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Dilemmas in Donor Design:

Organisational Reform and the Future of Foreign Aid Agencies

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Abstract

With growing uncertainty over the value and impact of traditional bilateral foreign aid to advance progress and development in poor countries, there is disquiet about the future of national public agencies and ministries with responsibility for managing and delivering international assistance. Growing reputational damage to foreign aid has triggered a lively discussion in development policy circles about the best structural configuration for organizing and governing international development functions within donor countries. To date, public administration scholars with expertise in questions of bureaucratic design and performance have yet to weigh in on this debate. This article is an attempt to present current controversies about donor governance and offer guidance for resolving current dilemmas by exploring the potential contributions of public administration.

It is a truth, although not at all universally acknowledged, that an international foreign aid agency in search of higher performance must be in want of some kind of reform. Given the stubborn persistence of disease, poverty, conflict and unemployment, efforts at continual improvement are the *modus operandi* for most donor organisations struggling to demonstrate their effectiveness and self-worth. As the world continues to perceive the international aid system as having failed to achieve the elimination of poverty—or worse, contributed to the endemic problems of corruption, inflation and aid dependency in developing countries—donor organisational reform has almost become endogenous to the act of aid-giving itself.

The dimensions of donor effectiveness—the donor-related organisational features that have a credible and positive impact on aid effectiveness—demands closer scholarly attention (Gulrajani 2014).   Its importance is certainly underlined in high-level global statements (Development Assistance Committee 2005; Development Assistance Committee 2008; Wood, Betts et al. 2011). Early on, the Paris Declaration of Aid Effectiveness set critical benchmarks for donor performance; never before had donors been held to specific, time-bound commitments to conduct their operations according to a globally accepted standard (Development Assistance Committee 2005). Discouragingly, almost ten years later, an evaluation of the Paris Declaration noted donor 'unevenness' in meeting aid effectiveness targets and unmet 'commitments' to changing ways of working (Wood, Betts et al. 2011; Wood June 15 2011). A lack of policy structures, poor compliance, arbitrary decision-making and disconnects between corporate strategies and agendas are just some of the reasons attributed for donors not meeting their performance targets.

This article explores whether a tremendous desire for reform and change to donor organisation has the potential to yield productive and promising outcomes. It offers a literature review of the ways donor organisations have been investigated within the social sciences to date. Current interest in organisational reform is understood against the backdrop of numerous institutional pressures on traditional bilateral aid agencies to adapt and improve. Such pressures condition the rise in popularity of donor governance reforms within the bilateral donor community. By distinguishing between "known-knowns" and "known unknowns," gaps in our knowledge are identified which can potentially be plugged by public administration scholars. Overall, examining donor effectiveness is a possible new avenue for exploration at the intersection of public administration and international development.

The study of aid donors: a literature review

The world of development policy is demanding changes to the ways official aid donors are managed, structured and organised. But what is an aid donor? In this review, we define it as the administrative units tasked with development management by a country providing Overseas Development Assistance (ODA). Using this definition, a donor can encompass a wide range of institutions, structures and departments within a donor country, including among others the Ministry of Foreign Affairs, the Ministry of Finance, and a Development Agency or Ministry. While foreign aid donors can be multilateral organisations as well, in this article we limit ourselves to an examination of bilateral donors.

The study of donor organisational behavior has a long history in social sciences research. Most of this research, however, has had little interest in robustly teasing out the relation between donor organisational attributes and overall aid effectiveness. For the most part, the purpose of such scholarship has been to apply theoretical frameworks to explain the source of donor behavior rather than deeply investigate the sources of donor effectiveness. In this regard, there have been missed opportunities to further the study of donor performance.

International relations scholars have explored donor behavior as deriving from global norms and national state interests. Donors are creatures of domestic politics, albeit with keen interests in international issues. As such, they are embedded in both international and domestic environments with the need for legitimacy from both spheres to exist and thrive (Finnemore 1997; Boas and McNeill 2004; Weaver 2008). As Lancaster explains in her comparison of foreign aid donors, differences in donor policy choices are a product of the global imperative for wealthier countries to give aid to poorer ones intersecting with domestic political concerns and priorities (Lancaster 2007: 7-9). This argument is refined in recent research that suggests it is only those international norms that are congruent with national motives for aid giving that influence behaviour (Maurits van der Veen, 2011). Domestic politics and processes mediate the traction of global ideas and international political economy dynamics that ultimately influence donor conduct.

Neo institutional economics borrows from rational public choice theory and Coasian theory of the firm to suggest that bilateral donors are involved in multiple principal-agent problems across the transnational spaces of development (Gibson, Andersson et al. 2005: 64; Martens 2005). While the bilateral donor agency is in some cases a principal, for example to contractors and consultants hired to implement development projects, it can also be an agent for national taxpayers and their legislative representatives. Donor behaviour is a result of relative cost-benefit calculations that occur within these nested principal-agent relations. Donors freely decide these costs and benefits, although it is assumed they do so rationally in order to maximize expected utility. Nonetheless, it is the broken feedback loops between donor agents and aid recipient principals that is one of the most distinctive and important aspects of the aid delivery chain. This is because recipient principles live in different countries and political constituencies, without a punitive sanction mechanism to ensure donor agents are acting in their interests (Martens 2002: 14). The ultimate principal for the donor agency thus remains its domestic publics and these actors must ultimately be satisfied with bilateral donors.

Organisational sociologists have pointed to the ambiguous mandates of donor agencies that are the result of contradictory pressures in the environment (Quarles van Ufford 1988; Cornwall and Brock 2005). In the complexity of a multi-stakeholder milieu, organisational legitimacy is derived from a constellation of sites. Donor mission statements become deliberate attempts to curry favour from all quarters instead of presenting objective prioritized statements on official policies and goals (Babb 2003: 5; Cooke 2003; Craig and Porter 2006; Murphy 2008). In their quest for legitimacy, donors rely on fuzzy diplomatic buzzwords, adopt unrealistic policies and claim adherence to contradictory strategies and solutions (Quarles van Ufford 1988; Cornwall and Brock 2005).

Anthropologists with interests in foreign aid treat the people, policies and organisations of international development as ethnographic objects worthy of study in their own right (Long and Long 1992; Lewis, Bebbington et al. 2003; Mosse 2005: 11-12; Mosse and Lewis 2005; Mosse 2011). The study of the aid-worker is central as it is they that have the capability for autonomous behavior within the complex, diffuse global realm of development policy (Weisband and Ebrahim 2007).   Their roles include brokering and translating policies, relationships and representations into tangible and meaningful actions. Nevertheless, the aid worker is often implicitly stripped of her discretion as the pressure to appear infallible limits opportunities to make mistakes, to learn and to critically reflect on options (Ferguson 1994; Eyben 2003; Jassey 2004). Donor behavior becomes the product of micro-behaviours, attitudes and cultures interacting with macro-level structures.

Although *public administration* scholarship has richly and insightfully examined the performance of donor-led policies or reforms in developing countries (Brinkerhoff and Goldsmith 2004; Grindle 2004; Andrews 2014), it rarely uses its own theoretical arsenal to explore the organisational attributes of aid agencies themselves that impinge on outcomes. There are some notable exceptions to this, particularly within the pages of *Public Administration and Development*.[1] But overall, theories of public administration have yet to be applied to the study of aid agencies to develop a coherent literature on donors as public actors.   This is a shame because as developing countries reflect on the institutional set up of their own donor bureaucracies, public administration scholarship would the most obvious discipline to advise these policy choices. If they can be availed of, there are exciting opportunities for extending the study of public administration *in* development to an examination of the public administration *of* development.[2]

The context for donor reform and renewal

The desire to advance donor effectiveness is driven by a number of concerns about the state of foreign aid as an arena of public activity. In the new operating context of development, the bilateral donor community faces a number of shared anxieties that appear to demand renewal and reform. The seven areas of concern listed below provide the backdrop for growing interest in the organisational performance of donors.

1. Fiscal retrenchment

The global financial crisis and turmoil in the Eurozone have put aid budgets under significant pressure. Retrenchment in developed countries is largely blamed for aid's

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[1] See Wunsch, J. (1986). "Administering rural development: have goals outreached organizational capacity?" Public Administration and Development **6**: 287-308, Maddock, N. (1992). "Local management of aid-funded projects." Public Administration and Development **12**(4): 399-407, Hirschmann, D. (2002). "Thermometer or Sauna? Performance Measurement and Democratic Assistance in the United States Agency for International Development (USAID)." Public Administration **80**(2): 235-255, Saltmarshe, D., M. Ireland, et al. (2003). "The Performance Framework: A Systems Approach to Understanding Performance Management." Public Administration and Development **23**: 445-456..

[2] This phrase is a variant of Thomas's call to move an examination of management in development to an examination of management of development. Thomas, A. (1996). "What is Development Management?" Journal of International Development **8**(1): 95-110.

6% drop in real terms between 2010 and 2012.[3]   While these declines appear to have been reversed in 2013, there is a worrying fall in aid shares going to the neediest countries in sub-Saharan Africa.[4] Reforms that cut overheads, achieve efficiency gains and streamline operations remain popular among all donors, not just the 11 DAC countries that reported a decrease in ODA budgets in 2013. As the fiscal environment in donor countries deteriorate, so too does the general perception that foreign aid is provided at the expense of the poor at home (Lancaster 2007).   In such an unfavourable climate, the power and status of donor bureaucracy all wane.

2. *Competition from other actors*

As aid budgets shrink, commercial organisations encroach on the mandate of donors as emissaries of international poverty reduction. These competitors include: venture philanthropists who have pledged significant sums to tackle global challenges; hybrid social enterprises encouraging pro-poor venturing; and large corporations investing in global public goods. Commercial money and mindsets put public sector involvement in development on the back foot, even if there is a risk of over confidence in the ability of corporates to solve endemic market failures and remove the impediments to real poverty reduction (Blowfield and Dolan 2014). The convergence of ODA and private sector agendas has meant the latter is perceived as a plausible substitute for donors, challenging the viability and survival of the public aid agency (Kharas and Rogerson 2012).

3. *Shrinking mandates*

The management and delivery of government-to-government aid is the defining responsibility of a donor.   In today's climate, that mandate is perceived to be a remnant of a postwar era captivated by large administrations. Accusations of bureaucratic archaism are launched alongside claims of irrelevancy as non-aid policies are identified as more germane for global development. Trade, climate change, global remittances, migration policy, technological change, tax policy, emergency relief, military assistance: all these are seen to be alternative pathways to improving living standards with a more robust track record than ODA. As the salience and relevance of each of these policy arenas grows in global development discourse, the profiles of aid departments and ministries diminishes. As a result, donor administrations lose power and profile within whole-of-government fora concerning the content and coherence of domestic policy for international development.

4. *Emerging markets*

The problem of shrinking donor mandates is exacerbated as the pool of poor country clients contracts, leaving a new geography of global poverty for which traditional donors are poorly equipped (Sumner and Kanbur 2011; Bond 2015). Remarkable economic growth and poverty reduction in emerging markets are attributed to trade openness, foreign investment and technological development—not foreign aid (UNDP 2013). With such growth, there are now fewer aid dependent countries, while

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[3] http://www.oecd.org/newsroom/aidtopoorcountriesslipsfurtherasgovernmentstightenbudgets.htm
[4] http://www.oecd.org/newsroom/aid-to-developing-countries-rebounds-in-2013-to-reach-an-all-time-high.htm

those that remain low income countries suffer from the intractable difficulties of failed and fragile states and humanitarian catastrophe (World Bank 2014). Meanwhile, emerging markets are cultivating their own foreign aid programmes and engaging in South-South international cooperation efforts that rival those of the DAC or G7. Between 2001-2011, non-DAC donors more than doubled their aid from just under US$ 5 billion to US$ 16.8 billion.[5] The discontent expressed by the US over the establishment of the China-led Asian Infrastructure Investment Bank underlines this changing nature of global hegemonic power.   As Southern aid flows rise and geopolitical axes shift, the future configurations of bilateral foreign aid provided by traditional DAC donors grows even more uncertain.

5. *Donor failure*

There is now acceptance that the Millennium Development Goals, a key set of objectives for the aid community, will not be reached. Donors only achieved one of the targets in the Paris Declaration benchmarking their own performance, and this one was achieved virtually at the time it was set in 2005 (Mawdsley, Savage et al. 2013). Against such failure, aid agencies are also perceived to be less responsive to both their financial backers (voters) and their beneficiaries (Kharas and Rogerson 2012). There is a palpable and growing insecurity in the donor community with every best seller lamenting the way aid fosters corruption, inflation, dependency, and lucrative tax-free employment with perks, among other horrors. Greater transparency exposes problems and unmet expectations in such a way that contributes to a crisis of legitimacy for the foreign aid sector, even amongst some of its most ardent supporters (MacGee 2015). Perceptions of failure threaten donor survival, resulting in a desire to engage in visible reforms that can shore up credibility.

6. *Political ideology*

Among all the factors within domestic political systems that impinge upon foreign aid administrations and policies, one of the most widely assumed is that social democratic left-leaning governments are ideologically more supportive of foreign aid consistent with development than conservative or right-leaning ones (Tingley 2010). Recent evidence for this certainly exists in Canada and Australia, where Conservative-led governments demolished their development ministries, subordinating them to the authority of their foreign affairs ministries. The rise of right-leaning governments in donor countries may at least explain why aid administrations are increasingly feeling insecure in their positions.

Given these trends, it is no wonder that many are demanding change, with such calls even heard among aid's strongest backers. This is not to say that foreign aid has completely lost its shine (Sachs 2005; Kenny 2011). Rather, it is to say that aid donor survival increasingly depends on having a platform of adaptation and reform, with those unaware of how to defensively evolve in this changing landscape likely to face difficulties (Kharas and Rogerson 2012). Without organisational reform, the future of aid donors looks decidedly bleak.

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[5] http://devinit.org/development-cooperation-emerging-providers-rising/

Donor reform: The case for better governance

Organisational variables within donor agencies have a critical, if sometimes imperceptible, effect on aid outcomes (Tendler 1975: 2). The success or failure of donor policies and programmes, decision-making processes and strategic management systems will always be mediated by organsiational variables like structures, goals, motivations and cultures. Nevertheless, the relation between these organisational factors—the design attributes relating people, things, knowledge and technologies within a formal framework intended to achieve specific goals[6]—and aid effectiveness remains poorly understood in any single donor entity, let along theorized across the donor collective.

Effective public governance is one such organisational variable, a necessary condition for sustainable long-lasting poverty reduction. This is as much the case within aid-receiving countries seeking to achieve domestic development goals, as it is when central government ministries and departmental agencies are tasked with international cooperation for poverty reduction across national borders. Donor governance structures are the rules, relationships and responsibilities of the unit tasked with development management *vis a vis* national actors with overseas interests and mandates (Gulrajani 2014). Reform to donor governance has become something of a *cause celebre*, with Canada, Australia and Italy all altering their public governance over the past 18 months. The rest of this article explores what is and isn't known about this type of reform and the productive ways that scholars of public administration can engage in the study of foreign aid donors to enhance their performance.

While donor governance involves relations with a range of domestic actors, the linkage between the organisational unit managing aid and development and the Ministry of Foreign Affairs (MFA) is at the heart of administrative design choices. MFAs are high-status central government departments, albeit without a monopoly over international relations. MFAs do not exclusively represent the state in foreign affairs as globalization internationalizes the functions and scope of domestic public administration (OECD 1996; Warning 2009). This is particularly the case as non-aid policies like trade, climate change, immigration, military spending (among others) now all impinge on global development. The inter-connectedness of domestic policy raises some uncertainty about where formal responsibility for development policy should lie within national administrative systems and the possibility that a range of formal choices and informal practices exist. But as the unquestionable overarching coordinator of foreign affairs, MFAs have a pivotal influence over the development agenda even within an aid architecture that grants development stand-alone ministerial status.

With such a pivotal role for the MFA, there will always be a finite number of governance models to choose from (Figure 1). These four models of donor governance are distinguished by the degrees to which aid and development policy has merged with the foreign affairs function. In contradistinction to this four-part

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[6] Definition adapted from Clegg, S., M. Kornberger, et al. (2010). Managing and Organizations. Londong, Sage..

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classification, choices about donor governance tend to be colloquially articulated in binary terms: either a bilateral programme has its own bureaucratic structure (agency or ministry) or it is a subsumed within ministries of foreign affairs. However, it would be more accurate to talk about three models of donor governance given the relatively minor variation in the structural arrangements of Model 1 and 2: (1) an integrated structure (as in Model 1 and 2) (2) a sub-contracted structure (Model 3) (3) an autonomous structure (Model 4))

There is an emerging consensus in the world of aid policy that the functional task of managing aid is better done within an integrated model within foreign affairs ministries, even if there is evidence to suggest the contrary (Gulrajani 2010; Gulrajani 2014). The imperatives of intra-governmental cooperation, policy coherence, cost-cutting and competition were certainly some of the justifications provided by Canada and Australia to justify the recent integration of their development agencies into the foreign affairs ministries.[7] A 2014 International Development Select Committee (IDC) Enquiry into future approaches to UK aid also raised the spectre of integrating the Department for International Development (DfID), asking witnesses to assess whether there was any place for a stand-alone agency in the current operating environment of international development for which there was strong support. Given the UK is the only bilateral donor with an independent agency structure (Table 1), there is certainly reason to be concerned about the future of an autonomous development ministry.

Teasing out arguments for and against an integrated donor governance system requires understanding "known knowns" and "unknown knowns" about the pathways between donor governance and aid effectiveness. The following are some of the more accepted known 'facts':

1. Donor governance systems, like other organisational design phenomena, exhibit significant path dependency due to their foundation in a country's administrative traditions. Deep cultural and political legacies can explain both the existence of certain governance models as well as their performance. For example, Sweden has had a dualist system of government resting on the constitutional separation of policy and administration (Yesilkagit and Christensen 2010). Derived from a 19th century historical compromise between lower and higher nobility, this led to a constitutional provision where members of government do not issue orders to bureaucracy. Dualism represents a division between government's responsibility for policy planning and political advisory functions and central agencies' responsibility for policy administration and implementation. This principle continues to drive the choice of donor governance in Sweden, such that recent efforts to reform Swedish aid governance have not disbanded the Swedish International Development Agency (SIDA) even as its policy, managerial and financial autonomy have all been curtailed (Hudson and Jonsson 2009).

2. Donor governance systems are the main ways national bureaucratic agents of development maintain their accountability to their principals, including other government departments, the executive branch and legislative assemblies.

Governance systems service national constituencies' need for control and oversight over aid and development policy, ensuring they are acting according to stipulated requirements and keeping them abreast of problem and achievements. The motivations for control can range from the more prosaic—for example, to achieve policy coherence, efficiency or improved quality—to the more parochial—servicing national foreign and trade policy interests or reducing bureaucratic power. The range of motivations is suggestive of a spectrum of possible impacts and effects.

3. Whether as trigger or filter, the domestic political context of aid policy can unpredictably impinge on the choice of donor governance regime, the nature and timing of the changes that happens, and the probability that this structure lives up to expectations for it. For example, closer alignment between the Norwegian Agency for Development (NORAD) and the Norwegian Ministry of Foreign Affairs in 2004 has roots in the desire for greater control and oversight over the agency by a Minister of International Development who lacked authority and influence at the time (Gulrajani 2014). Meanwhile, the 1997 creation of DfID as a UK government department distinct from the Foreign and Commonwealth Office (FCO) resulted from strong political champions for an independent governance model. With the help of powerful friends, DfID was invested with considerable influence to steer development agendas within a whole-of-government framework (Lockwood, Mulley et al. 2010). Meanwhile, when Canada integrated the 45-year-old Canadian International Development Department (CIDA) into the Department of Foreign Affairs, Trade and Development (DFATD) in 2013, it was viewed as the natural culmination of years of political neglect of the aid and development agenda that left CIDA exposed, weak and a natural candidate for reform. In contrast to the Canadian experience, the decision to amalgamate the Australian Aid Agency (AusAID) into the Australian Government of Foreign Affairs and Trade (DFAT) in September 2013 was unexpected, announced without advance warning by newly sworn-in Australian Prime Minister, Tony Abbott. The merger was the decisive and explosive first act by a new PM from the centre-right Liberal Party. One blogger likened the political action to AusAID "suffering a heart attack," whereas CIDA's closure that marked the end of a "long, drawn-out illness".[8] By contrast, there are suggestions that Italy's decision to strengthen its development cooperation with the creation of an independent aid agency is reflective of the "Italian government's intention to take itself more seriously when it comes to international relations" after years of lagging behind donor development indexes."[9]

4. To date, there is limited econometric or comparative case study evidence supporting a strong causal link between any model of donor governance and more effective aid as measured on any dimension (ie. efficiency, results, policy coherence, etc). A recent paper suggests that models 1 and 4 are associated with higher aid quantity and quality but uses neither econometric nor comparative case studies to establish this claim (Faure, Long et al.

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[8] http://devpolicy.org/o-cida-dismantling-ausaid-the-canadian-way-20131115/
[9] http://www.theguardian.com/global-development/poverty-matters/2014/aug/13/italy-new-bilateral-development-agency

forthcoming). Instead, they develop associations by calculating average scores on various aid quality indices and presenting data by model type. Meanwhile, comparative case study material does demonstrate that autonomous models benefit from a more robust and politically empowered development agenda (Gulrajani 2010; Gulrajani 2014).

5. Empirically, there is almost universal rejection of an independent ministry as a contemporary donor governance structure (Table 1). Meanwhile, among the Southern donor community, almost all have adopted or intend to adopt integrated models of donor governance, notwithstanding the lack of robust evidence supporting this trajectory for reform. In 2012, India created their Development Partnership Administration (DPA) within the Ministry of External Affairs (Chaturvedi, Chenoy et al. 2014). The Brazilian Development Cooperation (ABC) is formally located in the Ministry of External Affairs (Younis, Wilson et al. 2014). In China, it is unusually the Ministry of Commerce (MOFCOM) is the lead agency in managing foreign aid, under which two new sub-divisions, the Department of Aid to Foreign Countries (DAFC) and the Department of International Cooperation (Gu, Chen et al. 2014). Current proposals suggest the South African Development Partnership Agency will be located within Department of International Relations and Cooperation (Grobbelaar, Chen et al. 2014).

Although what is known to date does not prove a robust relationship between donor governance and effectiveness, neither can such a relation be discredited entirely. The next section raises critical questions about the narrative that integration within an MFA drives donors to perform and suggests future lines of enquiry for public administration researchers.

Integrated donor governance: unknowns and directions for future research

There are reasons for being equivocal about the robustness of integrating a development programme within an MFA. A number of areas of concern are identified below. New directions are provided for the ways public administration research may progress our knowledge of donor governance and its relationship to donor effectiveness.

1. *Exploring path dependencies*

Although integration is a dominant donor governance model, there is scant evidence that this is the most effective form of organising bilateral aid for achieving lasting poverty reduction. Public administration theory could point to a number of alternative explanations. For example, donors may be engaging in copycat adaptation by adopting integrated models that can shore up legitimacy and credibility in today's political environment. As an act of mimetic institutional isomorphism, there is reason to believe that reforms will not address the real sources of underperformance, even if they are rational for organisational survival (Meyer and Rowan 1977; DiMaggio and Powell 1983). Alternatively, the popularity of integration may simply be evidence of a common historical administrative record, as in the case of many of the Scandinavian countries or, conversely, the absence of one as in the case of Southern donors. It is

also are not clear if integrated governance structures that emerge from a protracted historical process add more value than integration that is the product of a strategic policy decision. Public administration is ideally suited to investigating the underlying institutional and historical foundations for integration, which in turn can inform our knowledge of the outcomes and consequences of adopting organisational structures themselves.

2. *Street-level bureaucrats*

Policy and operational professionals populate donor bureaucracies, even if these actors tend to be silent figures in the bulk of foreign aid agency research (albeit with a few exceptions in anthropologically informed work). Yet, these 'street-level bureaucrats' are worthy of attention for their axiomatic discretion and autonomy and their ability to shape public policy in significant ways (Elmore 1979; Lipsky 1980; Gulrajani 2006; Hupe and Hill 2007: 280; Gulrajani 2008). This individual-level approach to the study of public administration can allow for rigorous examinations of complex socially embedded relationships, the nature of work in foreign aid and permits observation of actual effects in practice (Hupe and Hill 2007: 286; Weisband and Ebrahim 2007: 3). Public administrative analyses at this level can inform the choice of donor governance structures, including appropriate levels of delegation between field offices and headquarters and performance incentives for managing and delivering aid flows.

3. *Polycentric accountability*

As mentioned, the introduction of integrated donor governance structures are motivated by the imperative of upward accountability to national bureaucratic, legislative and executive actors. The danger is that strengthening governance in this direction comes at the cost of accountability to others, particularly those with less power and influence over donor nations and yet whose input is critical for improving aid's performance (Martens 2005: 14; Eyben 2008; Steer, Wathne et al. 2009). In the case of Canada, merging aid and development functions into DFATD centralized power and resources in such a way that has checked active pluralistic participation in development policy, including the input of aid beneficiaries and national civil society organisations. Public administration is well placed to assess the degree to which public compliance and risk mitigation imperatives are at odds with donor obligations to account to all stakeholders. It may also introduce variant more polycentric models of accountability as alternatives to the top-down delegated model, including approaches anchored in human relations that privilege more active relational forms of of responsibility and the cultivation of moral and social sensibilities (Bovens 1998; Gregory 2003; Gulrajani 2010; Tilley 2014). An analysis of power and conflict over standards of behavior could also be more forcefully integrated into discussions about the best type of donor structure for democratic accountability systems (Weisband and Ebrahim 2007; Yi-Chong and Weller 2008).

4. *Transnational public administration and boundary-spanning*

National administrative systems are now more likely to be engaged in activities with global ramifications as well as informed by international agendas (Gulrajani and Moloney 2012; Jreisat 2012). Transnational public administration is a product of

globalisation infusing national policy objectives resulting in national public administrations unable to pursue objectives single-handedly. In many cases, spheres of responsibility for ministries have widened while competencies remain constant (Warning, 2009). Transnational public administration can inform the design of structures, improve capacity and strengthen competencies affected by these growing, globalizing agendas where activities span jurisdictional, administrative and sectoral boundaries (O'Flynn 2014). This is particularly important in international development, where looking beyond aid to other domestic policy spheres for global development requires coordination, coherence as well as translation across global/local divides.[10] Establishing the transnational division of labour and funding profiles of bilateral agencies and multilateral agencies is another area that could benefit from boundary-spanning frameworks of public administration.

5. *Collaborative management*

Related to transnational dynamics, growing acceptance that aid is now but one element of a multi-policy bilateral development strategy puts the imperative on collaborative management. This is particularly the case in bilateral development policy where an MFA is mandated to represent and vocalize the national domestic interest in international affairs. Development ministries, by contrast, are the only government actor to represent and act in the collective global interest. While collective global interests and national interests are not always and everywhere zero-sum in nature, championing policies that contravene domestic ambitions and priorities suggests conflict is inevitable (Pratt 2000). Theories and tools of collaborative management may help inform appropriate negotiation tactics and whole-of-government solutions for a development programme that preserves strategic foreign policy agendas with minimal sacrifice of the global public good agenda. In other cases, collaborative management frameworks may bring transparency to the tradeoffs that need to be made. For example, in the case of middle power Norway where leadership on global development is a valuable source of soft power, the development agenda remains partly insulated from encroachment and dilution by competing domestic priorities (Gulrajani 2010). By contrast, in China where power emerges from its economic hegemony, integrating the global development programme within MOFCOM will necessarily involve subordinating its aims to commercial imperatives. Understanding such nuances can distinguish between valuable and futile opportunities for collaboration and their corresponding governance structures.

6. *Politics-administrative dichotomy*

Separating those who steer policy from those who implement it was a key plank of New Public Management thinking. The division of political and administrative functions in this manner prompted the creation of numerous specialised arms' length agencies of government. Public administration has sought to investigate both the viability of such a separation, as well as the record of its success (Pollitt 1990; Svara 2001; Gill 2002; Overeem 2005; Overeem 2006; Svara 2006; Overeem 2008; Yesilkagit and Christensen 2010). While no definite answer has been arrived at,

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[10] For example, in the case of the UK's Ebola response, ten Whitehall departments, four arms length bodies, the Prime Minister and the Foreign Secretary, all had to coordinate operations and policy.

asking similar questions of the various models of donor governance could be of immense value. Is the separation of policy and implementation worthy in the case of bilateral development programmes and if so, how best should this be organised? What is the relationship between structure, performance and value-for-money? Such questions are comfortably within the scope of both public administration theory and research.

Looking beyond donor governance

Perhaps more than establishing with any certainty the superiority of a donor governance structure, what is needed is a way to ensure that whatever structure is in place, there is knowledge of how to tweak and tailor it to maximize the likelihood of donor effectiveness. Public administration can help in this regard by inserting new lines of enquiry into current debates about donor effectiveness, uncovering issues behind the structural façade of governance that may be more germane to the search for development results. An over-preoccupation with typologies of donor governance risks bypassing the non-structural sources of donor underperformance.[11]

Organising an effective donor aid agency is no exact science. The choice and processes of organisational design is ultimately influenced by the richness of dynamics within the entity that is a target for reform. Exploring both the design and the life within are the bread and butter of public administration. Organisational factors within bilateral donor agencies matter for aid effectiveness, and perhaps even for the long-term survival of foreign aid itself. We ignore them at our peril.

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[11] For example, in the case of Canada, a preoccupation with organisational design that culminated in the disbanding of CIDA conveniently deflected attention from real sources of poor performance, including weak political stewardship, lack of strategy policy direction, low staff motivation and burdensome reporting requirements (Black and Tiessen 2007; Brown 2011; Essex 2012).

Figures and Tables

Figure 1. Four models of donor governance

Model 1. The ministry of foreign affairs takes the lead and is responsible for policy and implementation

Model 2. A development cooperation directorate within the ministry of foreign affairs leads and is responsible for policy and implementation

Model 3. A ministry has overall responsibility for policy and a separate executing agency is responsible for implementation.

Model 4. A ministry or agency, other than the ministry of foreign affairs, is responsible for both policy and implementation

Source: OECD (2009)

Table 1. OECD DAC bilateral donors by governance system

	Model 1. Integrated within Ministry of Foreign Affairs	Model 2. Development Cooperation Dept. within Ministry of Foreign Affairs	Model 3. Implementing Agency	Model 4. Independent Ministry/Agency
Australia		X*		
Austria			X	
Belgium			X	
Canada	X*			
Denmark	X			
Finland		X		
France			X	
Germany			X	
Greece		X		
Ireland		X		
Italy			X**	
Japan			X	
Luxembourg			X	
Netherlands		X		
New Zealand		X		
Norway	X			
Portugal			X	
Spain			X	
Sweden			X	
Switzerland		X		
UK				X
US			X	
Total	**3**	**7**	**11**	**1**

Source: OECD (2009) p. 31.
*Data for Australia and Canada altered based on 2013 organigrams
** Data for Italy based on announced plans of governance reform in August 2014

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