Worse than expected - Proliferation of aid donors

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In recent years, the discussion on the effectiveness of development aid has reached new heights with the adoption of the Paris Agenda and the Accra Agenda for Action. Signed by some 140 countries and tens of international organisations, this agreement sets out the contours for a more effective aid system through harmonisation, alignment and ownership. Applauded for its focus on the donor, the main problem with this agenda is that progress is still very slow (OECD 2008) and that only a part of the aid industry is a signatory. The latter problem is also reflected in the analyses underlying the agenda.

Concentrating on the aid channels, the analysis essentially departs from two of the aid channels that are normally distinguished: bilateral and multilateral (Manning 2006, Riddell 2007, Rowlands 2008). This focus is justified by arguing that these channels cover the bulk of development aid. Although that is undoubtedly true, we maintain that in order to truly fight the negative consequences of fragmentation and proliferation (see, among others, Riddell 2007, Acharya et al 2006) there is a need to depart from as comprehensive a picture of the international aid system as possible.

This paper adds to the debate on fragmentation and proliferation by adding two aid channels to the analysis. It first includes NGOs as important actors in development (cooperation). Although their total aid may be less substantial than that of their bilateral and multilateral counterparts (but see Koch 2009), their sheer number makes them essential actors to take into account. Using a unique database on Dutch NGOs, the paper provides an analysis of the spatial and sectoral fragmentation by Dutch NGOs as an example of the civilateral aid channel.

Secondly, and acknowledging that the fragmentation question moves beyond the traditional three aid channels, a fourth (philanteral) aid channel is distinguished. This philanteral channel covers new aid actors ranging from foundations to small private initiatives run by groups of citizens. Based on unique and representative data collected from Dutch private initiatives, this article shows as well that also the philanteral channel adds to the aid fragmentation (also see Develtere & Stessens 2006, Schulpen 2007, Kinsbergen 2007, Develtere 2009).

In conclusion: fragmentation and proliferation are central elements of the present-day aid architecture. Fighting this – and its negative impact on the efficiency and effectiveness of development aid – requires a look beyond the traditional division in bilateral and multilateral aid channels. More effective aid requires including the civilateral and philanteral channel in the discussion and broadening the elements of the Paris Agenda to these smaller but numerous actors.

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