution. (ii) Recruited and deployed 24 District Land Officers and 55 Land Clerks	(i)Maintain at least FY06/07 levels of private sector participation in the supply and distribution of fertilizer under the subsidy programme. (ii)Start performance assessment of private sector involvement in wholesale and retail trade based on agreed performance indicators by Dec. 2007.
15	Improved coordination and coverage of social protection programs	No coordination of Social Protection Programs.	Cabinet approval of new Social Protection Policy with a clear implementation program of specific programs and begin its implementation by Dec. 2007.

Social Sectors Indicators[2]

No	Indicator	Baseline	Target for 2008 review
16	Pupil per qualified teacher ratio in primary schools in rural areas	2005 baseline for rural 74:1	2007 SY 84:1 or less

[1] The 10 largest spending institutions are as follows: Min. of Education, Min. of Health, Min. of Agriculture and Food Security, Min. of Irrigation and Water Development, Min. of Transport, Lilongwe Water Board, Blantyre Water Board, Nothern Region Water Board, ESCOM , ADMARC.

No	Indicator	Baseline	Target for 2008 review
17	Survival rate in standard 5 and Girl's survival rate in Std 8	(i) 51.8% in 2005 for Boys (std 5) (ii) 47.6% in 2005 for Girls (std 5) (iii) 22.9% in 2005 of girls (Std 8)	(i) 55% or above for 2007 SY for Boys (ii) 55% or above for 2007 SY for Girls (iii) 30% or above in 2007 SY for Girls (std 8)
18	Minimum increase in proportion of one year olds immunised against measles: i) Districts below 80% level [3] ii) National level	As at June 2005: national level at 82%	As at June 2007 (i) 75% of the districts (9 out of 12) show a +2% or more increase on June 06 data and none declined. (ii) Maintain National level at least at the level of June 2006.
19	Proportion of birth attended by skilled health personnel.	38% in 2005	42% by June 2007
20	Nurse population ratio	1:4000 in 2005	1:3,500 by June 2007
21	% of health facilities with at least the minimum package of PMTCT services	Baseline 2005 is 7%	33%
22	Women in Decision making positions	15% in 2005	(i) 19% in 2007

Governance Indicators

No	Indicator	Baseline	Target for 2008 review
23	Government compliance with the Constitution and rule of law.	(i) Local elections not held in line with the Constitution. (ii) Ratio of tried criminal cases against registered criminal cases in the year for magistrate courts and for high courts. a. For Magistrate court :2005: 63.6%, 2006:70% b. For High court : 2004:83%, 2005 : 65.7%; 2006: not provided (iii) Weak compliance with constitutional provisions on declaration of assets	(i) Bill to clarify the position on local elections presented to Parliament by July 2007. (ii) a. Magistrate Court: 73% in 2007. (ii) b. High Court : 75% in 2007. (iii) Legislation in accordance with international standards based upon the recommendations from the Special Law Commission tabled in Parliament by December 2007
24	Elections judged free and fair by local civil society and international observers	2004 elections judged free but not entirely fair because of abuse of incumbency by ruling party	(a) (i) MEC Action Plan being implemented in accordance with the Project Support Document.

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[3] The 12 districts below 80% as at June 06 are: Chitipa (75%), Nkhatabay (70%), Dedza (74%), Lilongwe (66%), Nkhotakota (72%), Ntcheu (75%), Balaka (73%), Chiradzulu (67%), Mangochi (63%), Nsanje (78%), Phalombe (70%), Thyolo (74%).

No	Indicator	Baseline	Target for 2008 review
		(a) MEC in need of reform to be more competent and impartial	(ii) Electoral Commissioners appointed in accordance with the Constitution and fulfilling their legal mandate
		(b) MEC weak in managing election environment. Freedom House assessed media as partly free in 2005. Score is 54 in 2005 and 55 in 2006.	(b) Communications Act modified to provide for independent Board for public media
25	Corruption: Number of ACB investigations concluded.	260 per year.	360 per year in 2007
26	Total number of cases in the court system for over 2 years	22 cases	15 cases in 2007
27	Number of corruption risk assessments conducted and percentage share of prioritised recommendations implemented in selected public institutions	Baseline is the Governance and Corruption Baseline Survey. No risk assessment have been conducted.	a) 1 corruption risk assessments conducted per year in 2007 and b) 30% of prioritised recommendations implemented in 2007
28	Prison conditions No of deaths in prison – as result of poor nutrition, HIV / AIDS, etc.	14 deaths per month per 10,000 prison population in 2005	17 death per month per 10,000
29	Actual recurrent expenditure to Governance institutions	FY 05/06	At a minimum actual recurrent expenditure in FY 2006/07 is maintained at 2005/06 level in real terms