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South-South Development Assistance: West African Case Studies

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**SOUTH-SOUTH DEVELOPMENT ASSISTANCE:
WEST AFRICAN CASE STUDIES**

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FOREWORD

The following report presents findings from an exploratory study made for IDRC in 1986 by Mr. Donald J. Bobiash, then at Balliol College in the University of Oxford. The general aim of the study was to describe "south-south" aid to three African countries (Ghana, Guinea Bissau and Senegal). Sources of that aid were other developing countries (notably the People's Republic of China, India, Korea, Brazil and Cuba).

One of the specific aims of the study was to determine the extent to which south-south aid may be presumed to have advantages over north-south aid as a channel of development assistance. Since technology is often the most important component of that assistance, there was special interest in determining whether a south-south "similitude" might be presumed to exist among developing countries, making the transfer of technology between them easier than it is under north-south arrangements. It was clear from the outset, however, that for all the promises it seems to offer south-south aid might have problems of its own. The study's second specific aim, consequently, was to identify those problems. Its third specific aim was to suggest ways in which the problems could be addressed. An exploratory study of this nature could not be expected to produce complete policies that dealt with those problems; it was realized that such policies would require further and more detailed research. The final specific aim of this study, therefore, was to suggest areas that further research might examine.

The study's aims are important; they mesh well with the purposes of technical co-operation among developing countries (TCDC). In presenting the findings made in the pursuit of those aims, this report will, I hope, serve the purposes of TCDC in some ways. My more immediate hope, however, is that African and other researchers will find in the areas the report proposes for further research interest and challenge sufficient for them to consider working in those areas.

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INTRODUCTION

For more than two decades, developing countries have increasingly promoted the concept of South-South cooperation. Organizations such as the Group of 77 and the NonAligned Movement as well as Third World leaders and intellectuals envisage the cooperation as a step toward self-reliance and reducing their dependence on the North. This report is on one aspect of that cooperation: South-South development assistance.

It introduces some of the objectives of South-South cooperation and current issues surrounding the concept of foreign aid, outlines some findings from field research, provides policy guidelines to enhance the effectiveness of aid, and raises issues for discussion, such as South-South aid and technology transfer. The report concludes with some suggestions for further research.

I hope the suggestions will be of use to policymakers in both developed and developing countries who wish to promote the objectives of South-South cooperation. The objectives include not only self-reliance among Third World nations but also, more immediately, acquisition of technologies appropriate to the conditions of underdevelopment. In many developing countries, however, the problem is a lack not of the effective policies but of the means to implement them. Consequently, this report has tried to take into account the constraints that policymakers in the Third World face: a penury of financial resources, a lack of skilled personnel, and political instability that frequently undermine rational policy formulation and implementation. As most developing countries are emerging from a period of economic crisis and declining living standards, they cannot afford unrealistic development policies, whether in South-South cooperation or in other forms of development assistance. Although in this report all the case studies are African, the research findings are relevant to officials in other developing countries who share an interest in some of the developmental issues discussed or who are contemplating the establishment of new programs of economic or technical assistance

themselves.

Three case studies from West Africa form the basis of this report's analysis. Senegal, Guinea Bissau, and Ghana were chosen because they represent different stages of economic development and are representative of the three major colonial and linguistic influences that have affected the governmental and administrative bases of most modern African states. As well, they face obstacles that are common to many other African countries. Senegal, like most Sahelian states, is plagued by a drought-stricken environment and shrinking agricultural base; Guinea Bissau is typical of Portuguese-speaking Africa with its glaring lack of infrastructure, and Ghana reflects the frustrations of resource-rich African states whose progress has been hampered by political instability and economic mismanagement.

The obstacles, which are particularly pronounced in Africa, include low rates of literacy, exploding populations, environmental deterioration, political instability, lack of effective administrative traditions, and declining economic terms of trade. The progress in subsaharan Africa is especially meagre in such areas as literacy and life expectancy when compared with that in much of Latin America and Asia.

South-South aid, and especially the bilateral aid that is the principal area of research in this report, is but one of many aspects of South-South cooperation. Many of the hoped for benefits of South-South cooperation, such as transfer of appropriate technology, can be effected through means that are unrelated to bilateral aid programs. South-South trade is a key example (Lall 1982). Furthermore, the South-South aid projects analyzed represent largely interregional cooperation, such as Asian or Latin American countries' providing assistance to Africa, and because of barriers such as distance and language, this form of cooperation can be more difficult to effect than regional cooperation. In summary, this report explores one of the most difficult forms of South-South development cooperation and describes what is taking place in the most underdeveloped continent. Whatever limitations it illustrates do not

detract from the objectives and benefits of cooperation among developing countries. South-South dialogue should be seen as a complement to North-South dialogue not as an undermining of traditional North-South negotiations. One of the leading proponents of South-South cooperation, Tanzania's Julius Nyerere (1982), has underlined this, stating: "moving towards the self-reliance of the South, or any member of it, does not mean pretending that the North is not there, or ignoring the harsh facts of our present dependence on it." If greater self-reliance, a key objective of South-South cooperation is reached, the dialogue will be based on greater equality.

Aid Effectiveness

Much of what is called South-South aid is actually barter arrangements or forms of commercial credits that do not have development as their essential objective. This means that the activities are not strictly official development assistance (ODA) as defined by the Organisation for Economic Cooperation and Development (OECD). The three essential elements, according to OECD, are that the assistance have development as its principal objective, that it be sponsored by official agencies, and that it include a concession -- a grant of at least 25%. Much of what is labeled "aid" or "development assistance" by donor or recipient countries does not meet these criteria. Although this report focuses on project and program aid, other forms, such as food aid, aid to balance of payments, and what has become known as structural adjustment lending have become increasingly important to developing countries in the 1980s.

Foreign aid is a major international financial flow that has reached almost US\$30 billion yearly (OECD 1985a). Sub-Saharan Africa receives almost one-third of the total (OECD 1985a), and the dependence on foreign aid is underlined by statistics that show, for example, that ODA receipts for Guinea-Bissau make up more than 40% of that country's GNP (OECD 1985b).

South-South financial flows are mainly from the OPEC states and multilateral agencies funded by them. Total ODA disbursements from OPEC countries have declined somewhat in recent years, from a total of \$5.4 billion in 1983 to \$4.5 in 1984 (OECD 1985b). However, for most of the aid projects or programs sponsored by OPEC, the goods, services, and technical expertise are procured in developed countries. Thus although there is a South-South transfer of financial resources, there appears to be little potential transfer of technologies from one developing country to another. Consequently, this report concentrates on projects or programs from developing countries such as China, that have developed indigenous technologies that could be transferred to other Third World countries.

Aid is controversial. In some quarters it is criticized as a means by which developed countries further their commercial interests and reinforce dependency of developing countries. In others, it is seen as a waste of taxpayers' money financing corruption-ridden projects that make little impact on development. The essential question is "Does aid work?".

Does Aid Work, is, in fact, the title of what is the most comprehensive review of aid effectiveness undertaken this decade (Robert Cassen and Associates 1986). This recently completed study examined a wide range of aid activities, conducted case studies, and surveyed the relevant literature. Here is the essence of its findings (Robert Cassen and Associates 1986, p. 11):

In the broadest sense . . . most aid does indeed "work." It succeeds in achieving its development objectives (where those are primary), contributing positively to the recipient countries' economic performance, and not substituting for activities which would have occurred anyway. This is not to say that aid works on every count. Its performance varies by country and by sector. . . . And there is a substantial fraction of aid which does not work.

The effectiveness of aid, regardless of the source, depends on many factors beyond the control of those responsible for the implementation of a specific project or program. Lack of local infrastructure,

inappropriate developmental and economic policies of the recipient government, and commercial considerations of donor states all undermine aid effectiveness. South-South aid is no more immune to these difficulties than is aid from developed countries. The field research for this report on South-South aid, however, has revealed a growing consensus among officials from aid organizations and recipient administrations about some of the current problems in aid effectiveness.

First, they are increasingly disillusioned with what can be called the "cycle of projects." This phrase is distinct from what is referred to in aid jargon as the "project cycle," describing the steps of aid delivery involving identification, appraisal, negotiation, implementation and evaluation of projects. Rather, "cycle of projects" refers to the all-too-common phenomenon of, over a long period, a series of different donors intervening in the same development sector but making little or no permanent impact. The pattern of intervention is clear: a donor establishes a project, the project seems to be filling its immediate objectives, and the donor withdraws at "project completion." However, the work of the project then seems to collapse. The host government calls in another donor to pick up the pieces, and the cycle is repeated. The project seems to be fulfilling its short-term objectives, but, again, as soon as the donor withdraws and ceases its funding, the development activity stops. And on the cycle goes, bringing with it disenchantment at both the recipient and the donor ends. The cycle is a reminder that the true measure or test of development aid is not the ability of a project or program to fulfill its goals but rather the results long term -- that is, the extent that the project or program has permanently improved the living conditions, abilities, or opportunities available to the local population or the extent that it has made sustainable improvements to the infrastructure of the host country. Aid donors and recipients are frustrated with hospitals that have no medicines, water, or electricity; schools that have no books; and roads that have become impassable because of lack of maintenance. Such conditions reflect the weaknesses of aid.

Unfortunately, bureaucratic and administrative pressures emphasize short-term results rather than long-term benefits, which are often much more difficult to quantify or measure. This is one reason that numerous cycles of projects receive funding by donors, perform acceptably according to the immediate project criteria, yet make little or no sustained contribution to development. The long-term contribution, and specifically the post-project state, is neglected in project planning and evaluation. Even projects that do not perform according to a donor's criteria are seldom stopped mid stream. When projects cease, the interventions appear to collapse because they have made no permanent changes to the developmental conditions they were trying to affect. The illusion of improvement and collapse has led to an appreciation that development cooperation, especially in the difficult African context, has to be conceived as working over a much longer time than had previously been envisaged and that the designs for aid projects and programs must build in elements that improve the potential for sustainable impact. (Some suggestions as to how a project can be designed to enhance sustainability will be provided later in this report.)

Often, recipient governments cannot sustain developmental activities upon completion of a project or program simply because they do not possess the financial resources provided by the donor and cannot meet recurrent costs. To carry on the developmental activity, therefore, they call on another donor to fill the gap, and, if need be, a third or fourth, repackaging and recycling the project. Then, what may have started as a one-time aid effort turns into permanent aid funding of entire development sectors. Rather than diminishing dependence, the aid increases dependence on foreign governments and produces an "assistance mentality" among aid-receiving governments who focus their meagre administrative resources on attracting more aid flows rather than on the broader objectives of development. One of the essential objectives of foreign aid is that it promote conditions where it will one day no longer be needed; in other words, aid should try to reduce dependence on aid. Consequently, even

before an aid project or program is implemented, careful attention should be given to how the aid donor can withdraw its support yet maintain project benefits. This may entail longer interventions with phased withdrawal over longer periods, or it may mean ensuring that local mechanisms for funding will be established to cover some of the operating costs. Only with such planning can foreign aid's contribution to development last much longer than a particular intervention.

The plan must anticipate the maintenance of machines and vehicles to be provided in a development project. Often large investments in machinery or project vehicles are wiped out in a relatively short time because of poor maintenance or lack of funding for parts.

It must also take account of what else is going on in an area. There is a growing consensus on this need for better aid coordination, whether the coordination be by donors, by donors and recipient governments, or by recipient governments. The great number of aid projects operating at the given time and the great variety of donors make it exceedingly difficult for recipient governments to integrate the aid offered into its national development plans and to make rational choices about future aid packages.

In many developing countries, especially the least-developed, state administrations, lacking adequate personnel and financial resources, are simply unable to cope with the volume of paperwork, research, and analysis that the rational selection and the effective administration of aid projects demand. Many African countries are currently unable to keep track of the myriad of governmental and nongovernmental organizations involved in aid delivery within their borders, let alone to establish effective means of integrating aid into their national planning. The way to deal with this situation is not only to upgrade the administrative capabilities of developing countries' governments but to keep the administration of donor-funded projects as simple as possible and, in some cases, to question whether an intervention, by overloading the administrative capacity of the recipient government, may bring on unintended harmful effects. Attempts at improved donor coordination have

increased substantially over the past few years, with a proliferation of donor "roundtables" and coordinating conferences, and perhaps there will be improvements.

Certainly, the consensus among aid donors and recipients is that the scale of projects as well as the scale and appropriateness of the technologies used in projects, is a strong determinant of success.

All these themes permeate South-South aid as much as North-South aid as can be seen clearly from case studies of aid projects in West Africa.

THE CASE STUDIES

Aid interventions in Senegal, Guinea-Bissau and Ghana were reviewed. The projects studied were in health care, agriculture, fisheries, construction, and education. The donors included the People's Republic of China, Taiwan, North and South Korea, India, Algeria, Tunisia, Libya, the Palestine Liberation Organization, Egypt, Brazil, Argentina, and Cuba. The great variety of donors and types of projects or programs suggests that any general observations about South-South development assistance are to be treated with caution; observations valid for one donor may not apply to another. To evaluate projects, I began by drawing up brief histories, which were highly useful as I examined how South-South development projects emerged and where difficulties arose during implementation.

A number of projects from developed country donors were also evaluated. By reviewing both South-South and North-South projects operating simultaneously in a developmental sector, I obtained an enhanced picture of South-South aid and obtained some unexpected research findings.

The major criteria used for project evaluation were:

Financial terms and conditions -- details of the loan/grant mix, interest rates for loans, duration of loans.

Procurement -- extent to which the project was tied to the purchase of goods and services from the donor country.

Scale -- the effects of the project size on the use of appropriate

technologies and participation of beneficiary populations.

Techniques of production -- the extent of mechanization and the degree of labour intensiveness.

Technology transfer and development -- the extent that the project not only transferred technologies to the recipient country but also promoted the development of indigenous technologies.

Choice of project technology -- the rationales for the choices made in the project.

Training -- allowance for and organization of efforts to impart skills, the possibility for future use of the skills and for further transfer of skills.

Participation -- the opportunity for inclusion of beneficiary populations in the project and the extent of consultation with local groups.

Dependence -- the extent of long-term reliance on imported technology, expertise, and material inputs.

Field administration -- the structure of relations between the foreign nationals and local populations.

Nature of project outputs -- the technologic complexity; the targeted market (low or high income), the relevant market (local, national, or international), and the quality standard.

Major Findings

One of the outstanding conclusions from the field research is that there is a strong commercial flavour to much South-South development assistance. In many cases the commercial component is so strong that interactions would more accurately be called "trade" than "aid." However, in official government communiques and the media, both the donors and the recipients refer to the projects as aid, development assistance, or development cooperation. Whatever the label, some projects are more commercial than developmental. For example, Brazil loaned money to Ghana and Guinea-Bissau almost at commercial terms mainly to finance the purchase of Brazilian-manufactured products such as tractors and

automobiles. Also, the Brazilian government offered to finance the installation of a sugarcane refinery in Guinea-Bissau and sent the machinery despite a decision that the plant was unsuitable for local conditions. The Guinea-Bissau government refused to accept responsibility for the shipments so the equipment still sits in the original packing crates in the city of Bissau.

A different commercial dimension to South-South "aid" is found in barter arrangements whereby a recipient country offsets the donor's costs by reimbursements of local products. One illustration is Cuba's agreement to provide a factory for prefabricated housing materials in exchange for a quantity of Ghanaian cocoa. A slightly different form of barter arrangement is China's project to build wooden fishing boats in exchange for future fishing rights in Guinea-Bissau territorial waters. Other projects by the People's Republic of China incorporate the supply of light consumer goods to be sold on local markets to raise counterpart funds.

Similarly, a "worker managed" farm in Yugoslavia, in exchange for equity, has arranged to provide technical assistance to a corporate farm established by a Ghanaian tribal group.

The fact that a significant amount of what is called South-South development cooperation is influenced by commercial considerations should probably not come as a surprise; indeed, this has been one of the most frequent criticisms of North-South aid, especially bilateral aid. As well, many developing countries, especially those with large international debts such as Brazil, are under intense pressure to increase exports. The lack of foreign or "hard" currencies is a principal factor behind existing barter arrangements, whether the arrangements are called "aid" or "trade," and many representatives of developing countries stress that developing countries, as donors, still have relatively poor economies and simply cannot afford to give their assistance away under generous conditions. They believe there has to be some financial return or aid interventions will not occur.

Whatever the reasons for commerce in South-South aid, it can

undermine the contribution to development, as in the case of North-South aid, and it should be reduced as much as possible. The transfer of inappropriate technologies and continued commercial dependence on a donor state are two obvious negative results from commerce in aid projects.

The financial terms and conditions of Southern donors vary greatly, too greatly to permit generalizations. In my review, I found that grant terms for aid projects were rare. However, the conditions set out by one of the chief South-South donors, the People's Republic of China, are highly liberal: for example, one Chinese project in Ghana stipulated 0% interest, 20 years to repay, with a 10-year grace. Argentina and Brazil were at the other end of the generosity spectrum: Argentina's lending to Senegal and Brazil's to Ghana were at close to commercial bank rates. The extent to which South-South donors linked their projects to procurement of goods and services also varied considerably. The PRC tended to use its own equipment and materials and, on occasion, to stipulate the use of construction equipment from other PRC aid projects in different African countries. Other donors, such as the Palestine Liberation Organization, viewed procurement as less relevant.

One apparent weakness in the approach by some Southern donors was inadequate attention to the scale of projects. For several, "bigger is better" despite the lessons from history in Western aid to development. For example, Yugoslav sponsors of an agricultural project in Ghana took great pride pointing out that their project was the largest agricultural operation in the country. The project was on such a scale, being highly mechanized and capital intensive, that there could be almost no transfer of relevant agricultural techniques to the local farming population, who farmed at a subsistence level. Parallel to the problem of choosing inappropriate scales of projects was the desire for "prestige" projects -- projects with high visibility in a host country. Throughout West Africa the PRC has constructed sports stadiums and national governing party headquarters. Although these projects fulfill certain recreational or cultural needs, they usually do not reflect national development

priorities.

The effects of project scale and technology choice are clear in aid interventions in the Senegalese Casamance region. Much of the agricultural land in this region has suffered because of drought and salt infiltration from coastal rivers and streams. In response, the PRC started constructing a large dam for water control. With the same goal in mind, the Agency for International Development, the American aid agency, financed a series of small-scale dams, in which the principal beneficiaries -- peasant rice farmers -- participated in site selection and construction so they later assumed maintenance. Evidence was that these small dams were more effective than the large dam for water control and salt prevention. They had a further advantage in that they could be built almost exclusively with local materials and labour. In contrast, the Chinese dam required the imports of heavy equipment and skilled engineers and trades people. Although the Chinese employed some Senegalese as construction workers, there was almost no contact with the local peasant populations on the part of the aid donors.

A similar contrast is evident when one compares a Chinese rice-growing project with an American one in eastern Guinea-Bissau. The Chinese approach involved the construction of a series of irrigation canals fed by water lifted by a diesel pumping station situated on a nearby river. The American approach was centred on the construction of a series of simple dikes and terraces for water control. The peasant farmers built and maintained their own terraces relatively cheaply and significantly improved the productivity of the land without expensive fuel inputs. A shortage of fuel in Guinea-Bissau resulted in a temporary shutdown of the Chinese system and caused the loss of a major portion of one season's crops. The point is that projects, whether they be for rice growing in Guinea-Bissau or dam construction in Senegal, have to be appropriate in scale and technology for the context. Northern donors devote much attention to finding scales and designs that permit local participation, with the result being enhanced effectiveness. So far, Southern donors

seem to lack appreciation of these components of project design.

Senegalese officials describe the success of the small-scale dams financed by AID and emphasize that the farmers, because they helped choose the dam sites and worked in their construction and maintenance, had a greater stake in the project than if the dams had been constructed by outsiders and handed over to them. As well, in Senegal a review of agricultural interventions in the Casamance region suggested that the lack of peasant involvement in rural development projects sponsored by both Taiwan and China seemed to be one of the major weaknesses of these donors' interventions. During the projects, the Taiwanese and the PRC technical workers had a reputation for working alongside the peasant, which won them great respect from the local population. However, many of the demonstrations did not leave a lasting impression on the peasant farmers, and the technical advisers tended to do much of the peasants' work so that they could ensure project success. The net effect undermined the impact of the aid interventions, and the benefits seemed to disappear rapidly after the Taiwanese and PRC projects teams withdrew. Such experiences, according to one Chinese aid official interviewed in Ghana, have led to increased emphasis on project designs that incorporate appropriate scales and methods for durable transfer of skills.

In evaluations, I found generally little effort devoted to choosing appropriate technologies in South-South aid projects. Aid officials who could have had some influence over technology choice usually maintained that the technologies chosen represented the most economically or technically efficient means of "getting the job done." Another justification for technology choices was that the technology used in a specific project was also used in development projects elsewhere by the same donor and should therefore be "acceptable" for the current recipient. This attitude that experiences can be reproduced was common to projects funded in the past by developed countries. It was apparent in comments to me by engineers from the PRC who said that their country has been moving away from labour-intensive techniques and would probably follow a similar

approach to construction projects in other developing countries.

One weakness in present PRC construction projects, such as the building of sports stadiums, is the almost complete absence of organized training of local personnel. Although a large number of residents are employed as construction workers, any skills that they acquire during the projects are acquired uniquely through on-the-job training. Although many skills can be learned this way, the potential for training is greatly diminished unless there is a pattern of organized instruction along with practical experience. In any case, the Chinese construction projects I studied treated training as incidental to the larger objective of completing the project on schedule. This was a tragic waste of opportunity, given the numerous skilled Chinese present on the project sites and the range of useful skills that could have been imparted to the local labour force. A major obstacle to such organized training was language. Often, the only Chinese aid worker who could speak the language of the host country was a project interpreter who had tremendous demands placed on his or her services. The lack of familiarity with local languages militated against any training other than for skills that could be taught by simple visual demonstration. However, other Southern donors, the Cubans in particular, emphasized effective training as an integral component of their development assistance.

Cuban health care officials I interviewed in Guinea-Bissau emphasized that African nationals who complete advanced training in the donor country often do not wish to return to their home country. This brain drain is especially significant in such areas as medical training. To help avoid the problem, the Cuban government has announced the establishment of a medical school in Bissau, staffed by Cuban doctors and medical scientists, to train Guinea-Bissau medical students within their home country. There are a number of advantages to this approach: lower cost of training, a greater sensitivity to local health problems, and much less likelihood of a brain drain.

One area of project implementation where Southern donors seemed to

have a clear cost advantage over their Northern counterparts was that of project administration. Administrative support costs for personnel, project accountants, inventory surveillance, etc. are often highly expensive items for Northern donors. By comparison, Southern donors allocated a much smaller percentage of total resources to project and personnel administration, without seeming to harm overall project efficiency. Some Southern donors effected administrative controls and tasks by dividing up administrative responsibilities among project technicians; this sharing of tasks negated the need to hire specialist administrators.

The living standards of aid workers from developed and developing countries are another interesting area for comparison. Northern aid agency officials working in developing countries usually earn incomes that are multiples of the national average of the host country. As well, aid officials tend to be based in the national capital of the host government. Thus, these aid officials have living standards and lifestyles similar to those of the recipient country's elite. They are insulated from the developmental conditions of the host country and can lose the urgency to improve overall conditions. Are the living conditions of Southern aid workers closer to those of the host country populations than are those of their Northern counterparts? For most of the Asian donors examined, as well as the Cubans, the answer appears to be yes. Project workers and technical assistants from these countries usually receive incomes much closer to the national average of the host country than do their Northern counterparts and they are more prepared to live according to local conditions. However, maintaining living standards close to the national average of a recipient country does not necessarily mean more effective projects, nor even better communications with local populations. For example, although the living conditions of aid workers from the PRC were often similar to local living standards, social contact with the African populations was extremely limited. PRC aid workers always lived in compounds separate from local communities and usually had almost no

contact whatsoever with local residents. Even on the job site, the PRC workers lived in barracks separate from the local workers and ate in separate canteens. Some of the Cuban teams I visited also lived in separate compounds with restricted access.

Was there any general tendency for South-South aid projects to be focused on poverty reduction or aid to disadvantaged groups? The types of projects and programs offered by the major donors were highly mixed, but in general poverty reduction did not seem to be a major targeted area. However, many developing country donors, especially the Asian countries, did have a large number of projects in agriculture, which is currently identified as Africa's development priority. The Cubans emphasized assistance in the areas of health and education. However, in the case of Guinea-Bissau, the Cuban assistance was exclusively in the urban areas of the country: barefoot rural doctors were not to be found. For many developing country donors, such as Egypt and some of the Maghreb countries, development assistance consisted almost solely of technical assistance and emphasized Arab-language instruction.

This brief review of South-South aid projects suggests policies that could guide both South-South aid donors and recipients to make this form of development cooperation more effective.

POLICIES TO GUIDE SOUTHERN DONORS

Developing countries wishing to engage in South-South developmental cooperation should be aware that such projects are more likely to be successful if they build on developmental commonalities between the donor and recipient. The commonalities might be language and administrative systems or developmental problems. For example, areas of northern Brazil have been afflicted by drought, and much research has been conducted in these areas on agronomic practices that combat drought and on drought-

resistant plant species. Such research would be highly relevant to the African Sahel.

Also, potential donors should, as a matter of policy:

- Attempt to create sustainable benefits, examining how project-related development work can continue after aid is withdrawn. Both donors and recipients need realistic expectations about funding, considering, for example, the introduction of mechanisms to generate funds from local, nongovernmental sources. The projects themselves may have to generate revenues.
- Provide technical training and skills that can be integrated into local economic conditions and social patterns, not merely tied to the requirements of project completion.
- Keep local counterpart obligations to a minimum.
- Adopt the transfer of skills as a central objective, not merely as an incidental benefit in project completion.
- Choose appropriate technologies, especially during project negotiation and design.
- Design projects to scales that provide opportunities for participation by the local beneficiaries.
- Promote training of civil servants, scientists, and administrators in other developing countries, undertaking exchanges of personnel to increase potential contacts for South-South technology transfer.
- Introduce educational and informational programs for key administrators to familiarize such personnel with South-South development assistance as an option with long-term value.
- Ensure that training in local languages is provided to aid workers.
- Limit as much as possible the "tying" of South-South aid to commercial objectives.

POLICIES TO GUIDE AID RECIPIENTS

Like donors, aid recipients can enhance the effectiveness of South-South aid projects through a number of policy initiatives. For example, during project negotiations, they can emphasize the impact of technologies and project scale and work to maximize a project's component of training. Emphasizing these points would not entail additional costs or administrative burdens but should lead to more effective projects and programs.

Also, aid-receiving governments should show responsibility when making commitments to provide local counterpart funding. In a large number of the aid projects I reviewed, the donor agencies had to take over local obligations because the recipient country could simply no longer meet them. This caused disruptions and, often, ill-will that could have been avoided. Donors complained about the defaulting and also about inefficient administrative practices by the host country governments that slowed project implementation and undermined project effectiveness. Some of the practices derive from a lack of administrative resources but many are the result of regulations, such as customs and importation laws, that are irregularly enforced and are time-consuming. Much bureaucratic "red tape" can and should be avoided.

Governments in the least developed countries should be careful to concentrate their administrative resources on attracting aid projects that match immediate development priorities and ensuring that projects can be supported by domestic infrastructures. Many projects make little impact on development because basic infrastructures are not present. In Guinea-Bissau, for example, all donors, whether from developed or from developing countries, complained about the lack of development priorities and basic infrastructures in the country. Even most of the capital city, Bissau, is still without electricity, and those areas of the city that do get some service face regular disruptions. Consequently, any project that used electricity faced interminable delays and interruptions. Many aid agency

offices had to supply their own generators at great additional cost. Other difficulties in Guinea-Bissau included a shortage of petroleum products: in early 1986, national transportation was paralyzed and numerous aid projects were adversely affected. Both the fuel crisis and the poor electrical service reflected poor administration by the national government and generated great cynicism about the aid process in the country.

In summary, policies can improve the quality of South-South aid and can be adopted by both donors and recipients. However, the benefits of South-South aid, as those for North-South aid, depend not only on effective aid policies and implementation but also on the social, political, and economic context. In such a context aid can assist developmental objectives, but the inspiration for development must come from within a nation.

TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

Greater use of technical assistance among developing countries, or TCDC, as it is often referred to, is seen as a means of reducing dependency on the expertise and technologies of the developed world. The advantages for developing countries are manifest: the assistance provided is of much lower cost because pay levels of qualified experts in developing countries are generally much lower than those in developed countries. In fact, the cost of technical assistance from developed countries is reaching almost scandalous proportions. This expertise, when salaries and support costs are totaled, can easily run in excess of US\$100 000/year, and figures much higher than this are common. However, not only should South-South experts be substantially less costly, they should have the added advantage of having work experience more relevant to the constraints and conditions of developing countries and thus may be able to work more effectively than their Northern counterparts. Many experts l

interviewed from developing countries mentioned that conditions in Africa were similar to those in their native Latin America or Asia. TCDC has the further advantage that it can help reduce the problem of brain drain, where professionals from developing countries, seeking higher salaries and career advancement, migrate to developed countries. Increased transfer of appropriate technologies is another possible contribution that TCDC can make; experts from developing countries may be familiar with technologies available in other developing countries and be willing to attempt to introduce them to the host country in which they are working. Finally, TCDC can strengthen developing countries' capacity to absorb technologies from developed countries. The manifesto of the TCDC movement, the Buenos Aires Plan of Action, states in its introduction (cited in Menon 1980, p. 124):

TCDC is neither an end in itself nor a substitute for technical cooperation with developed countries. Increased technical cooperation of the developing countries is required for the transfer of appropriate technologies and also for the transfer of advanced technologies and other expertise in which they have manifest advantages. . . . TCDC can serve the purpose of increasing the capacity of developing countries to adapt and absorb appropriate inputs from developed countries.

However, my field research revealed a paradox regarding TCDC: although the governments of recipient countries recognized many of the advantages of TCDC and proclaimed its desirability, many still openly preferred the technical assistance granted by developed countries. There seemed to be three essential reasons for this paradox. One was that although technical assistance from developing countries could often be delivered at a much lower cost than that delivered by developed country donors, this cost difference simply did not matter to the recipient government because in most of the projects and programs analyzed, the costs of assistance were paid by the aid donor and not the aid recipient. In the eyes of the aid recipient, it made little difference whether the cost of the technical assistance was US\$10 000 or US\$100 000 annually.

Also, many recipient governments simply felt "comfortable" with the technical assistance from developed countries and saw no pressing need to change. Over a long time, close working relationships had emerged between the developed country donor and the aid recipient, and the recipient government probably felt that the donor was familiar with the technical assistance needs and developmental conditions of the country. As well, communication links and bureaucratic connections become established between donors and recipients, thus adding to the ease and speed with which technical assistance can be provided. This often is in contrast with the comparatively lengthy times it takes for some TCDC programs to materialize. During my field research one African planning official commented that although his government was aware of technical assistance from other developing countries, the process for receiving the assistance involved working through a UN agency and would take months as opposed to a matter of days for receiving equivalent expertise from a specific Northern donor. This remark underlines the third major barrier to TCDC: its frequent lengthy delivery time.

One of the obvious barriers to expanded TCDC is bureaucratic lassitude, which is manifest when decision-makers are aware of the potential for TCDC but for reasons of habit and convenience continue to rely in many sectors on the assistance of a few key bilateral Northern donors. Unfortunately, policies that endorse the desirability of promoting TCDC do not seem to be adequate to effect such cooperation. To help bridge the gap between policy statements and actual TCDC implementation, countries could establish targets or quotas for technical cooperants and expertise from other developing countries. The ministries of planning in two of the three countries studied, Senegal and Guinea-Bissau, maintained lists of all the visiting technical experts that were provided through different aid agreements and technical assistance programs. Consequently, they could, without difficulty, establish targets or quotas for expertise in different developmental sectors. The targets or quotas could be dynamic, gradually being increased over time. Once the

effectiveness of TCDC can be established in the eyes of the beneficiary governments and networks of TCDC contacts become established, the dependence on technical assistance from developed countries can be more easily reduced.

One potential benefit of TCDC is enhanced training and upgrading of personnel. The development of human resources has been one of the major areas targeted by the UN economic commissions for Africa and for Latin America in an interregional program for the promotion of technical and economic cooperation between Africa and Latin America (ECA/ECLA 1985). A number of Latin American countries have highly advanced training systems and much experience that could be shared with developing countries in Africa. However, during the course of my field studies, it was clear that a chief obstacle to greater cooperation between the two continents was the lack of available funding in Latin America for the support of training for Africans, despite the great desire of many Latin Americans to promote this cooperation and the available capacity in their training institutions. In several instances the United Nations system has paid air fares or maintenance costs to Latin Americans to train Africans in the countries I studied.

Nevertheless, the potential of South-South aid projects for the transfer of skills and training is given little attention over all -- one of the major weaknesses of South-South development cooperation in general.

TECHNOLOGY TRANSFER

In this report the definition of technology is wide; it includes skills, processes, and techniques as well as machinery. Technology is a key to development; yet technologies imported from industrialized nations may not be appropriate to local conditions; by being concentrated in modern and urban sectors, they make little contribution to life in the rural and traditional areas, and such technological dependence may

undermine indigenous technological research and development, thus further cementing dependency.

To what extent can South-South aid diminish this dependency? The answer to this question requires an examination of a number of issues. First, one needs to examine the extent that South-South aid projects include technology transfer and the selection of appropriate technologies. One also needs to analyze the policies of donors and recipients that promote or hinder the use and transfer of appropriate technologies in aid projects. Relevant also is the long-term impact of South-South aid on the technological capacity of beneficiary countries. The central theme is choice of technologies in developing countries and choice of technologies in aid projects.

In the South-South aid projects I reviewed in West Africa, none of the major donors had a policy to promote the transfer of appropriate technologies. The recipient countries, such as Ghana, that did have national policies favouring appropriate technologies did not apply them to the major foreign-aid projects introduced into the country. Clearly, many developing country donors gave little consideration to whether technologies used in their projects were relevant to the needs of the local populations they were ostensibly assisting. Two illustrations of this were Yugoslavian and Palestinian interventions in agriculture, where the extent of mechanization and the types of crops produced in the aid projects were such that they were almost irrelevant to the agriculture practised by the local farming populations. However, the reasons for the presence of inappropriate technologies in aid projects, and in developing countries in general, run much deeper than the simple lack of a policy or general objective to promote the transfer of appropriate technologies. To understand the factors behind the choices of technologies, one can start by examining the "official" reasons given for the use of certain technologies in South-South aid projects.

During the research interviews, most administrators of South-South aid projects that could have had some influence over choice of project

technology frequently cited experience in past aid projects as the reason for the technology chosen. They indicated that the technologies being used were generally "acceptable" and, if pressed for further reasons, generally gave unsubstantiated statements of engineering and economic efficiency. Yet it is clear that the choice of technologies in aid projects, and in developing countries in general, is the result of numerous factors, many of which go beyond simple economic analysis.

One exciting new theory about influences on choice of technology in the Third World comes from the French researcher Daniel Thery (1984) and is highly relevant to the issue of technology choice in aid projects. Thery's basic thesis is that in the selection of technologies in the Third World there is a bias toward the selection of western technologies; the phrase "Biais Mimétique" is used to describe this concept. What is relevant about his theory is that it maintains that the bias arises from factors, outside traditional economic analysis, in the political and cultural context in which technology choices are made. Some of the reasons for the "biais mimétique," claims Thery, are exogenous, that is, coming from forces separate from the decision-maker, such as the pressures of foreign sellers and aid donors, or the lassitude of Third World administrations failing to seek alternative sources of technology. Other factors are endogenous: these factors largely reflect cultural values. For example, key administrators in developing countries who have influence over technology choices may instinctively choose technologies from developed countries over developing countries for reasons such as wanting to appear modern (i.e., Western) to administrative counterparts in the aid donor agencies. Education in a developed country may have instilled the technological preferences; or an administrator may have a cultural identity with a specific developed country. Although certain aspects of Thery's theory are difficult to prove, particularly the impact of "cultural inferiority complexes," some evidence of "mimétique" was gleaned through my interviews with officials responsible for technology selection.

The issues of choice of technology and the promotion of appropriate technologies are inextricably linked. One of the objectives of South-South cooperation, according to such statements as the Buenos Aires Plan of Action (Menon 1980, p.126) is to promote among developing countries the "transfer of technology and skills appropriate to their resource endowment." This reflects the observation that much of the technology transferred in traditional development aid has been inappropriate to the conditions of developing countries. A United States House of Representatives report succinctly summarized the problem (Fluitman and White 1981, p. 54):

The experience of more than a quarter of a century of development assistance programs overseas has clearly demonstrated that much of the technology used in the United States and other industrialized countries is not well suited to the economies of developing countries. It is too big, it is too expensive and it does not create the jobs needed to absorb rapidly expanding labour forces in countries which already have an abundance of labour.

This observation is not new, nor has it escaped the attention of numerous aid and research agencies. However, since the rise of the appropriate technology movement more than a decade ago, most of the effort and funding to promote appropriate technologies has gone into research activities. Diverse Northern aid agencies have provided funding for the support of appropriate technology institutions in both developed and developing countries. However, generally little research has been undertaken on the transfer of technologies through foreign aid, and specifically on a question that is key to the transfer of appropriate technologies, namely, the choice of technologies in development aid.

One study conducted for ILO (International Labour Organization) does stand out in this area (Fluitman and White 1981). "External Development Finance and Choice of Technology" attempted to analyze some of the policies and procedures of bilateral and multilateral aid donors that influence the choice of technology in development projects. The study

emphasized that aid donors and recipients should be concerned about choice of technology in aid projects to avoid what it termed misinvestment, which, broadly defined, describes aid financing that actually promotes the ongoing underutilization of productive capacity in a recipient country. The underutilization of capacity, a common problem in developing countries, is often blamed on such structural factors as small domestic markets or local labour limitations. Yet this underutilization of capacity and misinvestment are exacerbated, for example, by technologies that reduce employment opportunities rather than create them. Said Fluitman and White, the authors of the report (1981, p. 19): "Whether misinvestment is obvious or not, technology in development aid projects may be considered inappropriate, when known and available technological alternatives would have been more capable of meeting the development objectives of the recipient and the aid donor." Because project planners have various degrees of influence over project technologies, they must bear some responsibility for misinvestment when it occurs.

Although choosing an appropriate technology can be essential in reducing misinvestment and in attaining project objectives, interviews conducted for this report revealed that choice of technology was only infrequently a subject of debate among aid decision-makers. The ILO study made similar observations and outlined a number of donor policy and procedural biases that adversely affect technology selection in aid projects (Fluitman and White 1981, p. 50).

One of the outstanding donor policies that affect choice of technology is that of aid tying. Aid may be tied to a specific source of procurement, usually the donor country, or it may be restricted to the financing of the import content of projects, which means it cannot be used for local costs or inputs. One effect of aid tying is that it limits the choices of technologies that could be used in a project, and often the final choice of technology is made on the basis of what is best for exporters in the donor country rather than on the basis of what is in the developmental interests of the aid recipient. The ILO report also listed

a number of "biases" that affect the choice of technology in aid programs; among the more serious are (Fluitman and White 1981, p. 64-65):

- The fear of donors that already lengthy procedures would be prolonged by considerations of unusual proposals or by potentially unsuccessful searches for more appropriate technologies; this fear leads to the choice of a "standard" technology.
- The insistence of donors on international bidding or on the indivisibility of contracts. This insistence leads to the exclusion of local suppliers even in cases in which they could provide part of the needed technology.
- The mechanistic procedures in the drawing up of specifications and an insistence on internationally recognized standards of design and quality. This approach leads to a choice of equipment that does not suit local conditions, the scale of the domestic market, or the skills locally available.

As well, conflicting policy objectives of donor countries may influence the types of technologies selected in aid projects. For example, the desire by a donor nation to promote both "aid" and "trade" is a major factor behind aid tying. This has become especially manifest among some major bilateral donors as the pressure to promote exports becomes intense. A different sort of conflicting policy is found at project implementation. At this stage, the desire for adhering to such internal management objectives as keeping overhead costs down, adhering to project timetables, meeting commitment and disbursement targets leads agency officials to favour large and familiar projects and to avoid lengthy searches for technological alternatives (Fluitman and White 1981, p. 50).

Not only do formal aid policy and procedures affect the selection of technologies but so does the influence of individual aid agency personnel. Thus, in any analysis of the formation and implementation of aid projects, the "human factor" should not be disregarded. However, the ILO study found

that most aid officials believed that their individual influence over the choice of technology was slight, the reason being that many questions of project design were normally settled by the time the aid agency received a proposal (Fluitman and White 1981, p. 61). Accordingly, the report isolated a specific point in the project cycle that appears to be crucial to the selection of technology used in the project, a point that falls early in the project cycle. It is generally the interval after a donor agency has received a formal request for an aid project and before it has formulated the first reaction to the request (Fluitman and White 1981, p. 63).

However, one reason that little analysis of the appropriateness of project technology takes place at this phase is lack of time in the bureaucratic process. Not only must a case be made for the change in technology or project design, a change in project design may also require more and lengthy negotiations with representatives of the host country. However, notwithstanding time constraints and natural bureaucratic inertia, it is at this stage of the project cycle where even a bit of additional effort by aid administrators can have a substantial impact on the choice of technology, a fact that should be borne in mind by both aid donors and recipients.

Some Western donors, such as agencies in Canada and the UK, have advisory staff who provide technical expertise early in the project cycle and have significant influence on the choice of technologies in projects. The ILO report found that the effectiveness of these technical staff depended to a large extent on their cooperation with geographical desks that frequently are responsible for processing project proposals. Again, the necessity for early intervention in the project cycle was stressed (Fluitman and White 1981, p. 75): "Whatever the organizational structure, it appeared time and again . . . that the key to identifying appropriate technologies for specific aid projects lay in close cooperation between generalist loan officers and technical experts from an early moment in the project cycle onwards."

Another factor that seemed to promote decisions favouring appropriate technologies was the use of resident field missions by aid donors instead of relying on short visits by experts (Fluitman and White 1981, p. 78). Resident field missions are in a better position than groups on short visits to gain indepth knowledge of local developmental conditions and priorities as well to evaluate local resources such as labour availability.

If the time between the aid agency's receipt of a request for development assistance and that agency's first response is a key phase for the donor's technology selection, the parallel key stage in the project cycle for technology choice by the recipient government is during the preparation of the initial request. It is here, and not after the package has already been prepared by the donor, where requests by the aid recipient for the types of technologies desired should be put forward. However, at this point one of the key difficulties is that the countries most dependent on aid -- the least developed countries -- are least likely to have the administrative capacity to match their aid requests to the appropriate donor with the appropriate technologies. As well, the recipient government, for reasons varying from domestic political pressures for certain prestige projects to commercial pressures, may wish to choose project scales or technologies that are inappropriate.

BARRIERS TO SOUTH-SOUTH DEVELOPMENT ASSISTANCE

Many of the barriers to effective South-South aid stem from the high degree of dependence many developing countries have on the industrialized North. The economic dependency of developing countries on the developed world is the most salient aspect of this dependency, a dependency that is often reinforced by commercial agreements and diplomatic accords. Many developing countries import most of their modern-sector manufactured goods and technologies from developed countries and are reliant on developed

country markets for the exports. Trade dependency is particularly apparent for the least developed countries, where lack of diversification renders the economies particularly fragile and economic innovation is highly risky. For Third World countries whose economies are based on the export of primary commodities, the terms of trade have deteriorated significantly this decade. Although attempts have been made at commodity producer cooperation, many exporters of primary products look upon other developing country exporters as economic competitors rather than partners, a condition that undermines the potential for economic cooperation.

A further relevant factor is the heterogeneity of developing countries. Simply put, developing countries vary tremendously in the levels of development attained, the languages used, the religions supported, and the cultures in place. Further compounding these differences is the nation-state system, where the interests of national governments inevitably seem to dominate broader regional interests. Although this diversity is not in itself an obstacle to South-South cooperation, it can directly affect the quality of South-South aid. For example, the gap between the technological capacities between developing countries can be such that technologies transferred in South-South projects may be just as inappropriate as some of the North-South transfers that are made. This should not be unexpected, since the technological capacities in advanced developing countries such as Brazil are so far beyond those in countries such as Guinea-Bissau.

Differences in language can also affect South-South aid. The colonial legacy of the division of Africa into different European language groupings is still one of the most divisive influences on the continent. Language has tied African countries culturally to a former European colonizer, even decades after independence. For one thing, administrators in recipient countries have a tendency to seek aid from donors who speak the same language. Differences in language also restrict the flow of technical information among developing countries and affect project implementation when foreign aid workers are not acquainted with local

languages.

Poor communications between developing countries are a further barrier to enhanced South-South cooperation. For many African countries, especially the least developed countries, international telecommunication channels still pass through the former colonial power, and it is often easier to contact a European country from Africa than it is to reach a neighbouring one. International air transportation links from many developing countries are frequently stronger with certain Northern destinations than they are for other developing countries. As well, one channel of information on possible South-South development assistance, that of diplomatic contacts, also may have a bias for the developed countries, where many Third World governments focus their diplomatic representation. In sum, numerous information channels seem to entrench the North-South dependency and may consequently limit consideration of the South-South option. It should not be surprising then that lack of information on available South-South technical or economic assistance may be common among many developing country administrators. Furthermore, these administrators simply may be accustomed to working with aid projects from Northern donors, donors that may have had longstanding relationships with the host administrations. Over time, close personal relationships emerge. What is perhaps more significant, however, is that numerous officials in developing countries have a vested personal interest in selecting Northern aid projects. Frequently these projects provide host country administrators with perquisites such as project vehicles or trips to the donor country for conferences or specialized training. Furthermore, many developing country officials have cultural or other affinities with certain Northern donors and these influence their attitudes toward choice of aid projects. The essential pattern is clear: in many developing countries a series of influences bias recipient country administrators toward acceptance of aid projects from developed countries such that they may never consider projects originating from other developing countries.

Some of the most significant barriers to broader South-South cooperation are actions of developing country governments. Such actions as the closing of borders with neighbouring countries or expelling workers of foreign nationality, usually the result of domestic economic and political pressures, are prime illustrations of acts that counter the spirit of cooperation. Unfortunately, these actions are not uncommon in many African regions. The willingness of many developing country leaders to endorse the principles of South-South cooperation at international conferences, yet establish policies hostile to immediate neighbours at home, greatly undermines the potential of enhanced cooperation among developing states.

Attitudes can present another obstacle to South-South cooperation. However, evidence from my field research suggested that direct manifestations of uncooperative attitudes among developing country administrators were rare; indeed, most officials interviewed appeared highly supportive of South-South development cooperation. Yet, many of the dimensions of attitudinal barriers are difficult to measure and impossible to quantify. In general, it seemed that cultural or linguistic barriers had a much greater limiting effect on South-South cooperation, generally in the area of selection of potential aid projects, than did any latent hostility of Third World officials to the concept of greater cooperation among developing countries.

DEVELOPED COUNTRIES AND SOUTH-SOUTH AID

What can developed countries do to promote South-South development assistance? Before answering this it may be useful to raise another question, namely, why should developed countries promote South-South cooperation? The justification for Northern donors providing financial support for South-South cooperation is analogous to the reasons given for contributions to multilateral aid agencies: the donor, although giving up

a degree of control over its financial contribution, may be contributing to a more effective form of development assistance. Northern donors financing TCDC can justify expenditures to Northern taxpayers by explaining that because technical expertise from developing countries may be available at a fraction of the cost of Northern counterparts, the same aid contribution can finance much more development work. Simply put, by financing TCDC, the Northern donor receives more product for its development buck.

Lack of financial resources is one of the most significant barriers to greater economic and technical assistance among developing countries, and "third party" contributions to this effort could diminish the barrier. At present, some agencies such as the United Nations Development Programme (UNDP) have programs to assist developing countries in sending technical assistance to other developing areas by providing "bridge" financing that covers costs such as airfares and maintenance for experts. Northern donors would do well to imitate such programs.

Also, aid agencies from developed countries could utilize expertise from developing countries in their own aid programs. A number of Northern donors already engage in this practice, but some pay experts from developing countries less than they pay their own nationals and have to rethink this discrepancy in light of the principle of equal pay for equal work. Yet, compromises can usually be worked out, as they have been for recipient country nationals who are employed by Northern donor agencies in the recipient country. These employees usually receive incomes somewhat greater than the national average of their own country but less than the incomes of donor country nationals working in comparable positions.

Northern donors can help promote technical exchange among developing countries by financing missions of developing country administrators and researchers to travel from one developing country to another. The American aid agency, AID, in two of the West African case studies, financed the sending of a number of recipient country administrators to Asia. The trips were considered highly beneficial to all parties

concerned.

Seeking project inputs from developing countries for North-South aid projects and programs is a further contribution that Northern developing agencies can make in promoting some of the objectives of South-South cooperation, such as transfer of appropriate technologies. One illustration of a highly effective transfer of appropriate technology was found in an AID agricultural project in Guinea-Bissau, for which small-scale farm machinery was made in Senegal and imported for distribution to project farmers. Many developing country donors have signed an OECD memorandum on "third party procurement"; however, this convention seems to have produced limited results (OECD 1974).

Finally, developed countries could contribute to South-South cooperation by financing scholarships and other forms of academic exchange between developing countries. Because cost per student would probably be much lower than funding equivalent training in developed country institutions, a greater number of students could be supported.

CONCLUSIONS AND FURTHER RESEARCH

One of the most significant barriers to enhanced South-South development aid is developing countries' dependence on developed countries. Yet, according to the international declarations on South-South cooperation, it is precisely this relationship that the cooperation seeks to change. The research findings underline that South-South aid, much like Northern aid, is much influenced by factors, such as commercial considerations, that conflict with developmental objectives and undermine aid effectiveness.

As well, one area that could represent a major advantage of South-South aid over North-South -- namely the transfer of technologies more appropriate to the needs of developing countries -- received scant attention in almost all the South-South projects reviewed. In many of the

comparative evaluations, Northern donors took more care than Southern donors in selecting project scales and technologies appropriate to local conditions and took efforts to involve local beneficiary populations in the aid process. This finding probably reflects the fact that developed country aid donors have greater experience in development assistance than do their Southern counterparts and are applying lessons learned. Southern donors should do the same. Many of the suggested improvements to South-South aid delivery are ones of project planning and implementation style and would probably make little difference in total project cost. Simply put, substantial improvements in South-South aid effectiveness do not necessarily require increased allocation of scarce financial resources.

Anyone analyzing South-South aid should appreciate that, barring sudden political upheavals, historical patterns resulting in the close cooperation between certain Northern donors and developing country recipients are unlikely to change dramatically over the short term. However, if South-South development aid is to become increasingly considered as a development option and if the effectiveness of that option is to be enhanced, further research is needed in a number of areas. Among these, one stands out: aid bureaucracy.

On this subject, Desmond McNeil (1981, p. 9) an author on the subject of foreign aid, wrote "Much of what is wrong with foreign aid is caused not by incompetence or corruption but by the complex machinery which has been developed to enable aid to be transmitted from donor to recipient." As this citation suggests, the bureaucracies involved in aid delivery established by both donors and recipients are the key to aid effectiveness. Although much has been written in administrative theory about the operations and organizational efficiency of diverse types of state or private-sector organizations, relatively little research (other than that reported by Tenedler in 1975) has been conducted on aid administration. Aid bureaucracy is highly relevant to any analysis of South-South aid. It is administrators of both donor and recipient governments that translate development and aid policies into specific

projects and programs, and, as alluded to earlier in this report, policies are relevant only to the extent that they can be effectively implemented. The field research for this report revealed that, although many aid beneficiary governments have policies or, more accurately put, official positions that should promote South-South development cooperation, concrete administrative processes or mechanisms to effect them are lacking.

As well, choices among offers for aid projects are influenced by administrative and not just political officials. Consequently, much social science-based research could be applied to an analysis of recipient country bureaucracies. Analysis and further research could be focused at two levels: one is bureaucratic institutions and structures, the other is individual administrators. For example, research could be conducted on the cultural and educational influences on administrators in developing countries who work in project selection and implementation, with the aim of determining how these influences might affect selection. The location of advanced technical training of developing country administrators, technicians, and scientists can have a substantial impact on their choice of project technologies, as was illustrated in the Senegalese projects, for dam construction. What is significant is that the key Senegalese engineers who opted for several small dams rather than the single large-scale dam proposed by the People's Republic of China had been trained in the PRC and were greatly influenced by the PRC water-control technologies. Their training had equipped them with an approach that differed from the official PRC aid project. This illustrates the direct effect training of developing country officials can have on project design and technology selection.

Also at the individual level, research is needed on the influence that language has in creating "biases" for or against the selection of certain aid donors and the degree to which knowledge of a foreign language by both donor and recipient country officials affects the aid process. Language affects the types of media, journals, and other information

sources that aid administrators consult, and this may also bear on the choice of technology.

At the level of the structure of both donor and recipient country aid bureaucracies, research on themes such as how review mechanisms might be built into project selection such that projects were screened for appropriate technologies and scales. These mechanisms should not create new layers of bureaucracy; rather they should be integrated into present administrative systems to intervene early in aid selection.

The types of public administrations that developing countries employ at a more general level may also effect ongoing preference for certain donors. Many francophone African governments have bureaucratic and national planning structures that are modeled almost exactly on the French system. The compatibility of administrative systems, along with common training and close personal links between donor and recipient, may all predispose recipient country administrators to seek aid projects from the former colonial power. Research into the effects of such relationships would be of value.

The support this research requires varies according to the specific theme being analyzed. In general, funding would be needed to cover the costs of case studies and surveys of donor and recipient bureaucracies. Much of the funds could be channeled to developing country social science research institutions and to independent social scientists. As well, part of the research conducted in a specific developing region could be undertaken by researchers, or teams of researchers, from differing developing regions.

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