



Ministry of Foreign Affairs of the
Netherlands

Radboud University



Special Working Paper Series on ‘Unintended Effects of International Cooperation’

Working Paper No. 2017/5

Unintended Effects of Development Cooperation: Some Historical Notes

Paul Hoebink*

(first draft; not for quotation)

Abstract

Although not labelled as such unintended effects of aid (and other) policies, projects and programmes have for a long time been in the focus of debates between aid politicians and implementers at one side and their critics at the other side. This paper tries to give an overview of these unintended effects by addressing them in two typologies: 1. ‘Ideological’; 2. ‘Practical’. ‘Ideological’ causes of unintended effects are analysed as stemming from modernization theories, (ultra) liberal policies, and from the aid rationale, whereas ‘practical’ causes can be found in (a lack of) visions on sustainability, a lack of participation and social analysis, victimization and conflicting policies. In analysing all these causes for unintended effects, examples will be given from the vast literature on aid, donor institutions, development programmes and projects, and other policies having their effects on development outcomes. In the last section of the paper we will deal with some unexpected positive effects of aid projects.

Key words: development assistance - foreign aid - unintended effects - unintended consequences - aid rationale

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*Centre for International Development Issues Nijmegen, Radboud University Nijmegen.

This paper has been presented at the ‘Unintended Effects of International Cooperation’ conference on January 16&17, 2017 at the Netherlands Ministry of Foreign Affairs in the Hague. The opinions expressed in this article are the author's own and do not reflect the view of neither the Netherlands Ministry of Foreign Affairs, nor the Radboud University, or any other affiliated institutions.

Unintended Effects of Development Cooperation: Some Historical Notes

“ 'Perverse effects' are only one type of unintended consequences, although it is no doubt true that situations where they occur are of particular interest”.

Anthony Giddens, *The Constitution of Society*, pp, 13-14.

Teresa Hayter might have been the first to try to show that the conventional economic wisdom of three of the major aid agencies, the World Bank, the IMF and USAID, and their priorities produced in Latin America a set of results that went contrary to the humanitarian principles and objectives that should rule aid programs. Her report was, under pressure of the World Bank, not published by her employer the Overseas Development Institute in London, but instead appeared as a Penguin Book, *Aid as Imperialism* (1971) with as an unintended consequence that her book was most probably more widely read than when it would have been published by ODI.

Teresa Hayter was followed by a long list of authors, from academia, from international development organizations themselves, from NGOs. They were critical researchers, activists from environmental organizations, whistle blowers disappointed with their employers, ‘thieves’ of piles of confidential documents, all bringing information that the development projects and programs, policy advice and planning were bringing effects which were not foreseen, not anticipated and not intended, doing often more harm than good. In this paper I will give a short overview of several of these books, articles and reports, not being exhaustive but trying to order them. To arrive there I will first make some remarks on the concepts and present a taxonomy of the different drivers or producers of these unintended consequences and effects.

1. Unintended effects and consequences in development cooperation

It is of course stating the obvious, ‘smashing the open door’ as a Dutch maxim reads, that the world at all her levels is very complex and that thus policy making with all the possible interactions between different types of actors ‘automatically’ will lead to unintended effects or consequences. If this might be true, then it should be clear that in development policy, with its extended number of actors, ‘partners’ as they are euphemistically called, at even more levels and geographical distances with more potential differences in interest, unintended effects could be even more awaited than results in line with the intended objectives.

Still, it seems that in development studies or studies on development cooperation unintended effects or consequences received far less attention than in other fields. A small search in all the

journals of some of the major academic publishers could illustrate this: Springer Verlag gave 43.281 hits on articles, papers and books with ‘unintended consequences’, and 205 with these words in book chapter or article title. Google Scholar gave 374,000 hits on ‘unintended effects’ and 341,000 on ‘unintended consequences’, but the latter had 1,000 hits on it in the title, while the former, ‘unintended effects’, had only 187 in the title. The top-journal in development studies, *World Development*, published twelve times a year, however only had 238 hits and only four articles with ‘unintended consequences’ in the title. Other major journals in the field, *The Journal of Development studies* and *Development and Change*, gave no hit at all.¹ Also the two well-known overviews on the effectiveness of aid, Robert Cassen’s *Does Aid Work?* (1986) and Roger Riddell’s *Does Aid Really Work?* (2007) don’t deal with or mention unintended effects of aid. What is more most of these hits did not involve development cooperation *an sich* but the unintended effects of student grants, certification in higher education, corruption reform, weed control, cigarette prices and unintended pregnancies, to give just a few examples. At first glance, it thus looks as there were no ‘unintended effects’ in development cooperation programmes and projects or ‘unintended consequences’ of development policies. We might then maybe draw the conclusion that the debate on unintended effects in development studies and development cooperation is relatively new.

But going to the vast library of books and articles on development cooperation, although not labelled as such, unintended effects of aid (and other) policies, projects and programmes have for a long time been in the focus of debates between aid politicians and implementers at one side and their critics at the other side. This paper tries to give an overview of these unintended effects by addressing them in two typologies: ‘ideological producers’ of unintended effects and consequences and ‘practical producers of these. We will end this paper by trying to present some unintended positive effects of development projects and programmes, since in the literature most emphasis has been on negative effects.

2. Some theoretical notes and taxonomies

Unintended consequences - only lately authors started to speak of and write about unintended effects - of social and political action have been identified for centuries. Authors refer to Machiavelli, Locke, Marx, Weber and others to arrive at the origins of the concept. The American functional sociologist Robert Merton (1936) however is generally seen (e.g. Giddens 1984, Baert 1991, Gross 2003, 6 2014) as the first to address in a seminal article the problem specifically and looking for causes or drivers that create these unintended consequences. We could define unintended consequences/effects as ‘particular outcomes of purposive social and/or political action which are different from the outcomes that were expected at the moment this action was undertaken’. Or to define it in a more abstract way:

¹ Internet search: 15 December 2016.

‘Unintended consequences and effects are outcomes or results A_1, A_2, B_1 and B_2 which are the unanticipated results caused by social action or policy X which created also expected results Y_1, Y_2 and Y_3 ’. We could discuss if some of these outcomes are anticipated as possibilities, but not expected, but this might be more a matter of linguistics than sociology or political science. The definition is (or should be) however value-free, since the outcomes could be: (1) positive surprises; (2) null effects, not really frustrating initial objectives; (3) perverse effects which undermine the original objectives; (4) perilous, undermining legitimacy and results in general or in other policy fields.²

In effect in particular in analysing environmental interventions ecological systems are already for a longer time seen as complex in such a way that unexpected effects are only logical. With the arrival of complexity theory and the recognition of the ‘incalculability of the strategic interactions that may emerge’ (Karapın and Feldman 2016), this has also been embraced for social, economic and political action and even recently in development studies (Boulton, Allen & Bowman 2015; Burns & Worsley 2015). Authors started even to write about the ‘law of unintended consequences’, when discussing such different subjects as the effects of anti-paparazzi legislation, the misuse of technology, educational reform and vaccination programs, describing unintended consequences as a minefield where one has to look for shelter (Saab Fortney 1997) and also calling for a repeal of this ‘law’ (e.g. Rowe 1994: 617: “and even careful and impartial predictive efforts may sometimes well fall short of repealing the law of unintended consequences”).

It is suggested in complexity theory that a distinction between organizational environments might help us to analyse how the law of unintended consequences in reality works. There is a distinction between chaotic, complex and ordered regimes (Boisot & Kelvey 2010, 2011) in the way they react to changes (stimuli). Chaotic environments being seen as highly disordered, lacking a central authority or a central authority that is not able to exercise its power (e.g. ‘fragile states’). In complex environments there might be a central authority with powers, but it is only able to use it to a limited extend, because in many cases it lacks implementation capacity or control, what Gunnar Myrdal has called ‘a soft state’. Lastly, the ordered regimes with central authority with capacity to implement and that receives responses from the ‘stimuli’ it is given.³ In my view these reactions not only depend on the level these ‘regimes’ are organised, but also on the level of development. I have tried to illustrate this in Table 1

A second problem here is what are the ‘causes’ (as Merton calls them) of unintended consequences of social and political action. I prefer to call them ‘drivers’ or ‘producers’, since my critique on Merton is that his ‘causes’ are very much related to individuals and not to organizations and institutions. So we need a set of other ‘producers’ of unintended consequences that relate to systems, organizations and

² Derived from Baert (1991) and Hirschman (1961), quoted in 6 (2014).

³ Boisot & Kelvey (2010, 2011) test Ashby’s Law of Requisite Variety which holds that for a biological or social entity the potential of adaptation depends on the variety imposed by environmental constraints, only variety can cope with variety.

institutions. Furthermore, these producers are not only endogenous, belonging to individuals or organizations/institutions themselves. Producers of unintended effects may also come from outside, from internal or international markets, from local or international financial markets, from national or international political systems. Table 2 tries to bring together these different producers and also presents some examples of how they might produce these unanticipated or unintended effects and consequences.

From the international literature on development cooperation and development assistance a set of other drivers appear that are grouped together in Table 3. These might come from ideas, theories, concepts of development and on development interventions, labelled in this table as ‘ideological’. A second group, with the label ‘practical’, comes from day-to-day practice, from aid workers and professionals, from the ‘lords of poverty’ (Hancock 1989), ‘tropical gangsters’ (Klitgaard 1990) and the idealists (Munk 2013), from the ‘planners’ and the ‘searchers’ (Easterly 2006) and not to forget the tyrannical experts (Easterly 2013). In the next sections I will elaborate on the different drivers/producers in this table.

In his brilliant book *Seeing Like A State* James Scott opens our eyes for the reasons why large-scale government intervention schemes failed, starting with *Waldsterben* in Germany and the building of Brasilia, he tries to convince us that these schemes in particular failed because they paid no attention to local customs and practical knowledge. The focus in these type of state interventions is mostly at looking for a technical solution for the problem observed, forgetting about social, cultural and environmental conditions. If the fuelwood crisis of German cities is to be solved the simplified solution is to ‘create’ a more uniform ‘forest’ as an economic resource, with which the forest as a habitat disappears with as an unintended effect that this monoculture turned out to be much more vulnerable.

In a similar vein James Ferguson in *The Anti-Politics Machine* tried to show that development efforts in Lesotho produced a series of unintended effects, not only the expansion of the bureaucracy, but also, and more important the translation of poverty and its political reality into technical problems and solutions, for which development agencies and experts were needed. Both books could bring the conceptual discussion on unintended consequences of economic and social interventions a step further.

The conclusion could be that development interventions by definition might be myopic or near-sighted, since they never will take all the social, cultural, political, historic constructs and relations into account. The ‘law of unintended effects’ is therefore maybe an inherent part of development policies with all the biases that are characteristic for their planning and implementation.

Table 1: Unintended consequences and complexity theory: socio-political environments and levels of development

| | <i>Low level of development</i> | <i>Medium level of development</i> | <i>High level of development</i> |
|------------------------|---|--|---|
| <i>Chaotic regimes</i> | <p>1. Predictability low; ignorance high; high variety of possible responses</p> <p>2. Little possibilities for analysis because of low levels of knowledge</p> | <p>1. Predictability low; ignorance high; high variety of possible responses</p> <p>2. Organizational structures better equipped, more knowledge and staff available but not well organized</p> | <p>1. Predictability low; ignorance high; high variety of possible responses</p> <p>2. Organizational levels high, ample funds to analyze policies and processes through different organizations; relations between organizations difficult</p> |
| <i>Complex regimes</i> | <p>1. Because of some stability some predictions available; variety of responses more limited</p> <p>2. No to very limited tools and equipment available for analysis</p> | <p>1. Because of some stability some predictions available; variety of responses more limited</p> <p>2. Organizational structures better equipped, more knowledge and staff available better organized</p> | <p>1. Because of some stability some predictions available; variety of responses more limited</p> <p>2. Organizational levels high, ample funds to analyze policies and processes through different organizations, but not well related</p> |
| <i>Ordered regimes</i> | <p>1. Stability present, predictability more evident; variety of responses more delineated</p> | <p>1. Stability present, predictability more evident; variety of responses more delineated</p> | <p>1. Stability present, predictability more evident; variety of responses more delineated</p> |

| | | | |
|--|---|--|--|
| | 2. Equipment and staff to analyze systems and responses limited | 2. Organizational structures in order, but still limited capacity of staff and equipment, but more knowledge and staff available | 2. Organizational levels high, ample funds to analyze policies and processes through different organizations with high quality of staff, top-down organized and well connected with decision maker |
|--|---|--|--|

Based on: Boisot & McKelvey (2010 and 2011), Room (2011) and 6 (2014).

Table 2: Taxonomy of Producers of Unintended Consequences/Effects (1)

| <i>Category</i> | <i>Type</i> | <i>Main producer</i> | <i>Effects on development cooperation projects/policies (examples)</i> |
|-----------------|-------------------------|--|--|
| Endogenous | Actor centered | Lack of adequate knowledge Ignorance | Setting of intervention (partially) unknown leading to mistaken intervention |
| | | Error | Wrong assessment of projects/programs |
| | | Immediacy of interests | Exclusion in planning of further effects a project might have |
| | | Priority for intrinsic values | Liberal economic policies not attending to social consequences |
| | Actors/Systems centered | Prediction part of new situation Self-fulfilling prophecies | Problem identification itself leads top solutions making project superfluous |
| | | Goal displacement | Original objectives lost due to political action |
| | Systems centered | Loss of institutional memory | Mistakes repeated from earlier interventions/projects, |
| | | Over-commitment | Abundance of resources leading to waste of resources; last minute decisions to spend resources |
| | | Under-commitment | Close of successful projects, ending relations |
| | | Goal displacement | Through political intervention change in donor programme of project |
| Exogenous | Actor centered | Change in leadership | Change in policies of major donor countries and/or multilateral organizations |

| | | | |
|--|-------------------------|--------------------------------|---|
| | Actors/systems oriented | Change in thinking or ideology | Emphasis on other aspects of economic/development policy |
| | System centered | Financial markets | High interests, no access to international finance, strong position of international organizations (IMF, WB) |
| | | Economic (changes in markets) | Changes in prices of commodities, shifts in labor markets |
| | | Political environments | Changes in political leadership and conjunctures (from Cold War to the ‘War against Terrorism’); changes in favoritisms |

Based on: Merton (1936), Sieber (1991), Rhodes (2010), 6 (2014).

Table 3: Taxonomy of Producers of Unintended Consequences/Effects (2)

| <i>Category</i> | <i>Main producer</i> | <i>Type</i> |
|-----------------|----------------------|---|
| Ideological | Modernization | Exogenous and Indigenous Actor centered and systems centered |
| | (Ultra) Liberalism | Mostly exogenous Actor as well as systems centered |
| | | |

| | | |
|-----------|-------------------------------------|---|
| | Aid rationale | Exogenous Actors as well as systems centered |
| Practical | Errors of technology | Mostly exogenous, sometimes also endogenous Actor centered |
| | Errors of participation | Endogenous Actor centered |
| | Victimization | Exogenous Actor centered |
| | Conflicting policies | Exogenous, sometimes in combination with endogenous Actor and systems centered |
| | Organizational errors | Endogenous |
| | Cold winds of international markets | Exogenous Systems centered |
| | Fungibility/Dutch disease | Endogenous |

3. ‘Ideological’ producers

‘Ideological’ causes of unintended effects are analysed as stemming from modernization theories, (ultra) liberal policies, and from the aid rationale, whereas ‘practical’ producers are more part of the implementation of programmes and projects. Modernization theories have been dominant thinking in development bureaucracies around the world: to put it simplistically these theories or ideology embrace the idea that countries follow more or less the same trajectory along a set of stages of economic and social development in which (external) finance and investment plays a major role. In the beginning of the 1980s we saw a more conservative turn to neo-liberal policies in Europe and the US which also had a major influence on development policies and the leading development institutions. Both ‘ideologies’ (or two strands of the same modernization ideology) had their own unintended consequences in developing countries.

3.1 ‘What is good for us, is good for them’

Walt Rostow, professor at the University of Texas and advisor to John F. Kennedy, is generally credited to have written the major *opus* of modernization theory. His *Stages of Economic Growth* (Rostow 1960) can be read also as an appeal to give (more) foreign aid, since his analysis was that in the second and third phase of economic development, the Pre-Phase for Take-off and the Take-off phase, the savings gap could be filled by foreign finance and was indeed financed from abroad in the cases of England, the US, Sweden, Canada and Russia. This foreign finance could also finance the second gap, the ‘trade gap’, which consists of a lack of finance to import the necessary capital goods and raw material. Thirdly foreign assistance could help developing countries to enhance their absorption capacity by giving them technical assistance. As Preston (1982: 57-63) indicated these modernization theories gave legitimacy to foreign aid and foreign interventions in the economies of developing countries, they did not describe aid but prescribe it. University of Amsterdam lecturer and international chess master Van Geet neatly analysed Rostow’s book in the 43 chapters of his dissertation (1989) on all its explicit and implicit assumptions, among others the emphasis on capital aid more than technical aid, but in particular also his ideas of governments as ‘servants’ of the development process and the way he pictures the US as the example to follow.

What followed in the first Development Decade of the sixties was an emphasis on capital investments – infrastructure with a preference for roads (and buses) not for railways, energy plants – which at the end of the decade led to the unintended consequence that, although growth has been impressive in many newly independent developing countries, the gap between poor and rich has been growing threefold: the gap between poor and rich countries, the gap between poor and rich regions in poor countries and the cap

between poor and rich people within developing countries. The effect of this unintended effects, resounding in international reports of those years like the Pearson report, was a rethinking of the course of international development, finally coming back in Robert McNamara's famous Nairobi speech in September 1973, in which he urged for more investments in anti-poverty projects, in agriculture (smallholder farms, irrigation, extension, agro-processing) and the rural areas (water, rural feeder roads) (Milobsky & Galambos 1995; Tetzlaff 1980). The projects were a mixed success, because of the unintended misconception on the role of local elites who were not willing to cooperate or captured the projects (e.g. Hayter & Watson 1985). This was one of the factors why the World Bank would shy away from direct interventions and went to toward adjustment lending (Phillips 2009).

The man who stole 6,000 pages of confidential World Bank documents, Walden Bello, enabled a more precise country study on the Philippines (Bello, Kinley, Elinson 1982), in which McNamara's World Bank's policies were tested and evaluated with the conclusion of the unintended effects in the title: a 'Development Debacle': \$ 3 billion of Bank lending in a decade aimed at 'pacification' and 'liberalization' led with the collapse of rural and urban development projects to more hunger, more foreign control over national resources and more dictatorship from the Marcos clique (and one could add to an astonishing collection of shoes in Imelda Marcos' cloakrooms). More of these case studies could be presented, as I will indicate below, because strategic-political motives prevailed in the Cold War era, leading to the support of 'pro-Western' and corrupt dictators.

It is important to keep in mind here that this 'ideology of modernization' is or was not only present in aid organizations like the World Bank or many of the development cooperation ministries and their adjacent organizations, but also has been part of the thinking ('ideology') of experts being sent out. Probably this has been most apparent in projects in which a technology transfer was at the centre of aid projects. When the adoption of new, often but not always invented in Western technical universities, technologies was slow or even absent, the reluctant 'adopters' were often accused of being 'traditional', 'not ready for change', not as rational decision makers, who calculated what change might bring to them and what risks were involved. We will come back to this in the section of technology as a driver of unintended effects.

3.2 'Let us liberalize'

The beginning of the 1980s brought the conservative U-turn in economic and financial policies in some of the major countries in the world, but also in development policies, in particular in the World Bank and the IMF, leading to what John Williamson dubbed later, in 1990, as the 'Washington Consensus' (Williamson 1990 and 1983). Developing countries who had been lending against the low interest rate of the 1970s were confronted with the high interest rates of the 1980s and ran into a debt crisis. The same countries but

also a group of others were also hit by high oil prices, low prices for other raw materials and agricultural products together with a decrease of volumes because of the economic crisis in Europe and the US. Latin American countries (starting with Mexico in 1982, but Brazil and others soon to follow) and countries in Sub-Saharan Africa, but also in North-Africa and the Middle East had to go to the IMF, and later also to the World Bank, to get additional lending. IMF and World Bank demanded Structural Adjustment Programmes, to which donor countries adhered by providing balance-of-payment-support and programme lending. These programmes which were conformingly applied to all debt-ridden countries could be summarized in ten points (Williamson 1983 and 1990) among which: fiscal discipline, meaning budget cuts in particular in subsidies on food, public transport, health and education; high interest rates; 'realistic' exchange rates; trade liberalization; liberalization of foreign investment; privatization of state companies.

A small library can be filled with all the books and papers on the unintended consequences of these 'adjustment' programmes: dealing with the debt crisis in general and the origins of the debts (e.g. Schatan 1987; Adams 1991; Gélinas 1998); about the role of the IMF (e.g. Bird 1985 and 1995; Killick 1982, 1984b and 1995; Birdsall & Williamson 2002; Vreeland 2003); the effects on countries (e.g. Altvater c.s. 1991; Killick 1984a), on countries in Africa (e.g. Martin 1991; Van der Hoeven & Van der Kraaij 1994; Cornia & Helleiner 1994; Mihevic 1995; Engberg-Pedersen c.s. 1996); on specific countries in Africa e.g. Ghana (Hutchfull 1987; Brydon & Legge 1996); on agriculture (Commander 1989; Duncan & Howell 1992) and on food riots (Walton & Seddon (1994).

Notwithstanding the World Bank's own justification of structural adjustment in Africa (World Bank 1994) in which it tries to show the progress on fiscal deficits, trade and agricultural reform and the reform of the public sector – acknowledging the negative effects of early adjustment on the poor, but forgetting to analyse the effects on health, education and food - almost all of these publications present a grim picture of the unintended consequences of structural adjustment. Most probably the most influential and devastating publication on structural adjustment were the two volumes of *Adjustment with a Human Face* by UNICEF (Cornia c.s. 1987 and 1988). It showed, close to the mission of UNICEF, a wide-spread and deep deterioration of child-welfare in those countries affected by structural adjustment, most evident in nutrition and education, while at the same moment the programmes did not lead to resumed economic growth. These publications did not only led UNICEF to publish daring figures on the number of children that were undernourished and even died due to structural adjustment in its annual reports, but also finally to a readjustment of adjustment policies, fuelled also by Global Summits on Education for All (Jomtien 1990) and the Social Summit (Copenhagen 1995). The Highly Indebted Poor Countries (HIPC) initiative and the new attention for poverty and poverty reduction strategies, symbolized by the World Bank's *World Development Report 2000-2001*, are witness of the changed attention to pro-poor policies.

3.3 'Progress has its costs'

One of the most devastating overseen side-effects of development projects is most probably their effects on the natural environment. Very often this has been combined with negative effects on the poor in the regions where they were situated. These could be seen as the 'collateral damage' projects or programmes cause in the progress they also hope to make e.g. in energy production, rising agricultural production through irrigation. It is symbolized in the English saying, you have to crack some eggs to make an omelette, or as the Dutch saying says, if you are chopping wood-chips will fall. Bruce Rich has been called a 'pioneer in the effort to improve the environmental performance of the World Bank', also on this aspect the organization which became most often the focus of critique. In his book *Mortgaging the Future* (1994) Rich summed up the 'decade of debacles', of projects which had devastating effects on the environment, starting with the Amazon 'highway of death and the railway to the iron mines of Carajás (co-financed with Japan and the EU) in Brazil; the Transmigration projects in Indonesia leading to an 'environmental ruin' with the clearing of thousands of square miles of forests, but also a social disaster with many migrants struggling with acidic peat soils and flooding; energy development programs in India, displacing hundreds of thousands of people, co-financed with the UK, Germany and France, who all wanted their pick in the delivery of cables, construction work and machinery.

Dams have been the most controversial of these development projects: they could bring progress and provide the necessary energy in growing economies, but the environmental and social costs of constructing and operating them are often huge. These negative, mostly unintended consequences are all well documented, amongst others by the World Commission on Dams (2000), which after all the critique on dam building was instituted by the IUCN and the World Bank. The Commission described precisely - leaning on cross-check examples of 125 dams, two country studies and eight case studies plus tens of specific briefing and contributing papers - the social impact on ethnic groups and minorities and on displaced and resettled people, the impact on ecosystems and environmental restoration, but also on its economic effects, electricity and water supply and irrigation. Apart from the cost-overruns in most projects and dams falling short on physical and economic targets, the Commission stresses, in line with other publications (e.g. Goldsmith & Hildyard 1984; Searle 1987; Pearce 1992) that there was a lack of attention to anticipate and avoid impacts on the ecosystem and "a pervasive and systematic failure to assess the range of potential negative impacts and implement adequate mitigation, resettlement and development programmes for the displaced" (2000: xxxi). Examples of highly controversial and 'famous' dam projects are and were the Narmada Dam project (Morse & Berger 1992) and the Three Gorges project (Barber & Ryder (1990).

3.4 ‘A bad guy, but our guy’: aid rationale producers

In most (econometric) studies on the relation of aid to e.g. savings, growth, democratization and good governance the premise is that aid is given to promote economic and social development and to foster democracy and human rights. These are indeed the objectives of many international organizations and donor countries and large parts of development assistance are devoted to it, but looking back even more aid might have been spent on other motives which form the ‘aid rationale, the set of reasons why donors provide aid.

Foreign aid after World War II started as an instrument in the Cold War, the United States spending, up till the mid-seventies, 80 percent of its assistance to a belt of countries around the Soviet Union and China, starting in South-Korea and Taiwan ending in South Vietnam. From 1979 onwards the Middle East was at the top receiving end of US foreign aid and to a lesser extent Central America. From the mid-1990s it shifted also to Central and South-Asia, with Iraq and Afghanistan as the biggest receivers.⁴ Only in the programmes of France (the ‘*Françafrique*’), occasionally in the UK and more often in Japan (with its early emphasis on Indonesia and Thailand) this political-strategic motive played a role overlapping often with the economic-commercial motive (see below). In particular, for most of the smaller donor countries this was not the case or it might be out of solidarity, like aid to North-Vietnam in the case of Sweden or to the former Portuguese colonies (Sweden, The Netherlands, Denmark).

The emphasis on political-strategic motives in aid programmes, and this includes the World Bank in the years of American dominance, had several unintended negative and even disastrous effects. Instead of promoting democracy in many cases, like Marcos in the Philippines, aid shielded dictatorships and widespread corruption, as in the case of Belgian and American support to Mobutu’s Congo. The most dreadful example is most probably however Iraq. With the ignorance of not knowing the history of the country, not even recognizing the Shia religious leader when he was killed (Nixon 2016: 28-29), the US invaded the country. It not only led to an uncountable number of deaths, but also to an incredible waste of aid (Stiglitz: 2015: 32-35). Linda Bilmes of Harvard University, who together with Joseph Stiglitz already in 2008 wrote a book under the title *The Three Trillion Dollar War*, recently came with a figure of 4 to 6 trillion dollars for the Iraq and Afghanistan wars together, with even more to pay in the coming decades for health costs and disability compensation (Bilmes 2013). Of course the major part of this are costs for

⁴ One of the best overviews of American foreign aid in the 20th century is Vernon Ruttan’s book (1996)

military and arms, but also foreign aid was a big portion. How these aid dollars to the sum of \$ 50 billion⁵ were wasted can be read in the more than 600 pages' report of Inspector General Stuart W. Bowen *Hard Lessons: The Iraq Reconstruction Experience*. Bowen (and his team) reports to have seen “large amounts of cash moving quickly out the door” (Bowen 2009: i) uncontrolled to be paid as salary for Iraqi government, police and military. The major conclusions were: “the dramatic and frequently reactive course-changes in reconstruction strategy; the turbulence engendered by persistent personnel turnover at every level; the waste wrought by inadequate contracting and contract management practices; the poor integration of interagency efforts bred by weak unity of command and inconsistent unity of effort” (Bowen 2009: ii). And: “Did the program meet the goals it set for itself? The answer is generally no on the infrastructure front, but generally yes regarding the development of Iraq’s security forces. Electricity and oil outputs in Iraq remain below goals set by the CPA⁶ over five years ago, while the number of project completions in the key water and health sectors fell far short of hopes.” (Bowen 2009: ii-iii)

In the aid rationale figures also the economic-commercial motive: donor countries try to promote their export, assist companies in economic crisis and foster investments of national companies via aid or give development assistance to secure their access to natural resources. One of the most important instruments they have here is the possibility to tie their aid to the delivery of goods and services by national companies. A second way to promote exports and investments is to select aid-recipient countries on basis of the attractiveness of their markets. Tying of aid was common practice in the sixties and seventies and started to be reduced in recent decades, but the high place China and Brazil still have on the list of aid recipients illustrates that tied aid still prevails with some donors and aid-recipients.

One of the (unintended) effects of tied aid is that goods delivered under tied aid, as documented by Bhagwati already in 1967, by DAC/OECD and also in my own research (1988) on the Netherlands, are 15 to 30 percent, and for food aid even 50 percent (Riddell 2007) more expensive than if they would have been bought under normal market conditions. It means that aid loses at least a quarter of its money value, when it is tied. But there is another unintended effect that has received little attention in the international discussion, also in Cassen’s and Riddell’s overviews, and that is that with tied aid the supply side of the donor prevails and not the demand side of the aid-recipient: the aid-recipient has to select from the goods and services on offer from the donor country. Some aid recipients, like Indonesia, became very clever in getting those things of donor countries they wanted by in their planning dishing out specific projects to these donors. Others, like India and Sri Lanka, used the system to get goods, like fertilizer, that they would

⁵ This is apart from the American part (\$ 4.1 billion) of the debt reduction of more than \$ 29.7 billion Iraq was given in 2004 by the Paris Club members (under pressure of the US to go to an 80 percent debt reduction).

⁶ CPA = Coalition Provisional Authority.

have bought on the international market anyway and thus saving foreign exchange. In particular food aid has been one of the major examples of the unintended effects of aid, but also hospital equipment, (DAF) trucks, ferries, construction works could be cited as examples. And if tied has often created to ‘white elephants’,⁷ pregnant Friesian/Holsteiner heifers that the Netherlands delivered to a long series of countries, starting in the sixties to Tunisia, could also be considered ‘white elephants’ (Hoebink & Stellinga 1988).

4. ‘Practical’ producers

‘Practical’ producers of unintended consequences/effects are part of the implementation of development projects and programmes and can be found in (a lack of) visions on sustainability, a lack of participation and social analysis, victimization of those who should be assisted, conflicting policies (a lack of policy coherence) and fungibility of aid which might cause a ‘resource curse’ and have Dutch disease effects. Also exogenous sources, like changes in markets, might have unintended consequences in aid practices.

4.1 What we build is sustainable: errors of technology

With technical assistance most of the times technology will also come and very often this technology becomes more important than the people it should serve. Cook stoves are intended to be more efficient with energy sources and to contribute also to female and children’s health, not producing the smoke that you might inhale through open fire in the hut, shack or kitchen. In 1975 the Worldwatch Institute published Erik Eckholm’s *The Other Energy Crisis: Firewood* with alarming figures on deforestation due to the collection of fuelwood. This view was quickly embraced by international organizations, like the FAO and World Bank, and it made cook stoves projects one of the very popular interventions, supported by technical assistance organizations, like GTZ/GIZ and SNV. Ten years later, when it was discovered that agriculture and logging, had a much and much bigger effect on deforestation (in particular by the publications of Gerald Foley and Earthscan) and cook stoves projects were generally seen as a failure (Gill 1987; Manibog 1984; Barnes c.s. 1993; Smith c.s. 1993 and 1994), the popularity of these projects waned. It was revived when organisations like the WHO assessed that millions of people died prematurely because of indoor air pollution and that more than half of the premature deaths among children under five were caused by pneumonia due to inhaled particles from open fires (e.g. WHO 2016), but also when China showed that these projects could be made a success.

⁷ A ‘white elephant’, sometimes also called ‘cathedral in the desert’, is an isolated modern project that does not function very well at high costs. The term is supposed to be derived from Burma and Thailand where kings might give sacred white elephants, when they were dissatisfied, to subordinates to drive them to bankruptcy.

India has been a frontrunner in the production of improved cook stoves and had hundreds of cook stove programmes. Many cook stoves however have also been constructed in European or American technical universities or by European or American engineering firms, too difficult to be produced in developing countries and too expensive for those who need them most. Even when cook stoves were locally produced adoption of improved stoves was far lower than expected and also energy gains proved to be much lower than laboratory tests suggested. So why was one of the unintended effects of cook stoves projects in India that in general they failed (Khandelwal c.s. 2017)? And why is the Chinese National Improved Stoves Program, implemented in the 1980s (although the figures on the number of stoves constructed and fuelwood used are maybe exaggerated and indoor house pollution is still above official norms) a success (Smith c.s. 1993; Sinton c.s. 2004)? The answers are diversified, but that the unintended effect of a major emphasis on technology leads to low effectiveness is obvious.

Engineering (and technical assistance) leads to an emphasis on the technical aspects on cook stoves: how well they are performing on in-house pollution has gathered hundreds of articles on the results of improved stoves on indoor air pollution. The same could be said about the use of fuel and the energy efficiency of improved cook stoves. One of the conclusions on the Chinese program is that it was a success because of support of the national government (although low in the terms of money), the decentralized implementation and the creation of local energy manufacturing and service companies. The ‘localization’, using local designs and local materials, could be seen as one of the most important elements of its success, since one of the reasons of the failure of many cook stove programs is that there has been little contact with their consumers. Women are clever operators of their three-stone fires or of their chulhas or chullas (the traditional stoves in South Asia), which means that their choice *not* to invest in a new stove is not because they are ‘traditional’ or ‘risk-avoiding’, but because they make rational choices about investments they are doing (Agarwal 1983). Emma Crewe goes a step further by concluding that one of the unintended effects of cook stove programmes was that ‘European developers struggling to help stove users’ were ‘displacing the cooks (Crewe 1997). These ‘engineers’ often also forgot that fires had more functions, like space heating, chasing away insects or were a place of social gathering, they even might ‘sacred’. In ‘forgetting’ all the social and cultural functions of fire and cooking unintendedly, often seen still in the recent programmes of the Global Alliance for Clean Cookstoves, a technological bias is introduced which leads to unintended failure.

Many more of these examples can be cited and water pumps are one of the most prominent. Many engineering firms have promised to have produced maintenance-free pumps which were also easy to handle for women and children. In practice it turned out that after a few years half of them were unused, either because they were broken or because they were at places where women would not go to fetch water

(e.g. Therkildsen). In more official jargon this reads that that ‘a longer-term presence ... is required’, that there was a ‘lack of proper attention to institutional development’ and ‘interventions have to be carefully adapted to the social characteristics of each village’ (Parker & Skytta 2000) In many water supply projects one of the unintended effects that was also found, because of a lack of adequate training, that animals would use the water supply too which easily led to contamination by germs.

4.2 Those who should benefit don’t count: errors of participation

In the 1970s one of the unintended effects of community development projects was that they tended to be not very effective in combatting poverty and hunger. It was found that one of the major reasons for the failures of this type of projects was the lack of participation of the ‘target groups’ from the beginning of the projects. Also other type of projects, like the water projects above and refugee support below, suffered from the same type of lack of involvement from the (rural) poor. [*to be extended*]

4.3 Errors of victimization

Emergency and humanitarian aid has been criticized regularly on the type of goods that were delivered under it: food that isn’t part of the diet of the victims, shelter that is not adequate for the climate, drugs which are beyond expiration date and had no accompanying explanation in the local language or in English, etcetera. Cuny (1983) and Wijkman and Timberlake (1984) for the Swedish red cross were among the first to come with examples of inadequate emergency assistance, but others soon followed (e.g. De Waal 1997).

One of the unintended consequences of emergency and refugee aid was brought by Barbara Harrell-Bond. In her *Imposing Aid* she described meticulously what happened to Ugandese refugees arriving in South Sudan in 1979 to 1983. The refugees as Harrel-Bond portrays them, are articulate, intelligent and different individuals who however, in the organisation of the refugee camps, become victims, are victimized, are forced into a relief roll and made passive (see also Gorman 1993). One of her conclusions is that refugee programmes cannot be implemented by large, hierarchal organizations, whose staff is unwilling to engage in dialogue with the people they are supposed to assist. Although the International Conference On Assistance to Refugees in Africa in 1984 already acknowledged these failures of the humanitarian aid system, patterns that Harrel-Bond describe so well, seem to pop up again and again in humanitarian crisis as wars and disasters.⁸ In his examination of humanitarian relief in African famine situations Alex de Waal comes to the conclusion that international relief organization in those situations have done more harm than good, by even fuelling war and undermining democratic accountability. That is why he insists

⁸ The Humanitarian Policy Group of the Overseas Development Institute (ODI), regularly has publication on refugees and refugee aid.

that internationalization of responsibility for fighting famine is not a good development and that this responsibility should be Africanised (De Waal 1997).

4.4 Errors of conflicting policies

The Treaty of Maastricht did place Policy Coherence for Development (PCD) high on the agenda of the European Unions and its Member States by introducing it in its chapter on European development policy (Hoebink 1997, 1999, 2001). The article was later amply used by NGOs to criticize European policies, but of course the unintended consequences of several Common policies was already *in vogue* 25 years before. The European Union anyway is unique in giving such a central role to policy coherence, also in the Lisbon Convention, forcing the European Commission to come with annual reports on policies that may conflict with the development cooperation objectives of the Union.

Most criticized for its unintended consequences were the Common Agricultural Policy (CAP) and the Common Fisheries Policy (CFP) (Hoebink (2005). The CAP for highly subsidizing agricultural production and in this way denying access to developing countries products, most quoted here is the cane versus beet sugar production. Also export subsidies for agricultural products became a focus point for critique with cheap European beef pushing cattle from e.g. Burkina Faso or Mali from the West-African markets, where there are also European development assistance projects in those country trying to expand beef production.⁹

Under the CFP the European Union buys access to the coastal seas of a series of, mostly African, countries to export the overcapacity in the European, mostly Spanish, fishing fleet. In particular when fishing crustaceans when ships come close to the shore, these European ships might catch fish before the nets of local fishermen, bringing these into even deeper poverty, despite also EU projects, trying to give fishermen better market access. With overfishing visible on many spots in the world, also in European waters, the danger is to export this problem also to African waters (Hoebink 2005, 2008a).

4.5 Organizational errors

Aid organizations should be highly professional bureaucracies, knowledge based with high learning capacities through evaluations and internal assessments of procedures and processes. These ideal-type of organizations don't exist also in aid-land. There have been quite some publications over the years to show that the 'aid industry' as it is infamously called, doesn't work very well and by this creates unintended consequences.

⁹ Chicken legs are another often quoted example, but it is rather unclear how this relates to the CAP as there are no subsidies on poultry production.

Aid exit could be a first example here. Aid exit could be caused by changes in the aid-recipient country with regard to good governance, violations of human rights (Uganda 1971, Chile 1973) and corruption (e.g. Zaïre Congo), but also because economic and social development have brought the country to a higher income level, which makes it able to expand the tax base and collect the income it needs for government expenditure. In the last sense aid exit is an intended goal. What we regularly have seen however in the last decades is an aid exit of a donor country, because it wants to ‘rationalize’ the organisation of its aid programme, reducing the number of countries with which it has an aid-relationship.

A multi-donor evaluation of aid exit concluded however (Slob & Jerve 2008), that aid exit never happened in a ‘decent way’: the aid exit of Norway, Sweden, Denmark and the Netherlands from countries as Eritrea, Malawi, India and South Africa happened with little attention to sustainability, not even an effort to analyse it, precipitously, without a dialogue with ‘partners’ and ‘stakeholders’. The recommendations of this evaluation thus were that aid exits should be better planned and managed and better monitored with a realistic time-frame and flexible budgets, communication at high levels and respect for legal obligations. Although several Dutch ministers subscribed these recommendations and stated that they should be and were followed by a new aid exit, the evaluation bureau of the Ministry of Foreign Affairs had to conclude in a recent evaluation Affairs (IOB 2016), that a larger aid-exit in 15 countries in 2010 did not follow any of these recommendations with as an unintended effect a big loss in reputation, but also, as the IOB calculated 6.000 lives that could not be saved because of the strong reduction in the health budget in four countries with the Dutch departure and 120,000 children in Zambia that could not go to school, because the Zambian education budget was cut by a quarter, when the Netherlands left (IOB 2016: Ch. 7).

The Netherlands has tried three times in the last decade to widen (to ‘update and modernize’) the definition of Official Development Assistance in the Development Assistance Committee, to include humanitarian aid provided by the military, during military interventions in fragile countries, like capacity building for security and justice institutions, but also community development activities. Part of these activities fall under what since the Vietnam-war has been called ‘counter-insurgency’. Afghanistan might provide us examples what kind of unintended effects these activities could bring, since the military organization’s strategies are first and for all meant to keep the Taliban at distance and to go into alliances with local warlords to reach this (Kitzen 2016Crowther 2015). One of the unintended effects of this alliance was that under Dutch oversight the practice ‘bacha bazi’, the sexual abuse of ‘tea-boys’ by local warlords, forbidden by the Taliban, was re-introduced, notably in a morgue built with Dutch aid money.¹⁰

¹⁰ As documented in a television documentary broadcasted in December 2016:
<http://nieuws.tpo.nl/2016/12/20/brandpunt-kro-ncrv-nederland-werkte-uruzgan-samen-kinderverkrachters/>

4.6 Fungibility/Resource Curse/Dutch Disease/Bad Governance

Several hundreds of econometric studies have been published on the relation between aid and growth, aid and savings, aid and democratization, aid and human rights/good governance, aid and taxation. Most of these studies show unintended consequences of aid, aid leading to Dutch disease effects, even corruption and not contributing to democratization.¹¹ There are however in most of these studies serious flaws in the theoretical concepts used, the logic of argumentation and the methodologies.¹² This relates in particular to papers and book which had considerable influence, as those of David Dollar, Craig Burnside and Paul Collier of the highly criticized Development Research Group of the World Bank,¹³ responsible for the influential report *Assessing Aid* (World Bank 1998).

The first problem with this type of publications comes with the mostly problematic causal models that are produced. In its contribution to growth aid is mostly a very limited factor, exogenous factors – the markets and price fluctuations of raw materials, movements on the financial markets – are mostly of a far greater importance, in particular when countries are dependent on the export of one or a few commodities. Still mostly authors of these papers isolate foreign aid and promote their correlations to causal relations with strong conclusions. How aid for example, is related to democratization, what kind of foreign and local political actors and resources play a role in these democratization processes is not brought into any model, derived for example from the studies on governance promotion and democracy assistance by Carrothers and Burnell.

Secondly, nearly all authors don't discuss the reasons why aid is given, the aid rationale. They suppose that all aid is provided to promote economic and social development and growth, or to foster good governance. One of the unintended consequences of the aid rationale is that a large portion of aid has been going to dictators and corrupt regimes in the global power struggles of the Cold War and the 'War against Terrorism'. It means that aid is evaluated against its humanitarian goals, where it has had from the beginning other objectives. In papers where the Cold War is discussed, it is assumed that it played a role with all Western donors, where in fact it was important for the US, but not for European donors and where some European donors even countered it (e.g. Swedish aid to North-Vietnam and Dutch and other aid to the liberation movements in the Portuguese colonies and the anti-Apartheid movement). After the end of the Cold War for the US (later also for other donor countries) the Middle East became a focal point (since

¹¹ Newby (2010) sums these up.

¹² I will not deal with the statistical problems that arise in these studies, this amply done by Finn Tarp and others.

¹³ See the evaluation of World Bank research of 2006 by Banerjee, Deaton, Lustig & Rogoff; and in particular also the comments by Acemoglu.

1979) and in the last decade the ‘War against Terrorism’. For other donor countries, like France (the ‘Françafrique’), combined political-strategic and economic-commercial interests (access to raw materials) were of such an importance that they were well willing to support all kinds of authoritarian regimes. This of course should have had an influence on the way these authors should have analysed the relations between aid and democracy/good governance. [*references to be included*]

Another methodological problem in nearly all the papers studied is that they treat ‘fungibility’ as an absolute phenomenon (aid is 100% fungible). It means that all these studies presuppose that aid can easily substitute other expenditures by governments and that aid might in reality not be financing what it is supposed to finance. This seems logic because otherwise the mathematics of correlation become extremely difficult, but it of course doesn’t even give a glimpse of what the reality is. In most countries with low levels of development, with no access to international financial markets with, by definition, a low tax base, aid is not fungible at all. This is extrapolated when aid is given as technical assistance, as tied aid or for specific projects. It means that the outcomes of such studies, e.g. by Collier and Hoeffler, should not be taken too seriously (Hoebink 2008b & 2008c).

Similar conceptual problems can be found when authors in cross-country analysis are trying to bring the so-called ‘resource curse’ in discussion, depicting aid as a financial resource like oil, natural resources which even cause conflict and civil war (e.g. the collection of essays in Bannon & Collier 2003). It might even be discussed if the ‘resource curse’ ever existed (e.g. Brunnschweiler & Bulte 2008; Brunnschweiler 2008; Jones Luding & Weinthal 2010; Lederman & Maloney 2007) and the same could be said for the so-called ‘Dutch Disease’. Dutch disease effects from natural resource incomes are supposed to have taken place in the Netherlands: high income from natural gas contributing to a rise in wages, making Dutch exports uncompetitive and leading to a closure of industries. What we in effect saw in the Netherlands, but also in surrounding European economies, was restructuration in the *Global Shift* (Dicken) from labour-intensive industries (textiles, shoes, electronics, ship-building) to low-wage countries. Again, looking the flawed concepts and the complexity of economic systems it should not come as a surprise that the outcomes of these studies on the resource curse and/or Dutch disease effects of aid are contradictory. [*some examples to be included*]

Lastly there is the quality of the databases that the authors these papers use and the very uncritical treatment of data. This starts with the databases on aid, which in general overestimate largely, in particular because of technical assistance, the actual volume of aid flows. Authors should use preferably Country Programmable Aid, because this shows much better what aid-recipients actually receive. This is even more true for the databases on democratization and in particular those on corruption. Democratization is complex and it encompasses a big set of elements from free and open elections to freedom of speech,

demonstration, freedom of organization, etcetera. It is nearly impossible to put all these elements in one single score; thus authors use proxies which by definition are not very reliable. Corruption as all crimes, by definition is situated in the dark, which means that there never will be any reliable databases on the levels of corruption. Also here most authors use a proxy. And although it has been argued regularly that Transparency International's Corruption Perception Index is not a good indicator for the level corruption – it might indeed be a better indicator for the success of anti-corruption, it is still widely used by authors trying to find a relation between aid and corruption. [*references to be included*]

4.7 The cold winds of the world market

In his famous book *The Open Veins of Latin America* – Barack Obama got it as a present when visiting Hugo Chavez in 2009 – the Uruguayan writer Eduardo Galeano observes that when the coffee prices on the stock exchange in New York are high the number of marriages in Colombia rises, but, when these volatile prices come into a downward curve the number of suicides go up (Galeano 1974: 124-132). The capricious world markets for primary products have had its unintended influence not only on the economies and the social life of exporting countries, they have had them also on development projects.

When making a cost-benefit analysis for a sugar factory in 1972 the future looked rosy: with high economic returns such an investment could easily be earned back in a period of seven to ten years. With overproduction and subsidized beet sugar a year later the future of the plantation and factory was rather bleak. In Tanzania the Netherlands had to pay for years for the imports the sugar factories needed, since it paid for the first factory in the mid-sixties (Hoebink 1988).

5. Unintended positive effects of development cooperation: White elephants turned pink

The above paragraphs have sketched a picture of many development assistance projects and programmes having negative unintended consequences and effects. When going through my bookshelves, archives and memory again it was not difficult to pull them out and many more examples than presented here could easily be found. Two important observations prevail: most of the examples I have gathered and have in mind are for a large extent from the period 1950-1990, the first forty years of development cooperation, and much less from the 35 years thereafter. Second, it is much more difficult, delving for gold, to come with examples on projects and programmes that had positive unintended effects. It is easier to find examples of projects and programmes which have been criticized for their negative economic and social effects, which turned out in the end to be rather positive. Or, to put it in other words, we could also discover 'white elephants who turned pink'. Maybe quicker than unintended positive outcomes in carefully described and planned projects.

The Green Revolution might be an example. With its High Yielding Varieties, it promised strong production results for rice and maize. Very quickly already the first generation of these HYVs were criticized for their high demands of water, fertilizer and pesticides and vulnerability for droughts and pests, thus demanding high investments and leading to bankruptcy of small farmers, to farmers' diseases using pesticides indiscriminately, and even to suicides of small farmers in despair of unpayable debts. However, the second generation of HYVs showed some major successes. India a basket case with famines at the end of the forties and in the early sixties, not only became self-sufficient but even an exporter of rice.

The Bai Bang paper and pulp mill was at the same time a symbol of partnership between the Swedish social democrats and North-Vietnam and a project that was seen as a Swedish development disaster, depicted in the Swedish media in an overwhelmingly negative way. Surprisingly however, successive Swedish governments stayed firmly committed to the project. The factory was already built in 1970 and for an extremely long period of 25 years Sweden was supporting it with a total sum of 2.2 billion Swedish crowns in current prices, which made it one of the longest and most expensive Swedish projects ever. Sweden not only paid for the plant, but also for transport and housing projects, a vocational school and community forest projects. The authors of the retrospective study call it "one of the most unusual aid projects to be undertaken in the history of development co-operation" (Morten Jerve c.s. 1999: 2). Overshooting the original budget four times and, when original planning predicted that it should reach full capacity at the end of the seventies, it only reached in 1996. Built and forests surveyed when American B-25s were bombing North-Vietnam, it was one of the first big processing plants being constructed in Vietnam. Five years after the last Swedish advisors left the plant, it reached full capacity, cost-effective, emerged as an important employer in what once was an underdeveloped forest area.

This type of retrospective studies could maybe unveil similar 'white elephants', in particular in Sub-Saharan Africa, where a lot of so-called 'aid ruins' are supposed to be (de)constructed. Irrigation schemes were generally seen as unsustainable in Africa and the same is true for many industries which were constructed in the sixties and seventies, with an exception maybe for the beer industry. Factories producing at extreme low capacity rates during the years of crisis and structural adjustment, might have recovered (and not closed) since then and through privatization and new management have become more successful, like the Bai Bang factory project.

6. Conclusions

As indicated already above the examples to be found through a rush in the international literature on aid projects and programmes show us a large number of unintended effects and consequences. A major part of them was caused by the ideologies that prevailed in the periods 1950-1980 and 1980-1995 and also by the aid rationale over these years, in which political-strategic and economic-commercial had the upper-hand. Of course, in daily practice mistakes, organizational disorders, exogenous influence also were the producers of several types of unintended consequences, although the international literature of some of the most debated ones (fungibility, 'Dutch disease') is not very convincing.

A more and deeper search is needed to find more positive unintended effects of development assistance and cooperation. In particular in Sub-Saharan Africa where aid was plagued by project and programme failure during the years, in particular also when supporting, dictatorial and corrupt regimes, we might find through more retrospective studies that some aid programmes and projects have had sustained positive effects, also at places where earlier evaluations only showed 'development ruins', in a search for the 'white elephants turned pink'.

The number of examples of negative unintended effects of aid programmes in the last decades is rather limited, although there are huge amounts of wasted money and casualties in conflict-ridden and war-torn areas. In most aid-recipient countries the new emphasis on poverty reduction, but also on country ownership, coordination and complementarity seems to have reduced the number of burdensome negative effects. Retrospective studies on these last decades in the coming years might however bring to the surface that this observation is unintendedly wrong.

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