

FASID Seminar on
Aid Relationships in Asia- Exploring Ownership in Japanese and Nordic Aid

1. Date : May, 23rd, 2008, 14:00-17:30
2. Venue : FASID Seminar Room #1 (5th Floor)
3. Presenter:
Alf Morten Jerve (Senior Researcher, the Chr. Michelsen Institute, Norway)
Izumi Ohno (Professor, GRIPS Development Forum, National Graduate Institute for Policy Studies, Japan)
Marie Soderberg (Professor, European Institute of Japanese Studies at Stockholm School of Economics, Sweden)
Yasutami Shimomura (Professor, Graduate School of Environmental Management, Faculty of Humanity and Environment, Hosei University)
Annette Skovsted Hansen (Associate Professor, Japanese History at Aarhus University, Denmark)
4. Issue :
Aid Relationships in Asia- Exploring Ownership in Japanese and Nordic Aid
5. Brief content of Presentation

“Fostering ownership in aid: comparing Nordic and Japanese lessons in Asia” by Mr. Jerve

Lessons from Nordic and Japanese experiences indicate ownership cannot be created by aid. Instead the role of aid is more modest and less instrumental, it can only facilitate ownership.

“The East Asian Perspective of Ownership and a Case Study on Vietnam” by Prof. Ohno

Inspired by the Japanese understanding of self-help effort, ownership has to be dealt with in two dimensions: (i) donor management; and (ii) the management of policy ideas. Vietnam is often cited as one of the model countries in terms of strong ownership. However the research finds that the Vietnamese government excels only in the first aspect while there is much to be desired in the second aspect. Vietnam needs to go beyond skillful donor management and strengthen its capacity for managing the entire development process.

“Determinants of Ownership in Aid to China” by Prof.Soderberg

China has strong ownership in receiving foreign aid in general. When it comes to, however, transferring new knowledge adopted and learned into institutional reform and policy action, Chinese ownership become ambiguous.

“Legitimate ownership of Thailand” by Prof. Shimomura

Thailand is one of the unique countries that succeed in securing recipient ownership and graduating from aid recipient status in spite of strong pressure from two largest donors in the country. Its experience shows that it is legitimacy of government policy both towards domestic constituencies and foreign partners that is crucial.

“The Trust of History: Ownership in the Relationships of Nepal and Vietnam to Their Donors” by Prof. Hansen

Both Nepal and Vietnam are donor darlings (although in different time) but two countries developed differently in bilateral aid relationship based on their past experience with donors. In Nepal mistrust of donors lead the demonstrators to influence on the country’s donor and development management. And in Vietnam Ministry of Planning and Investment does strong donor management.

6 Q & A and Comments

Importance of plurality

Plurality of donors is important in terms of aid effectiveness because that engenders competition among the donor and the competition of actors could be engine of creativity and growth. On the other hand, Uniform approach or one solution is not interest for recipient country.

However, in reality, plural opinions among the domestic recipient leaders tend to lead divided leadership. Pluralists have different projects even in the same field and there is so many overlapping. In this regards, making up concerted action to utilize plurality of domestic opinion is crucial. Plurality is important but utilizing that is very difficult. To realize this, better coordination and better national planning and formulation of long term national policy is needed (Sometimes donors have no time to wait for countries themselves to lead developed these plans, development mechanisms and these coordination mechanisms, and donors push mechanisms of aid coordination not allowing recipient to make decision).

Key partner of ownership on recipient side

Good way to provide development assistance is trying to establish relationship in lower level, at more operational level.

In addition, importance of community should be recognized in terms of ownership of recipient side. In Africa, most country does not have ownership so community should be more respected. Community could be NPO, farmer organization, private company. If government has no capacity, utilization of community such as NPO is needed.

Importance of Evaluation system

Evaluation process is the key in terms of aid effectiveness. Most of evaluation design is made by donors and criteria, how to evaluate, and who evaluate are decided by donors. Like participatory planning method, donors should hold workshop for evaluation inviting stakeholder and identify evaluation design.

However, host countries often have small motivation although donor countries have strong motivation to evaluate because of strong pressure from tax payer.