

The Impact of International Funding on Projects in Developing Countries

by

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Declaration

I, the undersigned, hereby declare that the work contained in this assignment is my own original work and that I have not previously in its entirety or in part submitted it at any university for a degree.

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Abstract

This assignment seeks to critically analyse the impact of international funding on the present state of development in developing countries. The aim of the analysis is to provide recommendations to improve the methods and motives behind giving funding in order to increase the impact of such funding. International funding provided to developing countries is often based on rigid guidelines, requirements, restrictions and conditions. It is these conditions that need revising to be more appropriate for conditions in developing countries. Only through viewing case studies and learning from them is it possible for international funding to facilitate more innovative and effective development to those in need.

The research findings are derived from analysis of the literature review of international funding and through viewing the Danish International Development Assistance (DANIDA) and the South African Police Service (SAPS), the two organisations of this case study. The SAPS is one of many organisations receiving international assistance and have benefited from assistance from DANIDA since 1994. Funding for the project in the study was granted after the project proposal was formulated to fit the requirements of the DANIDA Guideline for Project Preparation, a set of guidelines prescribed to any organisation wanting to receive funding from DANIDA. All funding organisations have similar guidelines although it is evident that some are more rigid and prescriptive than others. From this study a list of recommendations were developed pertaining to the sets of guidelines used by international development organisations.

It appeared rational that the list of recommendations should be divided into suggestions on the required structures of development organisations and on the required aspects to be included in the project proposal and implementation. The recommendations to the structures were to determine the level of involvement of the funding organisation in the project; to determine the literacy level necessary to comply with the funding requirements; to decide on the level of involvement of

external consultants; to ensure frequent reviews; and finally to ensure conflict resolution. The aspects to be included in the project proposal and implementation were based on ensuring equal opportunity in terms of diversity and gender awareness; to commit to the sustainability of the project; for all parties to be involved in the compilation of project objectives and to ensure that the project represents the overall development goals of the beneficial country.

Although a number of these recommendations are applied by some organisations it is necessary for the successful outcome of a project that all are considered. Each recommendation represents a building block of development and these are all interdependent. The general conclusion of this study is therefore that some level of conditionality is necessary. No one can expect economic aid to be given without conditions but the conditions must be fair, benefiting the recipient country and ensuring that development of those living in poverty is indeed the outcome of all funding.

Opsomming

Hierdie werkstuk het ten doel om die impak van internasionale befondsing op die huidige stand van ontwikkeling in ontwikkelende lande krities te analiseer. Die analise het die formulering van aanbevelings ter verbetering van die metodes en motiewe agter die toestaan van befondsing ten doel ten einde die impak van sulke fondse te verhoog. Internasionale befondsing vir ontwikkelende lande is dikwels gebaseer op rigiede riglyne, vereistes, beperkings en voorwaardes. Dit is hierdie voorwaardes wat hersien moet word ten einde meer toepaslik vir toestande in ontwikkelende lande te wees. Slegs deur die ontleding van gevallestudies en lesse daaruit geleer is dit moontlik vir internasionale befondseers om meer innoverende en effektiewe ontwikkeling aan behoeftiges te fasiliteer.

Die navorsingsbevindings is afgelei uit die analise van die literatuurstudie insake internasionale befondsing, asook die analise van die twee organisasies in die gevallestudie, naamlik die “Danish International Development Assistance (DANIDA)” en die Suid-Afrikaanse Polisie Diens (SAPD). Die SAPD is een van vele organisasies wat internasionale bystand ontvang en word reeds sedert 1994 deur DANIDA ondersteun. Befondsing vir die projek waarop die gevallestudie gebaseer is, was toegestaan nadat die projekvoorstel geformuleer is volgens die vereistes van die “DANIDA Guideline for Project Preparation”. Laasgenoemde is ‘n stel riglyne wat voorgeskryf word aan alle organisasies wat vir befondsing wil kwalifiseer. Alle befondseersorganisasies het soortgelyke riglyne, alhoewel dit duidelik is dat sommige veel meer rigied en voorskrywend is as ander. Uit die studie is ‘n stel aanbevelings ontwikkel rakende die riglyne soos gebruik deur internasionale ontwikkelingsorganisasies.

Dit blyk rasideel om die lys van aanbevelings te verdeel volgens voorstelle rondom die vereiste struktuur van ontwikkelingsorganisasies, asook voorstelle aangaande die vereiste aspekte wat ingesluit moet word in die projekvoorstel en

implementering. Aanbevelings insake die struktuur het ten doel om vas te stel watter vlak van betrokkenheid van die befondser benodig word; om die nodige geletterdheidsvlak vir die nakoming van die befondsingsvereistes te bepaal; om die vlak van betrokkenheid van eksterne konsultante te bepaal; om gereelde hersiening te verseker; en om konflik oplossing te verseker. Aspekte om in te sluit in die projekvoorstel en implementering is gebaseer op die versekering van gelyke geleenthede in terme van diversiteit en geslagsbewustheid; om volhoubaarheid van die projek na te streef; vir alle partye om betrokke te wees in die samestelling van die projekdoelwitte en om te verseker dat die projek die oorkoepelende ontwikkelingsdoelwitte van die begunstige land verteenwoordig.

Alhoewel party van hierdie aanbevelings reeds toegepas word deur sekere organisasies, is dit noodsaaklik om alle aanbevelings in ag te neem ten einde 'n suksesvolle uitkoms van die projek te verseker. Elke aanbeveling verteenwoordig 'n boublok van ontwikkeling en almal is interafhanklik tot mekaar. Die algemene bevinding van hierdie studie is dat 'n bepaalde vlak van voorwaardelikheid noodsaaklik is. Daar kan nie verwag word dat ekonomiese hulp verskaf word sonder voorwaardes nie, maar laasgenoemde moet regverdig wees, voordelig vir die begunstigde land wees, en verseker dat ontwikkeling van diegene wat in armoede leef wel die uitkoms van alle befondsing is.

“We will spare no effort to free our fellow men, women, and children from the abject and dehumanizing conditions of extreme poverty, to which more than a billion of them are currently subjected.”

United Nations Millennium Declaration – September 2000

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1. Operationalisation of the Research Process

1.1 Introduction

The framework of international funding has for long been a topic of discussion in international development and business forums. The reason behind this debate is primarily due to a link between developed countries' fundamentals of development and conversely those of practical value in the developing countries. Fundamentals are the beliefs and practices that a country is build upon and functions within. Numerous examples throughout the developing world have indicated that a gap often appears when the fundamentals of developed countries are followed by the development organisation without taking the particulars of specific settings and situations into consideration. What is even more detrimental is when benefits for the developed countries are put prior to those of the developing world. In those countries the funding is actually provided for and should be assisting in their quest for a better standard of living.

South African experience is not excluded from this category. Various international organisations are at present involved in projects in South Africa that are based on international development organisations' approaches to development. These approaches include the conditions that the funding is provided by and the impact of it. This impact is not always positive and could lead the developing country further into the trap of poverty.

A substantial part of the development projects currently taking place in South Africa are internationally funded. This is due to the fact that the South African government and development organisations at present do not have the required capital or capacity to fund and implement all required development needs. International funding is necessary for the development of all sectors, specifically of those striving for equality. The apartheid legacy has created a gap in the standard of living, not to mention human dignity, amongst South Africans due to policies which promoted inequality in a ruthless manner. Development at all levels is imperative to eliminate this gap. Unfortunately the task is at present too

great for the government and civil society to master without outside assistance. International funding is not something that the government can decide to ignore or refuse, as it is crucial for the sustainable future of all South Africans. The question must therefore be asked, why even consider ignoring or refusing the funding when it is so crucial? The answer to that is that due to the many conditions linked to international funding it does not always have a positive impact on development. As will become clearer throughout this study the impact of international funding can sometimes be feeding the vicious circle of poverty more than dissolving it.

The South African Police Service (SAPS) is one of many organisations benefiting from international assistance. The assistance is needed in order to guide a transformation from a white militaristic police force to a democratic and effective police service. The SAPS is receiving funding from the Danish International Development Association (DANIDA). The SAPS has received support for the project in this case study since 1998 when organisational agreement and commitment to the process was established amongst management. These two organisations represent the case study on which the hypothesis of this study will be proved or disproved. The SAPS is currently implementing a management development project adapted to fit the requirements of the DANIDA Guideline for Project Preparation and will eventually be evaluated against DANIDA's own evaluation guidelines. The primary focus of this study is to evaluate the conditions under which funding was granted, rather than to focus on the actual end-result of the project. The project was on the completion date of this study still continuing. However evaluative reports compiled during the project will be used to illustrate the applicability of DANIDA's project requirements. It is of importance for the sustainable future of development countries to evaluate results of projects against these specific conditions. Only by evaluating outcomes of case studies like the one under study can we improve the effectiveness of internationally funded projects and establish more innovative and dynamic development.

1.2 Problem Statement

The phenomenon of the developed world assisting the developing is at first sight one of sympathy and compassion. Unfortunately the first sight repeatedly fails to illustrate the entire depiction of the development debate. International funding is often based on rigid guidelines, requirements, restrictions and conditions in the macro context referred to as structural adjustment programmes that the recipient must follow in detail to acquire the funding. The structural adjustment programmes often include clauses and conditions that prove to be less beneficial. These conditions often lead to deteriorating poverty due to the problems associated with repaying the debt. For developing countries clearing the debt burden becomes harder than the actual task of developing the country. Furthermore, it becomes clear in most cases that international organisations do not only have the poor people at heart but to an equal measure their own economic growth, political and military interest as well as “cultural imperialism”. The conditions on which international funding is given to recipients has been feeding this vicious circle of poverty. The poor have become poorer and the rich have become richer. With wealth comes the unfortunate ability to dictate to those less fortunate. It almost appears to be a game of survival of the fittest in which the strongest often manipulates the weakest. This is also the representation of the development scene today.

The wealthy developed nations are in a position to control the poorer nations for their own benefit. Unfortunately it seems like an impossible task for the developing countries to break the current ways of developed countries as they often are the strongest economically and politically. New methods of approaching international funding are necessary and equally important a stronger commitment from developed countries to reach a level of equal distribution and opportunity for a decent life for all. Only sustainable and innovative projects with present and future generations at heart will be sufficient. Anything less will only further lead to poverty and environmental disaster. A few countries are showing commitment to fair and sustainable methods of providing funding and it is such development programmes that other developed countries should be guided by.

1.3 Hypothesis

International funding conditions have assisted in increasing poverty and debt in developing countries.

1.4 Research Methodology

The study will follow the deductive method by beginning with examining the theory and general principles on the topic before proceeding to view the case study. The researcher will make use of both primary and secondary data to provide quantitative and qualitative results. In other words a “qualiquantive” methodology will be applied, (Brynard & Hanekom 1997; Mouton, 2001:107) This is due to the multidimensional and multidisciplinary nature of the study. The study will begin with a comparative literature study followed by the interpretation of interviews. The findings of the interviews will be transferred into recommendations with the background provided in the first chapters as the foundation to evaluate the research against.

A cross-reference check of data will be done to determine the authenticity of the information and the relevancy. The following different databases have been consulted: Nexus; Sabinet; INEG; US Bellville Park Campus Library; J.S. Gericke Library; HSRC; and various other university libraries in South Africa. Finally, the researcher made use of the Internet to gain information on areas of this study not available in any of the mentioned databases. (see Mouton, 2001: 28-35).

The researcher will analyse in-house material from the SAPS Management Development Unit and the MA assignment, article, and funding proposal of Mr. Jacques Carstens on the implementation of this project (1998). The researcher will further visit the location of the project i.e. the Management Development Section of the South African Police Service Training College in Paarl.

Personal interviews will be conducted with various selected people involved in the SAPS Management Development project. These are representatives from the SAPS as well as DANIDA.

Material on DANIDA will be used to evaluate the SAPS project and through this analysis provide the necessary insight into DANIDA as an organisation for development assistance. Through this evaluation the recommendations for development organisations becomes possible.

Scan reading, mind mapping and data filtering methods will be used as analytical tools to review relevant literature on the topic, (Brynard and Hanekom 1997:12-14 and 48-53).

While carrying out the research the researcher will comply with the ethical implications and research guidelines as mentioned by Brynard and Hanekom (1997:4); the guidelines for writing essays and a research methodology course presented by the SOPMP in 2000.

1.5 Research Limitations

Eight interviews were scheduled. Due to the fact that most of those being involved in the project are residing in Gauteng most of the interviews were required to take place over the phone. The questions were faxed to all the interviewees beforehand. Although interviews took place according to plan the researcher found it complicated to record all that was expressed by the interviewee. A couple of the interviewees were contacted again for further clarification.

One of the scheduled interviews did not go according to plan as it was realised that the interviewee did not have insight into the part of the project dealing with DANIDA. This person was an outside consultant and had been hired to perform a needs-assessment for the project and did not at any time have contact with DANIDA or personnel from the Danish Embassy. Therefore only seven interviews took place.

1.6 Conceptualisation

To avoid perplexity it is essential to conceptualise the main concepts used in the study.

1.6.1 Development

The term development has many different meanings and is used in many different fields of study hence the call for an interdisciplinary, multidimensional and holistic approach (see Todaro 1994:14; Stokke 1996:16; Esman 1991: 5; and Kotze 1997: 2-3).

The definition provided in this study relates to the direction that international funding organisations should take as in contrast to the current path that is often leading to stagnation or even a reduced level of development. International funding will be defined in section 1.6.2. International organisations and the debate around conditionality, tied aid and structural adjustment around providing funding are described in section 2.2 in the following chapter.

Development should be explained in terms of specific concepts that form the building blocks of the term. Each of these concepts must have within them indirect actions or activities of development, (see Theron and Barnard 1997: 36-38 in Liebenberg and Stewart as an example of how a definition can be compiled). This definition will be compiled of different concepts of development derived from various experts on the topic.

For the purpose of this study the term development will focus on the type of development that has to do with poverty stricken countries and the theories to alleviate such conditions. Stewart in Kotze (1997:1) states that, “development may be defined as positive social, economic and political change in a country or community”. Although this definition is in line with the views of the researcher it is not sufficient as it is difficult to determine the value of “positive change”. It also does not state by which method this change is to take place. Esman

(1991:5) builds on the definition by Stewart by stating, “development involves societal transformation – political, social, and cultural as well as economic; it implies modernization – secularization, industrialization, and urbanization – but not necessarily Westernization”. The researcher places emphasis on the final sentence by Esman. Development is not synonymous with Westernization as often believed by Western based development organisations.

Rist (1999:13) offers a deliberately controversial definition in stating that, “development consists of a set of practices, sometimes appearing to conflict with one another, which require – for the reproduction of society – the general transformation and destruction of the natural environment and of social relations. Its aim is to increase the production of commodities geared, by way of exchange, to effective demand”. Although this definition describes development as a set of practices, which is the desired point of departure, the remaining of the definition describes how so-called development has manifested itself in practice and not what development should be and also not how development should be executed. Development has reached a stage where it is not acceptable to develop without taking the environment into consideration and further, where methods of development are followed that consider the environment even if it means people have to pay the short term price for the long term benefit. Therefore the practices that Rist is mentioning should be taken notice of. These are the practices followed by developing countries under guidance of Western developers and could represent a reason why development to this date does not have a good success record (see Esman, 1991:5). The researchers selected definition of development therefore has as a starting point the respect for and incorporation of a nation’s indigenous practices.

By respecting nations and their practices the primary concern should be for human beings and how to improve their standard of living. As stated by Weaver et al (1997:13), “to achieve the broad goal of development four sub-goals must be pursued: (1) a healthy, growing economy undergoing structural transformation; (2) an economy in which the benefits are widely distributed; (3) a political system that provides for human rights, freedom and effective

governance; and (4) a political economy that is consistent with preservation of the environment". (See also Todaro, 1994: 28; and Coetzee et al, 2001: 123). This definition indicates what action should take place when introducing development in trying to achieve this state of affairs. International organisations' development programmes should work towards these goals and at the same time respect the nation's practices.

There is only one factor missing and that is how to include the people whose lives are in need of development and progress. The first theories of development failed to do so. The definition by Burkey (1993: 56) provides the final items of the researcher's definition. Burkey states that, "participation is an essential part of human growth, that is the development of self-confidence, pride, initiative, creativity, responsibility and cooperation. This process whereby people learn to take charge of their own lives and solve their own problems is the essence of development". (see United Nations Development Programme: Annual Report 2001: 4) Participation, although only one key element, includes other important items of development. Participation leads to empowerment, self-reliance and eventually sustainability. (see also Theron and Barnard 1997: 36-38 in Liebenberg and Stewart; Swanepoel and De Beer, 1997: 25-26).

The researcher believes that a definition of development should include the notion that international organisations must respect developing countries practices; put destitute people before their own economic growth; assist in implementing programmes in participation with people of all communities that concurrently promote a healthy political, economic and social environment and by simultaneously being environmentally sustainable to provide for future generations.

1.6.2 International Funding and Related Concepts

Before embracing the definition of international funding it is necessary to mention that in the area of funding many overlapping concepts exist. Funding can also be described as aid, donations or assistance although the concepts hold different meanings at different times. The researcher has decided to

primarily use the concept funding as this appears to be the most commonly used within international organisations.

International funding is one of the buzzwords in the field of development and a concept that lends itself to much controversy due to its history of failures and accomplishments. As stated in a World Bank Policy Research Report (1998:1) “international funding in different times and different places has thus been highly effective, totally ineffective and everything in between”. Some schools of thought view international funding as the only way forward for the developing world while other schools of thought views it as to the detriment for the exact same population groups. This study will view this debate in more detail in Chapter 2.

International organisations give funding in different ways and it is necessary to mention that the funding also includes the activities that go with it. It is not just a hand-over of capital. Todaro (1994:538) states that, “the concept of international funding that is now widely used and accepted is one that encompasses all official grants and consented loans, in currency or in kind, that are broadly aimed at transferring resources from developed to less developed nations on development or income distribution grounds”. This definition by Todaro provides the overall framework of international funding but for the purpose of this study it is necessary to elaborate on this.

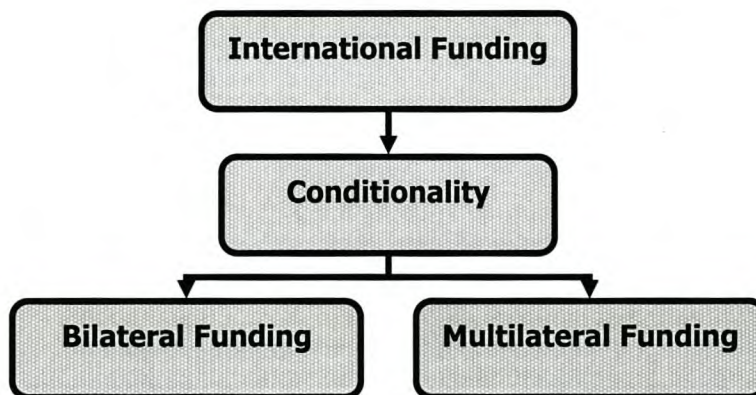
International funding, as described by Todaro includes both conditional multilateral and bilateral funding. International funding should be seen as the main foundational concept elaborated by the term conditionality. Conditionality is then reflected in both multilateral and bilateral funding. See Model 1 on the bottom of the page.

Conditionality is as stated by Polak (1994:14) “a term that refers to the conditions of economic policy a recipient agrees to as a basis for concluding a loan arrangement and for allowing subsequent drawings under such an arrangement”. The definition above gives a clear indication of what often takes place when funding is given. Economic transfers are made to the developing

countries on their agreement to implement economic policies. They therefore agree to comply with certain conditions of funding. The lack of the above definitions is that it is only based on economic transfers and fails to include transfers of resources of a non-economic measure, such as equipment and human resources.

The term conditionality includes all the additional conditions, requirements and guidelines that developing countries have to follow in order to receive funding as well as any additional resources. Although international funding is at times given without conditionality the type of funding to be examined in this study includes these conditions. The researcher will only view funding with attached conditions.

Model 1: International Funding



Conditionality is described by the methods under which multilateral and bilateral organisations give funding. What are multilateral and bilateral organisations and how do they provide funding? DANIDA in *Hvorfor and Hvordan* (Internet source) state that, “if developing countries receive funding from a developed country it is called bilateral funding and if the funds are collected by an international organisation and used for assistance in implementing development programmes it is called multilateral funding”. Multilateral funding as defined by Roos (1994:1) agrees with *Hvorfor and Hvordan* in stating that multilateral

funding “means that the funds, donated by a number of donor states, are pooled and then distributed by an institution or institutions”.

The researcher therefore defines international funding as the conditional multilateral and bilateral funding based on transfers of money as well as additional non-economic assistance of the funding organisation in implementing programmes and designing policies.

1.6.3 Developing Countries

As international funding is providing for development in developing countries it is necessary to give a brief definition as to how the researcher views developing countries. Not only in their current state as developing countries but also as to what actions must be taken in reaching the level of a developed country. It is necessary to mention that all of these countries do not possess the same characteristics although they do share a common set of problems (see Todaro, 1994: 28).

Developing countries have through the last 50 years been called “third world countries”, “underdeveloped countries”, “less developed countries”, as opposed to “more developed countries” and have been classified according to numerous indicators. The researcher prefers the term “developing” as it has a positive connotation of change as opposed to a state of being. The other frequently used term “third world” is not utilized due to it containing a degrading connotation.

In comparison with the developed, advanced, industrialised nations, developing countries have a very low level of socio-economic development, which is reflected by their generally lower standard of living and quality of life. Bannock et al (1987:111) describes a developing country as “a country that has not yet reached the stage of economic development characterised by the growth of industrialisation, nor a level of national income sufficient to yield the domestic savings required to finance the investment necessary for further growth”. This definition lacks sensitivity to the social and political characteristics of a

developing country and only focus on the economic description. It is not a multidimensional or holistic definition of developing countries.

It is evident when viewing developing countries that they not only face economic problems but that the political system is poorly developed. They tend to have difficulties in attending to social problems such as high unemployment, high population growth, crime and violence. (see Esman, 1991: 5; and Rist, 1999).

Todaro (1994: 28) states that, “most developing countries share a set of common and well-defined goals. These include the reduction of poverty, inequality, and unemployment; the provision of minimum levels of education, health, housing and food to every citizen; the broadening of economic and social opportunity; and the forging of a cohesive nation-state. This definition by Todaro of the way forward links well with the view by Goldsworthy. The definition by Goldsworthy (1988: 507) describing the road a country ought to take to become a developed country is more adequate as he states that, “Development is an idea, which combines the moral with the material. It is a moral idea in that it is about human betterment, fulfilment, the enrichment of lives through the expansion of choice; and a material one in that it is about transforming material poverty through the creation and optimal distribution of wealth”. Although this firstly is to be a definition of development it also provides us with an all encompassing description of what these countries require in terms of development to improve and give attention in order to be classified as a developed country.

Schumacher agrees with Goldsworthy and Todaro on the issue of equal distribution. Schumacher (1973:136) states that, “one of the unhealthy and disruptive tendencies in virtually all the developing countries is the emergence, in an even more accentuated form, of the ‘dual economy’, in which there are two different patterns of living as widely separated from each other as two different worlds”. (see Todaro, 1994: 83; and Stokke 1996: 35). The statement by Schumacher indicates that it is vital for the development of developing countries that equal distribution transpire. This is the only way in which to rectify social, cultural and political problems. South Africa with one of the most unequal

distributions of wealth in the world is a good example of how development is halted because of the problems that this brings with it. Unequal distribution of wealth is therefore one of the characteristics of developing countries. Besides being a characteristic it represents a state of affairs, which keep the developing country at that level.

Developing countries are therefore characterised by their lack of economic growth, moral stability and equal material distribution as well as a political and social environment not at present able to provide the opportunities and stability that is needed to develop.

1.7 Overview of Study

This section will provide a brief outline of the chapters that comprise the study.

Chapter 2 will focus on defining the background to the international development debate. It is done by describing the evolution of development theory as well as analysing the international development organisations' impact on the state of the developing world today. International organisations in general have contributed to the state of the developing world and arguments to support this notion will be presented. This chapter will in addition debate the issues of the rationale behind international development organisations to provide funding.

Chapter 3 establishes the link between development theories and organisations as it embarks on an analysis of the case study by focussing on DANIDA. This bilateral organisation case study will be examined in terms of its background and complexities as an organisation. This chapter will view DANIDA's involvement in South Africa through describing its programme of assistance. The chapter will conclude with viewing DANIDA's requirements and guidelines for funding development projects, which is the direct link to the case study of the SAPS management development project.

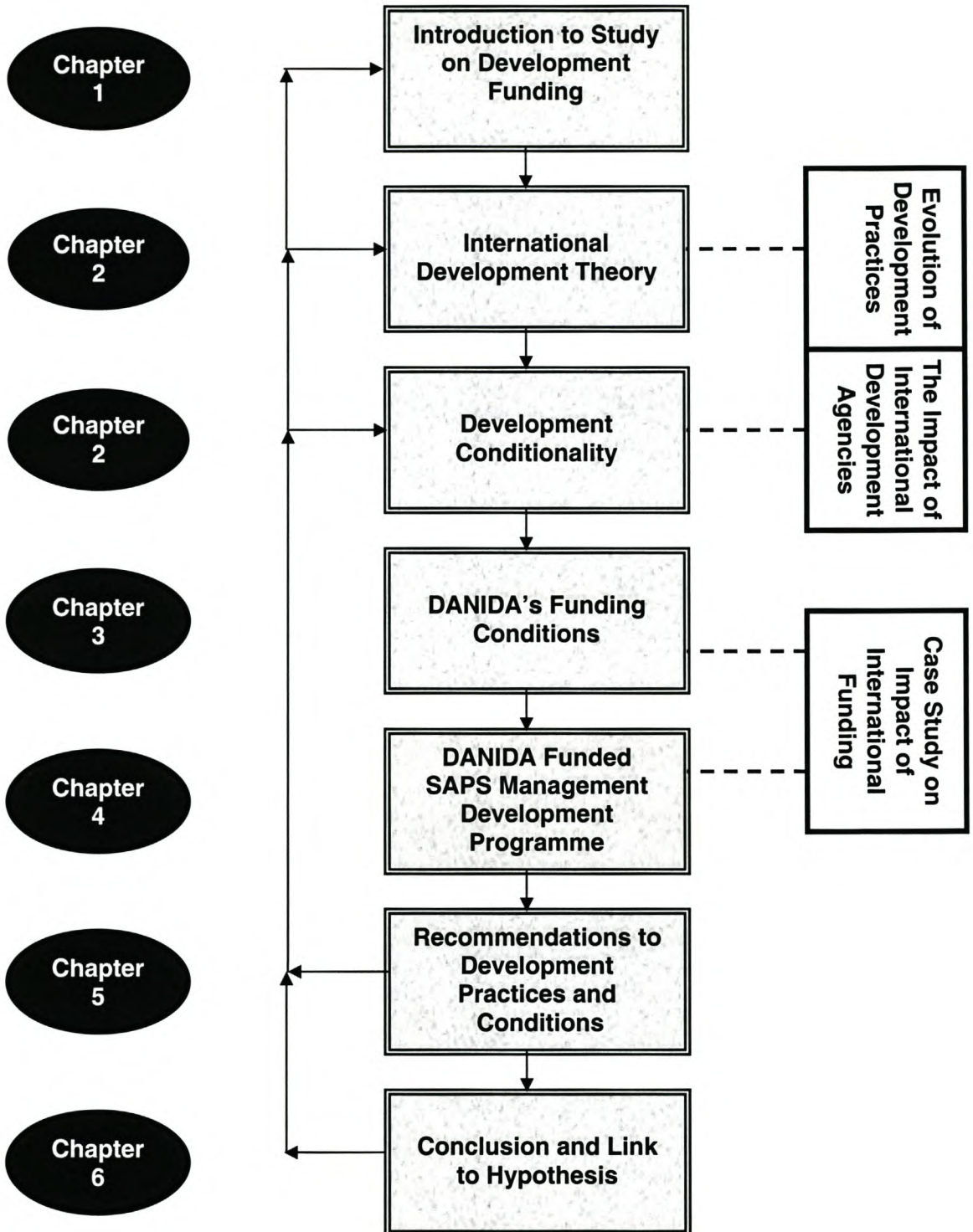
Chapter 4 analyses the management development project in the SAPS currently funded by DANIDA. This chapter will view the background to funding in terms of the proposal and progress reports. The proposal refers to the proposal submitted by the SAPS to DANIDA requesting the funding for the project. This proposal was written according to DANIDA guidelines for project preparation dealt with in Chapter 3. The sections to follow will investigate the expectations of the project and its outcomes. This is mainly done by analysing the objectives of the project. These objectives are used by DANIDA as the indicators of project success or failure. During this phase personal interviews will be conducted to add authentic findings to the research. Most of the data collected from the interviews will be presented in Chapter 5.

Chapter 5 applies the findings from the primary and secondary research to introduce a discussion on the results and to present recommendations on the theory and practice of international funding. This will be carried out by means of narrative and illustrative methods.

Chapter 6 draws to a close the study with a conclusion and comments on the hypothesis.

See following page for illustrative model of structure of study. This model indicates the link between each chapter.

Model 2: Structure of Assignment



2. The Development Debate

This chapter will provide a description of the evolution of development theory as well as an explanation of international funding, conditionality and international development organisations. In order for the reader to come to terms with the nature of international funding it is necessary to review the mainstream development theories. It is through the application of these theories that the impact of international development becomes clear. Stokke (1996: 4) mentions that, “development is the stated purpose of funding”. This remark is fundamental to this study. What is stated by development organisations and superpowers as the purpose is just a small part compared to what appears to be the actual incentive for giving funding.

This section is not meant as an exhaustive analysis but rather a descriptive overview, which will serve as a point of departure to understanding international development. It is important to mention that development theory and international funding is closely intertwined. As mentioned by Preston (1996: 234), “the notion of global development covers a series of related approaches, which stress the interdependent nature of the global system, the special concerns of the Third World and the interests that the First World has in seeing the situation of the Third World improved”. The theories created by Western experts through the modernisation paradigm have paved the way for methods of international funding. This connection will become clear in this chapter.

2.1 Evolution of Development Theory

Development theory has since World War 2 gone through failures, changes and improvements. As recalled by Braidotti et al (1994:17), “first the goal was rapid economic growth, then redistribution with growth, followed by satisfaction of basic needs and structural adjustment and recently, human development”. The first theories were based on a Western belief system supported by capitalism and to give some credit to these theories, democracy. It was ignorantly believed that the problems of the developing countries could be solved by directly

applying theoretical constructs derived from the study of the historical evolution of the West. Further it was argued that not only could the Western way solve problems, but it was also believed that it was the only way to create economic, political and social growth. It has later come to the attention of many through practical experiences that this is not a valid assumption.

It is important to note that the theories described below have been given various titles by different authors. This represents yet another indicator of the turbulent history of development theory.

2.1.1 Modernisation Theory

These economic theories emerged at a time when there was a booming post-war economy and when many of the old colonial powers were relinquishing control over African and Asian colonies. At least they were surrendering their direct control. Many of the then newly independent countries have later become indirectly dependent on the same powers again for reasons such as enforced structural adjustment programmes, tied aid, biased research into economic growth, and unequal methods of trade. (see Burkey, 1993: 9-10; Prabirjit, 1992: 6; and Todaro, 1994:109-110 and 355).

The Marshall Plan was prescribed for the reconstruction of Europe following the devastation of World War 2. The Marshall Plan laid in many ways the foundation for later models of international funding and aid. (See Leys, 1996: 8; and De Beer and Swanepoel, 2000: 32). It was during this time that the International Bank for Reconstruction and Development (IBRD) and the International Monetary Fund (IMF) was founded. The two organisations are involved in enforcing structural adjustment and stabilization programmes and, through these programmes, play a strategic role in creating the debt crisis. (See Wolfgang, 1994: 1-2; Schuurman, 1996: 11; and Weaver et al, 1997: 224). The success of the Marshall Plan in the late 1940's and 1950's led many to believe that, "similar transfers to developing countries would permit their comparably spectacular transformation" states Krueger (1986: 196). With the available knowledge on the subject today this is known not to be possible due to the

many hidden scenarios developed countries have when engaging in the business of funding development.

The 1950's were termed the first development decade. The development theory of economic growth laid the foundation for many development theories to come. "It can be argued that modernisation theory represented for a period something like a consensus within orthodox development theory", states Preston (1996: 235). (see Martinussen, 1997: 36). This theory was based on the assumption that development meant economic growth. As mentioned by Burkey (1993: 27), "development and economic growth became synonymous with progress and higher levels of civilisation". (See also Todaro 1994: 68; and Kotze 1997: 8; and Leys, 1996: 7).

Modernisation theory asserted that the inability to develop developing countries was due to a lack of exposure to capitalism. "Poorer countries would be able to develop only by fully entering the free market and using their 'comparative advantage', that is, by using the resources that gave each of them an edge over competitors in the market", (Graaff and Venter in Coetzee et al 2001: 81). The statement presented by Graaff and Venter in Coetzee is typical of the developed world, claiming no responsibility for their actions. It is common knowledge that by entering capitalist markets it does not mean that the developing countries will be able to become competitors. (see Escobar, 1995: 64-65). The developed countries control the free market and their own interests will always be in the forefront. This is one of the factors responsible for the lack of development in the developing countries. (see Todaro, 1994: 81; and Leys, 1996: 3).

One of the misleading factors of the latter day economic theory was the indicators of how developed or modern a country and its people actually were. (see Weaver et al, 1997: 13-18; and Coetzee in Coetzee, 2001: 31). Todaro (1994: 14) mentions that, "development was nearly always seen as an economic phenomenon in which rapid gains in overall and per capita gross national product (GNP) would 'trickle down' to the masses in the form of jobs and other economic opportunities or create the necessary conditions for the

wider distribution of the economic and social benefits of growth". (see Stokke, 1996: 38). The idea of the "trickle-down" effect is an indication of the rich wanting the poor to believe that economic growth will eventually benefit them. It is like believing in the notion that the rich will give to the poor and therefore unequal distribution does not exist. "The World Bank and development economists in general were fully aware that measurements of growth in terms of increased per capital incomes were faulty", states Martinussen (1997: 36). South Africa with its wealthy white minority group and its poor black majority group is an example where the wealth of one group does not benefit another group nor does it reflect an accurate GNP. This biased view of the wealthy does not reflect the real global picture of development and thus the idea of the "trickle down" effect had to be disregarded.

Development of developing countries was not as simple as viewing rapid gains in GNP. Other factors than just not being able to 'take-off' on the path of economic growth was to blame for the stagnation or degradation in many developing countries. Todaro (1994: 15) supports the statement of stagnation in saying that 'the experience of the 1950's and 1960's, when many Third World nations did realize their economic growth targets but the levels of living of the masses of people remained for the most part unchanged, signalled that something was incorrect with the narrow definition of development. At least something was erroneous with the way and for what projects international development organisations provided funding not to mention the structure of the world economic market. Kotze (1997: 8) explains the devastating situation by stating that, "the natural resources had been exhausted or depleted by exploitation and over-utilisation respectively, and that the underdevelopment of the developing countries was directly linked to their relations with industrialised countries". (see Leys, 1996: 7). This statement leads directly to the theory of dependency.

2.1.2 Dependency Theory

The late 1960's saw the emergence of the dependency theory, which recognised the limitations of the "trickle-down" effect. Countries appeared to be

growing, but fast growth did not seem to be leading to eradication of poverty as assumed. The dependency theory is the counteroffensive of the modernisation theory. Blomstrom and Hettne (1984: 27) agree by stating that, “not only did it contain an effective criticism of the modernisation paradigm, it also provided an alternative perspective and still functions as a catalyst in development theory”. Surplus, class, dependency, imperialism and modes of production took over from modernisation, nation building, integration systems, function and process as primary concepts. Although development theory of today is more advanced by incorporating new knowledge and experience, dependency theory still plays a role when viewing international development organisations and their funding of development. (see Schuurman, 1996: 10-11). Funding for development is actually given because the developing countries are dependent on the assistance. The dependency theory provided the development debate with a glimpse of the many possible negative effects of international funding and the conditions connected to it.

The theory of dependency was started by a group of Latin American intellectuals that were supporters of the neo-marxist philosophy. (see Blomstrom and Hettne 1984; Burkey 1993; Leys 1996; and Coetzee et al 2001). The dependency school was a loosely defined grouping of intellectuals from various disciplines who shared a common sensibility. (see Rist, 1999: 109). The theory started with the notion of the world as the basic unit of analysis, rather than individual countries or economies. The theory proposed that capitalism actively under-develops the developing world and explained this underdevelopment as occurring through the exploitation of developing countries by developed countries. (see Graaff and Venter in Coetzee et al, 2001: 78). This was based on the perception that the developing countries would suffer while the developed countries would benefit. The key to an understanding of the causes and processes of underdevelopment lies in an analysis of social formations in the developing and developed countries, and the relations between them, states Bean (1994: 21). Burkey (1993: 28) supports this argument by stating that, “the theory maintained that the developed countries benefited from trade whereas the developing countries suffered”. Leys (1996: 12) agree by stating that, “capital development offered nothing to the developing

countries". The developing countries remained dependent on world metropolitan economies and access to markets, finance and technology. As explained by Graaff and Venter in Coetzee et al (2001: 81-82), "given the power dimensions that held this system in place, it was not possible for countries to develop at will". That means that exploitation was conducted through unequal conditions of trade. (see Schuurman, 1996: 5). Raw material often produced by the developing world was sold at low prices to the developed world that would produce goods and then sell these at a much higher price back to the developing world. This leads to the unequal balance of trade and the dependency of developing countries on developed countries. (see Burkey, 1993: 9). As stated by Graaff and Venter in Coetzee et al (2001: 83), "what made this exploitation possible was the distortion of developing economies to serve the needs of the developed". (see Todaro, 1994:81).

The dependency theory led to the idea of global interdependence. No country, not even the powerful developed ones could decide not to be part of the world's system of trade.

2.1.3 Global Interdependence Theory

The key idea presented in the 1970's is that of global interdependence. It does not so much represent a theory on how to solve the problems of the developing countries but rather explains how all countries in the world are dependent on each other. It is based on many of the same notions as presented through the dependency theory and moreover refers to the basic needs approach presented in the following section.

In its earliest phase in the 1970's there was a concern for mutual interests of all those working within the global system. The particular institutional location of this line of thought was the United Nations (UN) Non-governmental Organisations (NGO's), the World Bank, and IMF. Burkey (1993: 29) states that, "global interdependence became more and more obvious and resulted in a proliferation of new development strategies". The call was made for a new international economic order (NIEO). The NIEO was presented to the UN. It

contained a series of proposals with the aim of reforming the then present world economic system. (see De Beer and Swanepoel, 2000: 46). NIEO had as one of its fundamental ideas to shift the balance of economic power towards the countries in the developing world. (see Bennett, 1988: 242-243; Stokke, 1996: 36-38; and Weaver et al, 1997: 145). "The programme had as its aim to upgrade the economies of the developing countries and to make them equal partners in the global system", states Preston (1996: 237). It is a known factor that it has not managed to do so. This indicates that the dedication from the developed countries for the NIEO to succeed has not been present. One of the important questions to be answered in this study is why there is a lack of commitment.

One aspect of the NIEO was the transfer of resources from the developed countries through international development organisations to the developing countries. This at first appeared to be the way for the developed countries to show their commitment in assisting the developing world in their struggle for a better standard of living. This has of course later proven to be detrimental to many developing countries, as supported by Burkey (1993:30) when he states that, "rather than leading to balanced economic development in these countries, this transfer has developed into the world debt crisis which has yet to be resolved". Due to the structural adjustment programmes implemented by the IMF many of the developing countries find themselves in a situation of debt repayments. (see Prabirjit, 1992: 18-19; Polak, 1994: 12-13; and Wolfgang, 1994: 3). Todaro (1994: 355) states that, "heavy debt servicing drastically reduces funds available to Third World governments for domestic social programmes, including those designed to alleviate poverty and reduce environmental degradation", thereby leaving the developing countries unable to implement development programmes to improve the standard of living. One would have hoped that this crisis would have been resolved by now. Debt elimination has been suggested as perhaps the only way forward for these countries. As mentioned by Todaro (1994: 469) "the burden of the global debt crisis must ultimately be shared by all". Unfortunately this has not occurred. Before viewing some of the possible reasons why the conditions people of

developing countries live under has not progressed, it is necessary to continue the explanation of the theories leading to the current development situation.

2.1.4 Basic Needs Approach and Redistribution

In the second development decade, 1970's to 1980's the basic needs approach entered the arena of development theories. Development theory had finally grown to such a stage that human beings and their means of survival was the primary concern of development theorists. As supported by Treurnicht in Swanepoel and De Beer (1997: 27), "the basic needs theory represents a shift in emphasis away from economic development and more in the direction of a human-centred approach". The question is: was this also the primary concern of international development organisations? (Section 2.2 will attempt to seek answers to this question).

At this stage the common persuasion was that since economic growth alone had failed to eliminate poverty different approaches should be considered. (see Martinussen, 1997: 42). "There was increasing concern that achievement of growth measured in terms of the GNP did not translate into widespread improvements in well-being", (Bean, 1994: 24). This is supported by Higgott (1983: 74) as he states that, "what has become increasingly apparent over the last three decades of development is that neither development nor under-development can any longer be thought of as the universal processes they were initially assumed to be by both modernisation and dependency theorists. Complex and multiple forms of capital accumulation and socio-political evolution in various peripheral social formations are now recognised as facts of life and attempts to build universal theories are seen as essentially ideologically determined".

Since the "trickle down" effect had not occurred and since the poor were always last to feel any change it became apparent that these people and their well-being should be considered first. This came with a growing world interest in human rights. (see Rist, 1997: 204-205). The International Labour Organisation (ILO) adopted the basic needs approach in 1976. Other international

organisations, in particular the World Bank adopted the idea, (De Beer and Swanepoel, 2000: 47). The basic needs approach came to include several primary elements of human rights. As explained by Burkey (1993: 31), “first, they include certain minimum requirements of a family for private consumption: adequate food, shelter and clothing are obviously included, as is certain household equipment. Second, they include essential services provided by and for the community at large, such as safe drinking water, sanitation, public transport, health and educational facilities”. (see Stokke, 1996: 38; and Yeld, 1997: 20). Swanepoel and De Beer (1997: 27) add by stating that, “it furthermore, emphasised that any process of growth which does not address these needs, makes a mockery of the process of development”. (see Liebenberg and Theron in Liebenberg and Stewart 1997: 121-130).

Since it was the persuasion of the international development theorist that the poor should be assisted and no longer just those that were on the path of economic growth, various aid programmes began to be implemented. Krueger and Ruttan (1986:46) support this by stating that, “concerns about the persistence of unequal income distribution and widespread poverty in the face of rising overall incomes also led to the development of aid programmes aimed at targeting assistance to the poor”. Although these programmes already existed they now took a turn towards a more humanistic framework. At least that is how it first appeared. Most of these were at first implemented through the major development organisations such as the World Bank and the IMF but this has later come to include single country and national organisations. This is possibly due to the failure of the larger multilateral organisations to succeed in increasing the standard of living for people in the developing countries. One reason for this is that the IMF and WB have included human rights and good governance as part of their stabilization/structural adjustment programmes in order to get governments to attempt to fulfil these basic needs. Once again, due to the fact that human rights imply much more than basic needs and often represent Western beliefs more than non-Western beliefs, many countries of other cultural backgrounds are unwilling to accept such conditions. (See Wolfgang, 1994:13-15). (This will be elaborated on in section 2.2).

It appears that smaller organisations place more emphasis on getting close to the people and their needs and therefore do not have to use the broad heading of “human rights”. As will become clear in chapter 3, this is also the approach adopted by DANIDA when providing funding. It is believed that being closer to the people increases the effectiveness of the project/programme due to the fact that the needs of the poor are only evident to those able to view these on an everyday basis.

It should be mentioned that the basic needs approach only provided a partial solution to the problem of development. It assumes that there are basic general human needs of all people regardless of their circumstances and that the communities concerned are seen as passive recipients of the welfare to be provided by Western organisations. There is possibly a broad framework of basic needs that international funding organisations can work within when deciding on what projects to fund but it is necessary to ask local people what they feel themselves that they need most. (see Burkey, 1993: 57-58). It is erroneous to believe that all citizens of developing countries have the same needs. It is therefore vital that some type of partnership evolves between the development organisation and the recipient or the recipient’s representative.

The basic needs approach started the realisation that to fulfil the needs of people into the future entails assisting in getting projects and programmes of the ground but that these must later be managed by the people themselves in a sustainable manner. DANIDA is an organisation that has a policy only to give funding to projects that have a high level of sustainability. The IMF and World Bank have often been criticised for not ensuring that their programmes are sustainable.

2.1.5 Sustainable Development Theory

The 1980’s and 1990’s were dominated by theories of sustainable development. Up to this point development had followed the route of Western industrialisation without regard for the environment and future generations. As explained by Treurnicht in Swanepoel and De Beer (1997: 28), “since the start of the

industrial revolution and the more recent population explosion, a pattern has been established that is putting scarce resources, various species and existing ways of life under increasing pressure". (see Rist, 1997: 192-193). Burkey (1993: 32) agrees by stating that, "the natural environment was there for man to conquer, exploit and develop for his sole benefit".

"In 1983 the General Assembly of the United Nations asked the Secretary-General to appoint a World Commission on Environment and Development", (Rist, 1997: 178). The Commission defined sustainable development as an effort, "to ensure that it meets the needs of the present without compromising the ability of future generations to meet their own needs", (Kotze, 1997: 10). (See Schuurman, 1996: 21-22; Martinussen, 1997: 43; and Yeld, 1997: 12).

It had come to the attention of many that development could not be considered as a once of donation to a project. Development organisations had to support the developing countries in becoming self-reliant and while developing taking better care of the environment than the Western world had so far. Braidotti et al (1994: 25) states that, "the global dimensions of the environmental crisis and the interconnections between development and the environment were clearly recognised by governments and mainstream economic and political actors". (see Rist, 1997: 193). It is after all the development of the Western world that has had the devastating impact on our environment. (see Yeld, 1997: 15). The ironic part is that it has not only effected the environment of the developed countries but also that of the developing. What is even more ironic is that the developed world is now attempting to find ways for the developing countries to only implement development projects that regard the natural environment. The 2002 World Environmental Summit in Johannesburg, South Africa has brought world leaders together but ironically the greatest violator of the environment namely the United States, did not feel that it was important enough to send their country's leader. A clear indication that sustainable development is left for the developing countries to deal with.

Two concerns of previous development theories should be kept in mind when planning development for the future. Munslow in Coetzee et al (2001: 498)

argues that, “Firstly, existing development pathways have left many people poor; secondly, until very recently the environment has been treated as a free good: nature is there to be used”. The important aspect that Munslow brings to light is the conscious involvement of humans in saving the environment. This statement indicates that sustainability is all about improving the human resource management of the natural resource base in order to maximise human welfare and maintain the environment now and for the future. (see Todaro, 1994: 329-330; and Yeld, 1997: 13-14).

The researcher sees sustainable development as having two equally important aspects. Firstly, as already mentioned by other authors, the environment must be protected for the well being of future generations. Secondly, proposing ways of doing development that fulfils the former by ensuring that the projects or programmes that are being funded are sustainable in themselves. (see Rist, 1997: 178-181) The SAPS and DANIDA project is one example of how this issue can be lost in the process. (See Chapter 3 and 4). The path to achieving this has to come through the methods of development. Therefore a mix between the environmental based sustainable development and a practical approach seems to be the only option. Treurnicht in Swanepoel and De Beer (1997: 31) state that, “sustainable development is also not a blueprint goal, but rather a direction, which will require continuous learning, change and capacity-building, involving all interest groups”. These words leads us in the direction of realising that sustainable development will only occur if people are equipped with the knowledge how to protect our environment. The last of the theories to be explained provide some solution and method to the problem of sustainability. The researcher sees these two theories as connected. One without the other would not lead to the goals of development. Therefore references to sustainable development will be made in the following section.

2.1.6 People-centred Development

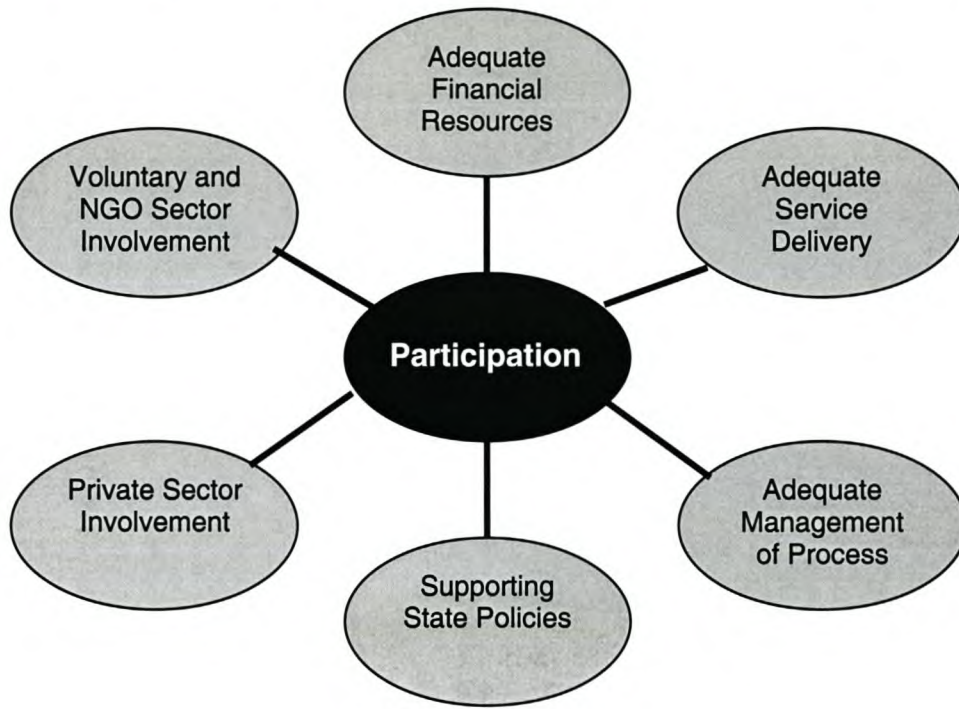
“People-centred development shifts the emphasis of development action to people, rather than to objects and production, and to the enhancement of their capacity to participate in the development process”, (Kotze and Kellerman in

Kotze, 1997: 36). The people-centred approach has people and the environment as the sole beneficiary of development. Korten (1990: 67) states that, “development is a process by which the members of a society increase their personal and institutional capacities to mobilize and manage resources to produce sustainable and justly distributed improvements in their quality of life consistent with their own aspirations”.

This theory is based on the notion that people must be helped to help themselves and that people living in poverty should have a say in what they personally feel they need and how they see best fit to reach it. International development organisations have in the past made the mistake of assuming that they can develop people and teach them how to become self-reliant. As stated by Burkey (1993: 50), “aid agencies, however, all too often flood their projects with expensive inputs, project vehicles and buildings, foreign experts and highly paid local staff while at the same time talk about making the people self-reliant”. (Some of these issues will be viewed through the case study). It is crucial for any sustainable development process that people participate both at planning and implementation stages. Theron and Barnard, in Liebenberg and Stewart (1997: 37), agree by stating that, “one of the essential conditions for true development and planning is participation”.

Model 3 on the following page illustrates how participation is a key building block of development. Development projects can only be sustainable if several indicators are present and providing the necessary support to ensure that participation takes place.

Model 3: Participation as the Key Building Block to Development



Participation is necessary when promoting sustainable development. Of course this is not the only ingredient. As mentioned by Roodt in Coetzee (2001: 469), “to achieve sustained development requires more than people participating in the development process. As important is a coherent and integrated state policy at national, regional and local level. In addition the involvement of the private sector and NGO’s is often a vital ingredient. Finally, adequate service delivery, management, and finance are essential”. This statement provides us with the idea of how difficult sustainable and human development actually is. Yeld (1997:17) states that, “widespread poverty must be eliminated both for social and environmental reasons”. The factors and resources that have to come together to make this happen are enormous and calls for strategic planning between all stakeholders involved. (see Korten, 1990: 68). This represents the scope of the work that developing countries along side with international and national development organisations have ahead of them. The 2002 World Environmental Summit was organised for this specific reason.

The description of the evolution of development provided the history and background to the impact that international organisations and structures have had and still have on the developing world. The following section will view this impact in more detail by describing some of the main issues facing the developing world and mention a range of scenarios as to why development is not progressing.

2.2 The Impact of International Organisations and Structures

Why are some countries rich and others poor? There exist countless answers to this question and it is the main purpose of this section to highlight some of the general arguments. However, prior to engaging in that discussion it is beneficial to emphasise poor people's reality in the developing world as well as the difference in standard of living from region to region.

Table 1: Income Distribution

Per capita consumption of \$1 a day represents a minimum standard of living, yet many people live on less.

Number of People Living on Less Than \$1 a day (in millions)			
	1990	1999	2015
East Asia & the Pacific	452	260	59
(excluding China)	92	46	6
Europe & Central Asia	7	17	4
Latin America & the Caribbean	74	77	60
Middle East & North Africa	6	7	6
South Asia	495	490	279
Sub-Saharan Africa	242	300	345
Total	1,276	1,151	753
(Excluding China)	916	936	700

Source: World Bank, Global Economic Prospects and the Developing Countries 2002

The table illustrates how behind the developing world is in reaching a standard of living similar to that of the economically wealthy nations. “Massive infusions of capital would be required to bring about rapid improvement in the quality of life of hundreds of millions of people who have not shared in the emancipating aspects of economic affluence” states Bennett (1988: 257).

What will become evident from this discussion is that the developed world has always had an impact on the poverty level in the developing world. Although their impact has been positive in some aspects it has not in all. The development industry includes various organisations, types and rationale of funding. This section will view those organisations that have had the most impact on developing countries and how these countries are presently structured as a result of their practices. These international development organisations are closely intertwined with the critical points of the central debate with regards to conditionality of funding and the debt crisis.

The following provides an analysis of the international development arena. It is this background that is imperative when providing recommendations regarding international funding in Chapter 5.2. This discussion is not intended to be exhaustive on the issue but aims at providing an overview of the many problems facing developing countries and how these evolved.

2.2.1 Background to International Organisations

International organisations are becoming more and more complex and powerful. These appeared on the world arena in the nineteenth century when they were formed along a political structure called nation states. The nation states had numerous links to each other such as legal, economic and war relationships before structured organisations came into play. Bennett (1988:1) explains that, “the international system as a whole consist of these nation states, their interactions, international organisations, and the interactions of private actors”. Although international organisations could not break down the notion of nation states they do hold a certain amount of prestige. The eagerness of nations to become members of international organisations is an indication of the power

these organisations hold. Some of the organisations dealt with under the various headings in the following section hold this kind of power in the global depiction of development.

2.2.2 Agricultural Subsidies and Other Trade Barriers

Free trade is considered beneficial to all parties involved. All countries possess comparative advantages. These make it possible for them to produce certain products or services better or cheaper than others. It further allows for countries to concentrate on certain products and services that they can sell on the world market. Zomer (1998: 1) states that “if there are countries that are poor, it is because the world market is not working properly, due to trade barriers that obstruct the regulatory workings of supply and demand”. It is clear that in the present global economic picture free trade is not synonymous with fair trade. The agricultural sector is just one of many that are subsidised by industrialised governments with the sole purpose of undercutting prices to their own advantage.

Many examples exist of how subsidising farmers in the developed world have come to damage the livelihood of those in the developing. Eveleens (ActionAid article, Metro, 2002) explains that “in the 1980’s Kenya was largely self-sufficient in foodstuffs such as wheat, maize, sugar and rice. Then the country began to remove obstacles to free trade, responding to the pressure from the World Bank and other aid donors. The donors argued for two reforms. The Kenyan government responded to the first, the removal of subsidies, by abolishing price support for agriculture”. A paradox reform for a development organisation to ‘suggest’ since according to ActionAid (Metro, 2002) “the rich countries spend \$330 billion subsidising their farmers – that’s six times the amount of aid given to poor countries”. This is enough to feed, educate and provide healthcare to a large number of people living in poverty. Instead it is being used to create a cycle of over-production, dumping and poverty. The second reform was to focus on growing commercial crops for export and then rely on foreign exchange earnings to pay for importing the food it needed. “Unfortunately, the prices of two of its major crops are currently falling because

of a glut on the world market”, states Eveleens (ActionAid Article, Metro, 2002). This is just one out of many examples of how subsidised imports are destroying a country’s market. Small scale farmers cannot compete against low-priced subsidised products which are flooding into their countries. “Heavily subsidised agriculture compete with price supports and tariffs, protects the United States from other producers”, states Staudt (1991:149). Although the United States is not alone in practising policies such as the one described above it does however indicate the amount of power that the wealthy countries possess.

According to Rice (ActionAid article, Metro, 2002) “the answer to the world’s farming problems is clear: agricultural production subsidies should be phased out as soon as possible”. Subsidies contribute to overproduction which in itself leads to depressed prices worldwide. Developing countries should be permitted more flexibility within global trade rules to protect their own farmers and agriculture. Unfortunately this is not likely to happen as long as organisations like the World Bank and IMF impose structural adjustment programmes on developing countries. Neither is it likely as long as the developed world lacks commitment in combating world poverty due to the fact that it would mean a short term small sacrifice on their behalf.

2.2.3 Structural Adjustment Programmes

This section will continue the discussion around some of the structural adjustment programmes imposed on the developing world by organisations such as the World Bank and the IMF.

The World Bank and the IMF was established in 1944. The official name of the World Bank is the ‘International Bank for Reconstruction and Development’. “The World Bank and the IMF were set up after the Second World War under the Bretton Woods agreement between the major powers of that time”, (Vink and Van Rooyen, 1992). “They were designed to have different objectives: the IMF to provide short term assistance to correct balance of payments problems in member countries, while the World Bank focused on growth and development through longer term lending”, explains Africa (1995: 15). Both organisations are

exceptional both in the funds that they control but also in their size. According to Bond in Coetzee (2001: 231) the “Bank plus three affiliated development bank institutions have 17 000 staff in 170 offices, with US \$500 billion in capital and US \$50 billion in annual lending. The IMF is even more influential”. What has made the two so influential in the world of development is the wealth and powers of those countries with the most deciding vote in these organisations.

What is specific to international development organisations such as the World Bank and IMF lies in the fact that all countries are not able to enter at an equal level. Monetary status determines whether a country is a deciding member or a receiving member who has to follow the conditions set by those members of higher monetary position. The best example to illustrate is that of the position of the United States in these two organisations. “The USA plays a dominant role in both the World Bank and the IMF. Voting powers are determined by financial contribution and the USA has 15% of the votes”, states Africa (1995: 18). Although percentage wise the US does not contribute more than other member states it does so in actual amount due to their high GNP. That they have 15% of the votes provide them with the veto power as 85% of all votes are needed before decisions become binding. This indirectly allows them to only agree to proposals that serve their interests. Of course developing countries do not have the prerogative of making decisions serving their own interests.

The role of the World Bank and the IMF has changed considerably since 1944. As mentioned by Vink and Van Rooyen (1992: 26) “the Latin American debt crisis of the 1980’s gave rise to the slogan ‘you can’t have good projects in a bad policy environment’, and a shift by both the World Bank and the IMF to programme and policy-reform-based lending”. This shift led to the much criticised structural adjustment programmes. These were prescribed by the IMF and supported financially by the World Bank and other lending banks. Most banks would not grant the loans if the developing country had not agreed to the policy reforms the IMF subscribed. “Stabilisation policies are often viewed as measures designed primarily to maintain the poverty and dependence of Third World nations while preserving the global market structure for the industrialised countries”, argues Todaro (1994: 466). Ransom (1999: 7) agrees with Todaro in

stating that “Third World debt enriches the powerful at the expense of the world’s poor majority”. Structural adjustment programmes pre-supposes that market liberalisation was efficient and that it was equitable. In most cases stringent conditions were attached about trade liberalisation, domestic pricing policies, privatisation, budget and exchange rate management. Conditionality implies the rewarding of those who undertake specified reforms (see Polak 1994: 14-17). Some of the conditions were: devaluation of currency; export promotion, curtailment of government expenditure, promotion of free trade and abolishing tariff barriers in import duties, phasing out of food subsidies, and increase in agricultural prices in the developing world (see Staudt 1991: 163-168). “The conditionality of structural adjustment meanwhile diverted government revenues away from things like education and healthcare, towards debt repayment and the promotion of exports”, explains Ransom (1999: 8).

These programmes had as a major failure to be country specific without realising that identical adjustments were made in other countries on specific commodities. For example the IMF and World Bank would decide to implement a programme with the purpose of increasing export of cocoa in Cote d’Ivoire yet at the same time there are country missions in Brazil, Ghana, Ecuador and Indonesia all recommending the same action. This leads to a collapse of cocoa prices and further impoverishment of all these countries. Thus it is clear that the IMF approach is too country specific in the sense that the country missions are not given any mandate to study the impact on other countries. Yet at the same time the approach is not country specific enough in the sense that the recommendations addressed to various countries show a similarity to each other. (See Prabirjit, 1992: 19, and Wolfgang, 1994: 9) That this could even occur makes one think that ulterior motives were behind assisting the developing world in combating poverty.

Thus, as mentioned by Africa (1995: 24) “after undergoing tough programmes, many countries found themselves with reduced real incomes, increased poverty, deteriorating social conditions, reduced growth potential and often with no significant improvement in their external accounts”. Although these negative developments have not been confined to countries with structural adjustment

programmes the facts do show that the development associated with conditionality were unsatisfactory. Developing countries should investigate the prescribed structural adjustment programme before accepting loans.

2.2.4 Colonialism

Many of the sources of the problems for African countries lay in the experience of centralized colonial authority, colonial trading monopolies and the colonial exploitation of ethnic differences. The colonisation by European powers disrupted the development process of the colonised countries. Colonial borders cut straight across age-old boundaries of language, culture, religion and trade. As stated by Leys (1996: 190) “the failure of the colonial powers to try to negotiate an accommodation between traditional political structures and the constitutional orders constructed at independence contributed to the pervasive lack of popular identification with Africa’s post-colonial states”. Rather than being allowed to find their own solutions to the changes of the time, the developing countries had alien institutions, customs and production processes imposed on them. Their wealth, both human and economic, was systematically drawn away in the interest of the “mother country”. As stated by Zomer (1998: 2) “What investments were made by the colonialists were aimed at promoting the country’s export industry that benefited the colonialists more than the colonised”. Resources in developing countries were exploited by colonialists. As questioned by Leys (1996: 190) “who does not agree that the economic structures bequeathed by colonialism – producing what they did not consume, and consuming what they did not produce – have constituted major obstacles to the development of integrated national economies after independence”. Further, once independence was granted the countries were left with institutions they did not have the knowledge to manage. Colonialists charged into these countries, harvested all valuable resources and left leaving little behind for the former colony to strengthen on. Finally, although colonialism as characterised above has been ‘granted’ developing countries have only indirectly achieved independence. As explained by Staudt (1991: 159) “the latest colonisation of Africa is by international bureaucracies”.

2.2.5 Geography and Climate

Most developing countries have unfavourable climates, suffering from heat and irregular rains. In contrast, except the US and Australia, all industrialised countries lie in a zone with moderate temperatures and with no serious threat of drought, floods, earthquakes or cyclones. Zomer (1998: 3) explains that “heat directly affects the biological processes that determine the fertility of soil, but also the productivity of people and the preponderance of diseases and bugs”. Although it is possible to develop a healthy agricultural production in such climates it necessitates capital, equipment and knowledge which often are not available for farmers in developing countries.

In addition to the general problems caused by weather conditions developing countries are faced with more severe natural disasters. “Natural disasters have a much more devastating impact on poor countries than on rich ones. More people die, more livelihoods are destroyed and few people can afford any kind of insurance”, explains Ransom (1999: 9). Therefore economic recovery is much more difficult and slow. It makes no sense at all for the reconstruction of such countries to be further delayed and the devastation compounded because they are paying out more to service foreign debts than they will receive in emergency aid.

2.2.6 Corruption

The widespread corruption in many developing countries means that resources are not being used in an efficient manner. As argued by Zomer (1998: 2) “While it may be understandable that badly paid people try to augment their income by taking bribes on a larger scale it means that inefficient management, unjust power relations, sub-standard production and disinvestment are allowed to continue”. Corruption in developing countries also has an impact on the lack of foreign investment. (see Section 2.2.7)

2.2.7 Credit and Investments

The majority of creative potential of the people of poor countries is not being used. As in most poor countries it is hard for people to obtain bank loans. Without credit for the creation of new small enterprises (in the informal or the formal sector) no new initiatives can be taken. However, simultaneously, it is ironic that the majority of men, women and children in the developing world have accumulated debts. As explained by Ransom (1999: 7) “people are liable for debts equivalent to their entire annual income – without even asking for them, let alone receiving any of the cash”. It is perhaps this statement that in its simplicity illustrates the defenceless situation that the ordinary poor person is faced with.

Investments, especially to the African continent, remain low. Reasons for this are small markets, weak infrastructure, high indebtedness, low levels of technological capacity and slow progress on introducing market and private sector oriented reforms. Africa (1995: 10) states that “in the absence of investment funds African countries depend heavily on financial aid from individual donor countries and international organisations such as the World Bank, the European Union and the African Development Bank”. Investment in developing countries as opposed to assistance could break the circle of poverty and underdevelopment.

This chapter will conclude with a summary of the theories on development and reasons for the lack of this in developing countries.

2.3 Summary of Chapter

The field of development studies has encountered a variety of practical failures and accomplishments since its first theories in the 1950s. These theories were tested and used by development organisations in their attempt to control the progress of the developing countries. The theories are crucial in understanding the direction of the developing organisations.

The Modernisation Theory was the starting point of the line of various development theories. It was based on the assumption that development meant economic growth measured by GNP. This later proved to be misleading. It was therefore believed that it was necessary for developing countries to become Westernised and enter the free market.

The late 1960s saw the emergence of the Dependency Theory. Dependency still plays a role in today's development theories and world picture. The theory maintained that the developed countries benefited from trade whereas the developing countries suffered. This led to the unequal balance of trade and the dependency of developing countries on developed countries. This theory and the concept of global interdependence are closely connected.

Global Interdependence does not so much represent a theory on how to solve the problems of the developing world but rather explains how all countries in the world are depending on each other. No country even the most powerful developed nations can decide not to be globalised. With viewing the world and thereby the people living in it the notion of human rights entered the scene.

The Basic Needs Approach represents a shift in the emphasis away from economic development in the direction of a human-centred approach. The basic needs approach came to include several primary elements of human rights. The rights include adequate food, shelter, clothing, safe drinking water, sanitation, public transport, and access to proper health and education facilities.

Sustainable Development theory was connected to the basic needs approach. The theory was based on the thought of ensuring that development meets the needs of the present without compromising the ability of future generations to meet their own needs. Development could not be thought of as a once of donation but should support the community in becoming self-reliant while taking better care of the environment. In order for this to happen the participation of the people is a crucial factor in reaching sustainable development.

This laid the founding ideology for the people-centred development theory. This theory shifts the emphasis of development action to people rather than to objects and production and to the enhancement of people's capacity to participate in the development process. The voices of the people should be heard and they should be determining their own needs.

Development organisations have evolved along side the development theories. It became apparent in the discussion above that we have far from reached the desired state. Some of the reasons for the lack of development despite foreign aid to the countries were discussed.

Agricultural subsidising proved to be detrimental to developing countries. Firstly, structural adjustment programmes or reforms were implemented forcing developing countries to abandon subsidising of their agricultural sector. Secondly, the agricultural sector in developed countries is subsidised. This leaves developing countries no chance at being competitive on the global market. The only answer is to phase out agricultural subsidising.

Structural adjustment programmes have resulted in the debt crisis of developing countries. These programmes were supported by conditions in the shape of reforms or policies that developing countries were forced to implement in they wanted the loans. The lending banks, World Bank and other, would only agree to give loans if the developing country agreed to implement IMF reforms. The programmes often failed to be country specific and resulted in several countries dependent on a few primary products watching the world prices drop as a result of these programmes.

Colonialists besides forcing Western structures upon traditional societies exploited all resources of their colonies. They seized what they could use and once little was left granted their colonies independence. An independence since then reclaimed by international organisations through structural adjustment programmes and unequal trade agreements.

Developing countries are also faced with internal problems. Climates in most developing countries are harsh with serious threats of natural disasters. Due to a fragile environment the economic consequences are more difficult to combat than in industrialised countries.

Corruption exists in many developing countries. Corruption has a negative impact on the economy and does not encourage foreign companies to invest in developing countries. Credit and investment are both important for the enhancement of people in developing countries. Unfortunately these are often not accessible. People that are poor will not be granted bank loans which could provide them with the opportunity of entering the informal or formal sector. Investment in developing countries could create employment and economic growth but foreign companies often fail to invest due to lack of infrastructure, high indebtedness and high levels of corruption.

This chapter provided the background to development theory and funding. It described the evolution of development theory and the reasons why the situation in developing countries has not improved despite funding worth millions of dollars. Several of the aspects discussed in this chapter will be referred to throughout the study. The following chapter will embark on the analysis of the case study.

3. DANIDA - Project Guidelines and Conditions

This chapter provides the initial explanation of the case study. It is at this point in the study that the conditionality of international development organisations/funding will be viewed through a cross South African/Danish example. Although the first two sections does not specifically aim at describing DANIDA's conditions of giving funding, certain conditions will become apparent in these sections. The first two sections are based on Internet sources due to the fact that these sections are introducing DANIDA and only DANIDA's own material is available on the topic.

These sources are <http://www.cdr.dk/wp-99-4.htm>; <http://www.cdr.dk/wp-99-4.htm>; and

http://www.um.dk/udenrigspolitik/udviklingspolitik/hvorfor_hvordan/hvorf.../forord.htm

3.1 Background to DANIDA

On March 19 1962 the Danish government passed the first official act on international assistance. (See Zomer, 1998: 1-3). DANIDA was founded in 1963 not as a company but as a description of those activities in the foreign ministry that involve Denmark's cooperation with developing countries. This is still today the description of DANIDA.

3.1.1 The Amount of Development Assistance

The UN has recommended that developed countries should give 0.7% of their Gross National Product (GNP) as funding for the developing world. (see World Bank Policy Research Report, 1998: 7). As the amount is established through the GNP this amount changes with each financial year. The funding is generated through the tax paid by working citizens. A majority of government has decided that Denmark will give 1% of the GNP towards activities within DANIDA. This makes Denmark one of highest contributors of funding in the developed world. (see World Bank Policy Research Report, 1998: 2; DAC Aid

Review of Denmark, 2000:1; and UNDP Annual Report, Partnerships to Fight Poverty, 2001).

3.1.2 The Principles of DANIDA

The Danish government's goal with foreign development funding is foremost to alleviate poverty in the developing world. The poverty reduction strategy is based on three key elements:

- Promotion of sustainable economic growth where the income distribution policy is an integrated part of economic policy;
- Development of social sectors, in particular education and health, as the means of developing human resources; and
- Promotion of people's participation in the development process, a civil society founded on the rule of law, and good governance.

DANIDA is involved in numerous and diverse projects around the world but the principles behind the projects remain the same. These principles are:

- Gender awareness;
- Environmental sustainability; and
- Democratisation and human rights.

As explained by Engberg-Pedersen (1999: 6) these crosscutting concerns should be taken into account in the planning and implementation of all development activities, and they further more constitute independent areas of initiative. DANIDA will in cooperation with the recipient country determine how the funding can best be utilised. As mentioned by Zomer (1998: 2), 'probably the most distinctive characteristic of the Danish aid policies has been its emphasis on broad involvement of civil society'. This type of partnership is vital in guaranteeing the best outcome of any development project.

3.1.3 Bilateral and Multilateral Assistance

DANIDA gives both bilateral and multilateral funding. The government has agreed that there should be an equal split between the two types of funding.

Bilateral funding can be given in the form of:

- Developing programmes for specific sectors;
- Smaller projects in collaboration with other organisations;
- Regional funding;
- Transitional assistance;
- Funding for development research;
- Education grants for students of developing countries; and
- Experts and volunteers.

The majority of the bilateral funding used for programmes and projects is concentrated on the 20 so-called programme corporation countries. These are Bangladesh, Benin, Bhutan, Bolivia, Burkina Faso, Egypt, Eritrea, Ghana, India, Kenya, Malawi, Mozambique, Nepal, Nicaragua, Niger, Tanzania, Uganda, Vietnam, Zambia and Zimbabwe. All of these countries are amongst the worlds poorest. (See DAC Aid Review of Denmark, 2000: 2). DANIDA has employees working at Danish embassies of all of these programme corporation countries. Their responsibility is to follow the process from the development of the projects to the payment of funding, implementation and evaluation. The important role the embassies play will receive additional explanation in Chapter 5.

Besides the level of poverty a number of other factors are taken into consideration when selecting a programme cooperation country:

- The country's own development plans and ability to utilise the funding;
- The possibility of sustaining the programmes and projects;
- Democratisation and respect for human rights; and
- The possibility of the involvement of Danish industry in the recipient developing country.

Denmark's bilateral assistance is not only concentrated in the 20 programmes through a transition from supporting single projects to sector specific programmes. This means that Danish assistance concentrates on 2-4 sectors within a developing country. The sectors are selected on the basis of an evaluation of what sectors requires the most attention. The advantage is that the assistance can be utilised more effectively and sustainably. The chosen sectors are decided upon in a partnership between DANIDA and the recipient country. It could for example be agriculture, health, education or support of indigenous population groups. An important part of the sector programme assistance is that the recipient country in time can take over the management of the programmes. Denmark supply the build up of the infrastructure, buying in of equipment and training of the employees within the ministry of the sector involved.

Besides bilateral aid DANIDA also gives multilateral aid. The majority of the multilateral aid goes to various UN programmes such as the United Nations Development Programme (UNDP), United Nations Children's Fund (UNICEF), and United Nations Educational, Scientific and Cultural Organization (UNESCO). (DAC Aid Review of Denmark, 2000: 3). The World Bank and the European Union are also large receivers of funding from DANIDA. It is the opinion of DANIDA that one advantage of multilateral aid is that international organisations can co-ordinate greater collective assistance with aid from different developed countries. This conviction remains to be proven. As became apparent through the view of development theories in Chapter 2, the ideas and persuasions of Western countries does not necessarily bring about the desired outcome in recipient countries.

Both bilateral and multilateral assistance can be discontinued by DANIDA at any time. Bilateral assistance can be discontinued if the recipient developing country through their political practices goes against the agreements made with DANIDA. Funding to individual large scale projects can also be discontinued if project goals and agreements are not carried out. Finally, if any of the principles cited earlier are not adhered to the assistance will be discontinued or reduced. It is the opinion that often it is more beneficial for both parties to try to solve the

problem than to terminate the funding and assistance. The multilateral funding might be discontinued or reduced if the organisation in charge of distributing the funds and providing other assistance is not performing. This is currently (2002) happening with UN's Food and Agriculture Organisation (FAO). Any decision to change the conditions of the funding will only take place after reports by the recipient developing country and those of a DANIDA evaluation team has been viewed. These have caused reason for concern.

3.1.4 Transitional Assistance

DANIDA is further involved in transitional assistance. This assistance is granted to recipient countries that normally would not be able to receive funding but are in an extraordinary situation. This includes reconstruction after war, environmental catastrophes or support during a transition from a communist to a capitalist democratic government. In 1998 DANIDA gave transitional assistance to Albania, Angola, Burundi, Rwanda, Gaza/West Bank, Guatemala, Liberia, Mongolia and South Africa. (DANIDA's Transitional Assistance Programme to South Africa will follow in section 3.2.)

3.1.5 Benefits for Denmark

As mentioned earlier international funding does not only have benefits for the developing country. Danish development assistance creates employment and income for Denmark in various ways, through many of the funding activities Denmark is involved in. Zomer (1998: 2) agrees by stating "Danish industry has benefited strongly from development funds, in a stated effort to contribute to greater public support for foreign aid policies". Experts and advisers participate in all phases of the projects and equipment that is needed for the projects is bought in Denmark. It is estimated that over half of the capital invested in development projects will return to Denmark in one way or another. DANIDA is also trying to give Danish companies the opportunity to sell more goods to the international organisations. This is also through the sales of machines and other equipment, project contracts and providing expertise. Denmark also sees development as an advantage in that more people have capital to spend and

can therefore buy more goods from Denmark. Finally, and perhaps most significantly, a more peaceful world is in the interest of Denmark. Poverty and inequality is often the cause of war and conflicts. The safety of Denmark is invariably intertwined with that of the rest of the world.

The previous section provided a brief explanation of DANIDA as background to the case study. The following section will focus on the contribution of DANIDA in South Africa. This section leads to the analysis of the SAPS case study.

3.2 The Involvement of DANIDA in South Africa

The first free and democratic elections in April 1994, and the subsequent formation of a Government of National Unity, marked the ending of a dark chapter in South Africa's history, characterised by apartheid, intolerance, political oppression, economic impoverishment, international sanctions and isolation. In the period 1965 to 1993 Denmark contributed, through the special anti-apartheid appropriation, a total of R975 million in humanitarian and educational aid to the victims of apartheid. In order to encourage the South African parties to continue the process of democratisation, the anti-apartheid appropriation was substituted by a Transitional Assistance Programme (TAP) as from January 1994.

3.2.1 The Transitional Assistance Programme

The overall objective of the Danish Transitional Assistance Programme is to contribute to consolidating and developing the new South African democracy and to support reforms that can contribute to alleviating poverty and unemployment amongst the disadvantaged population.

The development cooperation with South Africa differs significantly from Danish development assistance to programme cooperation countries. It is, thus inherent in the TAP that it is of limited duration and targeted towards facilitating the transition from an authoritarian minority rule to a democratic system of government. Furthermore, South Africa already has a substantial technical,

administrative and financial capacity, which makes it reasonable to expect that the need for external financing to support the country's development efforts will be of limited duration. Different authors argue that the South African economy is not in the prospect of improving if policies are not changed. (see Roux, 1997: 106-108; Graaff en Venter in Coetzee, 2001: 91; and Le Roux in Coetzee, 2001: 227). Against this background, the main emphasis of the TAP will be on innovative, policy-generating interventions and pilot projects, with a demonstration effect, which can serve as a source of inspiration for the South African authorities in their own development efforts. As a follow-up to such activities, a limited number of more comprehensive project and programme activities could be included in the TAP.

3.2.2 Priorities of Danish Transitional Assistance

In accordance with the strategy for Danish development, the transitional assistance will be concentrated on a limited number of sectors. Given South Africa's special historical circumstances, the aim of Danish efforts is to help integrate the disadvantaged majority of the population in the political, economic and social spheres. For the purpose of this study emphasis will be placed on explaining the sector development of democratisation and the prevention of violence. The case study is about the DANIDA funded management development project in the SAPS with the aim to combat crime and violence in South Africa. There is a direct link between this sector programme and the case study.

3.2.2.1 Democratisation and the Prevention of Violence

A considerable part of transitional assistance will be concentrated on supporting the democratisation process and preventing violence. The overall objective is to increase the awareness of, and respect for, human rights, and good governance both on the part of public authorities and civil society. Emphasis will be put on developing forms of cooperation, which will facilitate the transfer of expertise in human rights, and democratisation of South African non-governmental organisations to the public institutions.

Violence in South African society is a complex problem, rooted in economic, social, political and cultural factors. Additional factors are a breakdown of confidence, on the part of some segments of the population, in the judicial system and lack of negotiation skills in settling conflicts. In addition frustration, hopelessness and poverty dominate the lives of many black South Africans, which has been brought about by the repression, arbitrarily practised by the authorities and the judicial system (see Carstens et al, 2000: 3). Initiatives will, therefore, focus particularly on disseminating knowledge to local communities and to the police force, on prevention, mediation and peaceful resolution of conflicts and the strengthening of local capacity in this field.

Danish support will include arranging training courses in administrative skills and procedures for civil servants, including the need for respect for the principles of the rule of law, openness, accountability, and efficiency in administration. The support will also include assisting in the adoption and implementation of relevant legislation, administrative reforms, and management and training courses related to restructuring and amalgamation within the police force. Danish assistance will in addition provide support for the drafting of a national action plan for women's empowerment, which is to be based on a number of regional conferences and one major national conference on women. Further assistance will be provided to formulate and develop a South African media policy, based on freedom of speech and aimed at furthering pluralism in the communication of news.

3.2.2.2 Rural Development

Since 1992 Denmark has extended support to the formulation of an overall land reform policy. The support comprises of studies at national, regional and local levels. The studies touch on issues relevant to the implementation of land reform and technical assistance in order to establish a monitoring and evaluation system, and support for preparing pilot projects in which the various land reform models are developed and tested. Capacity building and the transfer of know-how, through the financing of Danish and other foreign experts'

participation in the process, are also essential elements in the ongoing activities.

Improvement of water supply and sanitation in rural districts is another area in which initiatives will be taken. The Danish activities, which will initially involve the preparation of a detailed project document, will take one specific region as starting point. The subsequent project is expected to aim at developing and formulating action plans for expanding water supply systems in rural districts. A central component will be activities aimed at involving the population in the analysis of the needs, as well as in the planning and implementation of projects. The project will be carried out by the responsible authorities at national and provincial level.

3.2.2.3 Education as Priority

In the field of education, Danish assistance under the TAP has, so far, involved support for the formulation of an overall policy and the new preparation of action plans aimed at establishing a uniform school system. Education will receive continued Danish support for teacher education and in-service training, with a view to formulating a policy for standardized teachers training. Denmark will provide assistance in the drafting of a plan for modernizing existing labour market-oriented training programmes, and merging them into a national programme, based on the Danish model for adult vocational training courses. Finally, support will be given to targeted programmes for further education and training of future administrators and planners at regional and local levels, necessitated by the expansion of the number of schools anticipated in rural areas.

3.2.2.4 Business and Employment Promotion

The objective of the Danish programme for business and employment promotion is to support the development of micro-, small and medium-sized black owned businesses, and thereby contribute to the creation of

entrepreneurship and employment opportunities especially among the black population.

The Danish programme will cater for two different categories of businesses. The purpose is to direct support towards the large number of micro-businesses and, at the same time, to launch more targeted initiatives directed at businesses with larger growth and job creation potential. Moreover, there are plans for supporting public institutions and capacity building, where this proves necessary, in connection with the implementation of business and employment-promoting activities.

The main emphasis of the business programme is to make Danish expertise, know-how and technology available to the black South African business community, within the framework of a long-term cooperation between Danish and South African businesses. This gives the black business community the opportunity to take a shortcut in advancing its technological and economic position, and at the same time it involves Danish experience and resources.

3.2.3 Use of Advisers and Experts

South Africa possesses considerable capacity with regard to technical expertise and consultancy companies, and, for this reason, the need for Danish advisers and consultants is expected to be limited when it comes to the implementation of the TAP. However, there will be a need for international advisers with special know-how and expertise in fields such as poverty alleviation of development projects in all sectors, capacity and institution building with regard to the delivery of public services, democratisation and human rights. There may also be a need for broader, public-private initiatives where use can be made of Danish expertise for restructuring entire sectors or sub-sectors, thereby making them more efficient (for example, education and training programmes, adult vocational training programmes, in-service training of teachers) and the establishment of labour market institutions.

Considering the requirement for input of technical expertise within such areas of the South African development process, it may be mutually beneficial to create business relations between Danish and South African consultant companies.

3.2.4 Participation of Danish Trade and Industry

Considering South Africa's own technical and productive capacity and the nature of the TAP it is envisaged that Danish supplies and services required for the implementation of Danish funded projects will be limited in terms of three of the above described fields. On the other hand, the business and employment promotion programme poses a challenge to the Danish private sector. Furthermore, South Africa is considered a potentially interesting export market and trade partner for Danish businesses on ordinary commercial terms.

3.2.5 Involvement of Danish Non-governmental Organisations

Danish non-governmental organisations have acted as channels for the major part of the Danish aid given in support of the victims of apartheid in the period 1965-1993. With the TAP, development oriented activities will substitute the former, largely humanitarian activities.

To ensure overall coherence in the transitional assistance to South Africa, the activities of Danish non-governmental organisations should fall within the priority sectors determined by DANIDA in consultation with the South African authorities. There will be a need for continuous dialogue between Danish non-governmental organisations, which are active in South Africa, and DANIDA, with a view to exchanging information as well as integrating and coordination all activities, during the term of the TAP. Up to R200 million have been allocated under the TAP for project activities of Danish non-governmental organisations in South Africa. In view of the limited duration of the TAP, the involvement of the Danish non-governmental organisations will gradually be phased out, (see Strategy for Danish Support to Civil Society in Developing Countries – including corporation with the Danish NGO's, 2000: 47-65).

3.2.6 Audit and Evaluation

South African and Danish non-governmental organisations are required to submit audited accounts, either annually, or, if the activities are of a shorter duration, at the termination of the activity. The auditing of the accounts of South African non-governmental organisations, will be carried out by local, yet internationally acknowledged auditors.

The South African Ministry of Finance will be responsible for submitting audited accounts of funds channelled through official channels. It is not likely that there will be many projects that are not responsible for keeping their own accounts, nor many minor projects for whose accounts the Danish Embassy is responsible for.

An evaluation of the TAP should be considered towards the end of the programme. In addition, the programme for South Africa should be included if a general evaluation of all Danish transitional assistance programmes is carried out.

Due to the fact that South Africa qualified to receive transitional assistance for development projects it was possible for the SAPS to submit a proposal and apply for funding. Certain guidelines and conditions had to be followed by the SAPS in order to receive the funding as well as continue to benefit from it. The following sections view these in detail as it will provide the founding information for the evaluation of the impact of international funding and conditionality.

3.3 DANIDA Guidelines for Project Preparation

The primary aim of this study is to establish the impact of international funding and conditionality on projects in developing countries. The secondary aim is to provide recommendations for a more efficient set of conditions for funding. The process is to view the guidelines and requirements for receiving funding as stipulated by the funding organisations. As with all types of international funding, DANIDA has requirements and guidelines that the recipient should

incorporate when submitting a project proposal as well as conditions that must be present or agreed to. DANIDA staff, external consultants, and DANIDA advisers on assignment working at DANIDA's bilateral development assistance projects and other activities shall also adhere to the guidelines. Guidelines and conditions have to be followed closely. It could mean that a project has to be altered initially to fit the requirements. Detailed sector plans and strategies is also a prerequisite for applying for the funding. The question is whether these guidelines will have an impact on the effectiveness of the project and if so, what suggestions could be made to improve not only DANIDA's conditions but also those of other international development organisations.

DANIDA's Guidelines for Project Preparation has been divided into three phases: project preparation; practical guidelines; and stages of the project cycle. Each of these sections provide the funding recipient with guidelines and conditions with regards to compiling project documents in order to influence DANIDA to grant project funding. Due to the fact that the sections overlap each other, this study will present a compilation of the sections. Most emphasis will be on those conditions that will have an impact on the project in terms of restrictions. Therefore only specific sections of the document are analysed.

DANIDA's Guidelines for Project Preparation, 1998, will provide the bulk of the information for the following section. Additional information will come from personal interviews as some of these supplied practical information and explanation of these guidelines. Only a few supplementary sources will be utilised.

3.3.1 Part 1: Stages of the Project Cycle

Part 1 contains a schematic survey of the various stages of the project cycle. Each stage is accounted for in short by means of providing a definition of the stage and the activities it comprises. Responsibility for the activities, assessment and decision is determined, and the outputs and results of the activities of the stage are stated. The guidelines stipulate the necessary steps to producing proposal and project documents. 'Danish assistance applies high-

standard practices regarding project preparation and implementation', as mentioned by DAC in DAC Aid Review of Denmark (2000: 3).

3.3.1.1 Project Identification/Formulation

The aim of project identification is to identify and describe one or more projects/activities, which may contribute to alleviating the identified problem/need. With the intention of ensuring that a project proposal meets with the approval of local authorities, it must in all events be approved in principle by the recipients country's relevant coordinating authorities before DANIDA enters into discussion of substance. This first stage of the project identification is the beginning stage of the project proposal.

A project proposal should include a assessment of (1) what problems the project is supposed to solve; (2) whether the project proposal is in conformity with DANIDA's overall objectives (See section 3.1); and (3) whether it is in harmony with the objectives and sectors which have been given priority in respect of Danish assistance to the country concerned. A project proposal should in addition be assessed in relation to the recipient country sector plans and policies. In some instances, where the recipient country has no sector plan with defined policies, the preparation of such a plan might be a precondition for project formulation. A certain format has to be followed when compiling the proposal. The project proposal should be designed in collaboration with the authorities of the recipient country and meet their full approval.

3.3.1.2 Pre-Appraisals

A project proposal is often in the form of a draft. Therefore, it is often necessary for a more thorough analysis, the professed pre-appraisal. The purpose is to provide a basis for either rejecting the project proposal or allowing it to proceed to feasibility study or appraisal in its present or amended form. No general guidelines have been provided as to the types of additional information required. This will depend on the type and size of the project, as well as on local factors. It is though vital that the pre-appraisal is limited to a description and

analysis of the factors which as a minimum must be clarified before a decision can be made as to whether to proceed with the project proposal. Pre-appraisals must provide an assessment of the necessity and sustainability of the project.

Before it is decided to carry out a pre-appraisal the officer in charge at the Danish Embassy must identify if there are no available studies which fully or partly hold the desired information. If consultants of required expertise is available in the recipient country, the officer in charge may hire such personnel to carry out the study. This however, has to be done in collaboration with local authorities.

3.3.1.3 Feasibility Studies

Generally, feasibility studies are only carried out with regard to large scale projects. They are in-depth multidisciplinary professional investigations to clarify whether the proposed project may result in a solution of the stated problems, whether it has the proper scope and the relevant inputs, and whether it can be implemented and proceed given the circumstances, or whether alternative solutions/proposals shall be prepared. On the basis of feasibility studies, a detailed project proposal is prepared in the form of a draft project document. Where the feasibility studies have led to the listing of several alternative models for solving the identified problem, a draft project document is not prepared until the recipient country and DANIDA have agreed on the alternative to proceed with.

Detailed, technical, financial, organisational, social and environmental as well as interdisciplinary studies of a project are done with a view to clarify whether the project can be implemented. The feasibility study should conclude with a crosscutting analysis relating the results of the various analyses with a view to establishing an overall assessment of whether the project can be implemented.

3.3.1.4 Appraisal

Appraisal is the final stage of the project proposal. It takes place after the necessary preparatory work, including feasibility studies have been carried out and before it is submitted to the appropriation authorities. The purpose of appraisal is firstly, to ascertain if the project proposal, in its final version, will be likely to fulfil agreed requirements for acceptability; and secondly, to prepare a draft project document. In principle, a project appraisal may result in a project proposal being approved unchanged, being approved with major or minor changes, or being rejected. The appraisal shall be prepared and executed by DANIDA's Technical Advisory Service. The leader of the appraisal team should preferably be one of DANIDA's own technical advisors (One of the interviewees of the case study was DANIDA's technical advisor).

3.3.1.5 Project Document

The project document shall be based on appraisal. Not until comments and approval by the recipient country, embassy and regional department to the draft project document included in the appraisal report have been incorporated, is the final project document complete.

It is required that the following headings be included in the project document:

1. Context – brief account of the sector and the development strategy for the sector, Danish or other former and/or ongoing funding, social and economic factors in the sector, as well as institutional and organisational framework for financing, planning and project implementation.
2. Project Justification – description of the problem(s) which the project aims to solve, “pre- and post-project situation”, the target group, project strategy, specific factors concerning women, human rights, the environment, the recipient country's capacity and commitment, as well as the reasons for DANIDA's support of the project.
3. Long-Term Development Objectives – presentation of the long-term development objectives, briefly, succinctly and targeted.

4. Immediate Project Objectives – presentation of the short-term development objectives, briefly, succinctly and targeted.
5. Outputs – presentation and description of planned project outputs, i.e. results which are subject to project management control and responsibility.
6. Activities – account of the activities to be initiated and which will lead to the planned project outputs.
7. Strategy – the implementation of a planned project shall be guided by a strategy, which might include division of the project into phases, with a pilot phase, preparation of a more detailed plan of implementation after the agreement has been concluded, local participation, flexibility etc. The strategy must be described.
8. Inputs – presentation of planned project inputs.
9. Assumptions – the project assumptions shall be presented and assessed with a view to ascertain how realistic their fulfilment is.
10. Risks – description of the risks relating to the project.
11. Organisation and Administration – the proposed project implementing body is described with regard to organisation, manpower, capacity, institutional factors, and its relation to organisational factors in the sector. Description of the administration procedures to be followed. Identification of the project's decision-making authorities and description of the organisational framework and their activities.
12. Organisational and Financial Sustainability – an account of how and when the individual project elements and components are to be integrated on the recipient side and handed over. Description of the operational and financial implications of the project, and suggestions as to how to handle these.
13. Indicators – presentation of indicators to be used in order to assess whether the project is in the process of attaining the stipulated outputs and objectives.
14. Reporting, Review and Evaluation – an account of the requirements as to reporting. Stipulation of time schedules and methods for review and evaluation.

15. Budget and Financing – presentation and explanation of project budget. Budget components must be compatible with the budgetary norms of the recipient country and DANIDA.
16. Accounting and Auditing – description of the accounting and auditing procedures applying to the project. As in section 15, these should comply with those of the recipient country and DANIDA.
17. Project Implementation Plan – the PIP must constitute the overall timetable for the entire project. A bar chart must be presented.
18. Annexes – various annexes, e.g. concerning the PIP, job descriptions, organogram with explanation etc. should be included.
19. Executing Officer – the officer in charge at the Danish embassy as well as the advisory team should assist the recipient with the project document.

The project document is assessed on the basis of its relation to Danish aid-policy, country strategy and framework, sector policies, assumptions and risks stated, and on the basis of its suitability as instrument for the control of the implementation.

3.3.1.6 Agreement

The agreement is the document for obtaining the legal basis for the cooperation between DANIDA and the Government of the recipient country regarding the project in question. This agreement must be done according to “Guidelines for the Use of Standard Government Agreement for Bilateral Development Projects” of June 1989 and be submitted as a draft together with the agreement.

3.3.1.7 Contract Negotiation and Entering Into Contracts

This part of the project cycle involves the procurement of the basis for agreement between DANIDA and the company/consultant in charge of the practical implementation of the project.

3.3.1.8 Annual Plans of Action

The section on annual plans of actions is the first section of the project implementation phase.

The annual plan of action is prepared by the management and staff of the project implementing body, and, where relevant, with the participation of the local population. These plans should specify the exact time and activity schedule and detailed budget for the year in question. These plans should be approved by the resort ministry in the recipient country and the head of the embassy.

3.3.1.9 Monitoring

Monitoring implies the provision of the necessary information about progress of project implementation in order to ensure that project management and cooperation partners are able to follow the implementation of the project. If necessary to be able to adjust activities, inputs and budgets, in order to obtain the objectives laid down for the project. Furthermore, it serves as documentation for the process of implementation.

3.3.1.10 Review

The review is a periodic, extensive technical scrutiny of the progress of the project implementation in relation to the project document, Government Agreement and annual plans. The purpose of the review is to describe the progress of the project and its results and if necessary plan an adjustment of the project in relation to its objectives, clarify and present proposals for solving accumulated problems, if any, relating to the project and set out clear guidelines for the project's development until the next review. The design of each project will comprise one or more reviews, depending on the complexity and magnitude of the project. The project management, organisational set-up and administration will be reviewed. The overall assumptions, on which the project is

based, will be evaluated. Necessary adjustments are identified, discussed, and mutual understanding of and agreement on such adjustments shall be secured.

3.3.1.11 Handing-Over

The handing-over section is the first section of the project completion phase. The project completion comprises three phases with associated decisions and results.

It is envisioned that the project-implementing organisation in the recipient country alone and without DANIDA's continued assistance shall take over the full responsibility for the activities continuing as a result of the outputs achieved. Depending on project type one or more of the following activities will have to take place: transfer of equipment, vehicles and buildings, termination of the employment of the project employed personnel, transfer of methods, which have been developed, established and used during the project cycle, and which relate to a further course of actions, an evaluation of whether the recipient country has fulfilled its obligations, including audited accounts, and also whether DANIDA has fulfilled its obligations in accordance with the agreement entered into.

3.3.1.12 Project Completion Report

The project completion report must be a systematic description and evaluation of preparation, implementation and outputs of a completed project with the purpose of documenting and substantiating the project cycle and experience. The main elements of the report should be:

- Description of actual inputs, activities and outputs compared with the project document;
- Evaluation of whether the objectives have been reached;
- Evaluation of the sustainability of project outputs; and
- General experience.

3.3.1.13 Evaluation

The evaluation is an investigation as systematic and objective as possible of preparation, implementation and outputs of an on-going or completed project, with a view to investigating the relevance of its objectives, its fulfilment of objectives, efficiency, impact and sustainability. The results of the evaluation shall be reliable and useful with a view to being incorporated in the decision-making process for future projects by the recipient as well as by the donor. Recommendations and general experiences are analysed with a view to follow-up in the form of revised policies and procedures. (see Engberg-Pedersen, 1999: 31)

3.3.2 Part 2: Practical Guidelines

Part 2 of the document contains guidelines on how to prepare terms of reference, compose teams, hold briefings, debriefings and secure that quality demands to the team leader as well as to the members of the team and that reports are complied with.

3.3.2.1 Terms of Reference

The terms of reference shall introduce the background for the task to be undertaken and state references to relevant background material. The terms of reference must include the objective of the task to be undertaken, and first of all it must state as specifically as possible the expected output, and it must state the contents, the scope and the level of details of the work to be carried out. It must state the personnel needed and the time considered necessary, as well as how and when the report shall be submitted. Finally, the terms of reference must reflect the qualitative goals of Danish funding policy and DANIDA's sector policy.

3.3.2.2 Teams

Any project requires cooperation between different professional disciplines and shall furthermore make allowance for Denmark's specific funding policy objectives. (See section 3.1). When composing the teams, impartiality and capacity/competence to act must be taken into account. Allowance should be made for the furthering of the use of the recipient countries' vocational and professional knowledge. The discussion of the findings of the case study will illustrate how crucial the selection of the team can be. The team should not only be comprised on basis of expertise but each team member should be strategically based in the organisation or project to avoid unnecessary difficulties.

3.3.2.3 Team Leader

The team leader has the overall responsibility for undertaking the task in accordance with the terms of reference and for the proper conduct of the work. Unless a team leader has been given a special mandate by DANIDA, he/she will not be authorized to negotiate or make commitments, neither general or project specific.

3.3.2.4 Requirements of the Team Leader

Any team leader must be able to meet the following requirements:

- Overview of the work;
- Understanding of general development problems and processes;
- Planning, control and management of the work in an interdisciplinary team;
- Reasoning and negotiation skills;
- Ability to communicate;
- Relevant language qualifications;
- Proficiency in written and oral presentation; and
- Delegation of tasks

3.3.2.5 Briefing/Debriefing

A briefing prior to commencing the solution of the task shall be provided by DANIDA to the team who is to solve the task.

This concludes the review and analysis of DANIDA's ideology, principles, structure, and involvement in development projects around the world.

3.4 Summary of Chapter

This chapter has dealt with the first insight into the case study by screening DANIDA. DANIDA was founded in 1963 as a description of those activities that involve Denmark's cooperation with developing countries. DANIDA's principles behind each project they fund are gender awareness, environmental sustainability and democratisation and human rights. DANIDA gives both bilateral and multilateral as well as funding through transitional assistance programmes (TAP). A TAP is operating in South Africa with the aim to contribute to consolidating and developing the new South African democracy as well as to support reforms that can contribute to alleviating widespread poverty and unemployment amongst the disadvantaged part of the population. The TAP is concentrated on a limited amount of sectors. Democratisation and the prevention of violence is emphasised and concentrated support is given to this sector. Violence and crime in the South African society is a complex problem, rooted in economic, social, political and tribal factors. The various projects sponsored through the TAP are developed using a set of guidelines, conditions and requirements. These represent the foundation of this study. The document by DANIDA on Guidelines for Project Preparation has been divided into three phases: project preparation; practical guidelines; and stages of the project cycle. Each of these sections provide the funding recipient with guidelines and conditions with regards to compiling project documents in order to influence DANIDA to grant their project funding. This document was the guideline for the SAPS Management Development project team in putting together the project proposal and implementation plan.

It has become clear through the previous chapters that with international funding, bilateral or multilateral, certain conditions are present and that benefits for the funding organisation at times are granted equal level of importance. Simultaneously it has been illustrated that certain requirements need to be stipulated in order to enhance the overall developmental goals of the funding entity.

The SAPS/DANIDA project was compiled based on DANIDA's developmental goals and visions of how to create a better world for all. In the instance of South Africa one aspect of society that stood in the way of this was the increasing levels of crime. The way to combat this worsening situation was to invest in the SAPS. The following chapter will view the project that was thought could lead this improvement on the way.

4. The SAPS and DANIDA Development Project

Subsequent to having viewed DANIDA, this chapter will engage in the case study and the conditions of international funding by examining the SAPS project. The background to the project will be described first followed by the analysis of expected and real outcomes. Since the project will be running until April 2003 the stated results of the project will be based on the mid-term review report of 25 August 2000; on the quarterly reports submitted by the project management team until March 2001; and through information from personal interviews. Due to the fact that the main contact at the case study resigned, the researcher was unable to obtain further internal reports. However, due to the nature of this study the vital information is on the reasons for the funding to be granted rather than the evaluative process following the completion of the project.

4.1 Background to the Project

This section will be explained in terms of the management and organisation of the project and will not focus on the actual content and specific training given through the Management Development Programme, as this has no direct link to the conditions of international funding.

4.1.1 The Involvement of DANIDA in SAPS

Since 1994 DANIDA has assisted the South African Police Service with various Management Development Programmes. "These programmes were developed by a partnership consisting of facilitators from the Danish Police College, the Policing Programme at the Graduate School of Public and Development Management at Wits University, and SAPS Management Development itself", (Carstens et al, 2000: 4). A range of programmes was initiated by this partnership, contributing much to the component.

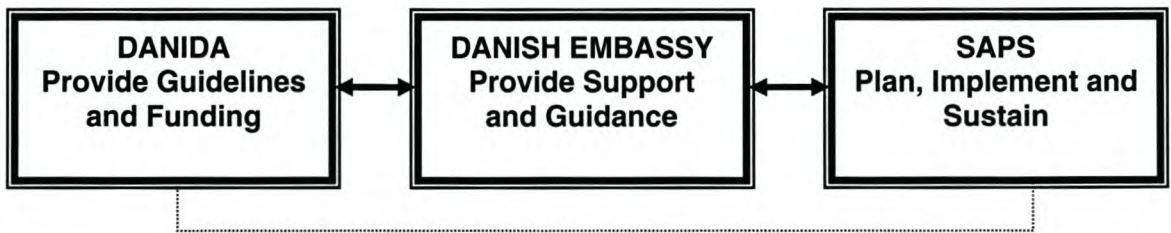
The main reason for applying for the funding was for the SAPS to be in a situation of being adept to tackle the trials that the future would bring. As explained (Carstens, 1998: 3) “the challenges facing post-apartheid South Africa provide a real threat to the democratic advancement, not only of society at large, but also to the public sector in particular”. Nowhere are these challenges more pronounced than in the SAPS tasked with the delivery of safety and security to the South African society. As stated by Carstens (1998: 3) “it is the role of management development to avert this crisis through the development and delivery of high impact programmes for the organisation”. For the SAPS to reach the desired level of knowledge and skills it was necessary to reach out for essential funding and for the funding to be used to guide a process of sustainability in the SAPS Management Development Programme.

Carstens (1998: 4) states that, “as with any donor assistance, the impact and sustainability of projects has to be assessed from time to time in order to ensure real capacity building. During 1998, therefore, rather than funding new training initiatives, the Danish Embassy in Pretoria (by approval from DANIDA) agreed to fund research into the SAPS Management Development Component itself”. The SAPS Management Development project is the product of a research report commissioned by the Danish Embassy in consultation with SAPS senior management in 1998. The research was conducted in order to develop a strategy for the internal transformation of the management development component. The research report was released in July 1998. The report led to a project proposal which encapsulated the recommendations made in the report, stated in the mid-term review of the SAPS Management Development Report, (Carstens et al, 2000: 7). “The project centre on a medium to long term strategic focus for the SAPS management component within a flatter organisational structure which is co-ordinated centrally, but delivers management development programmes locally throughout the country”, states Carstens (1998: 1). The proposal was approved by the SAPS senior management, DANIDA and the Danish Embassy. The project began in April 1999.

4.1.2 The Role of the Danish Embassy

The Danish Embassy functions as the link between the project management team and DANIDA. DANIDA (1998: 2) states that, “the recent years’ need for more coherent concepts and more streamlined administration has resulted in a higher degree of decentralization of authority of Danish Embassies in the co-operation countries and from there to the implementing bodies”. There seldom is direct involvement between DANIDA and the recipient partner. “All communication between Danish Embassy and the Project Management Team will be channelled through the project co-ordinator”, states Carstens, (1998: 18). (Further insight into this process will be included in Chapter 5 on findings and recommendations.) See illustrative model below on the responsibilities of each partner and the link to each other.

Model 4: The Link between DANIDA and SAPS



4.1.3 The Responsibilities of the Project Team

A Project Management Team (PMT) has driven the project. This has later been renamed to Project Advisory Team due to SAPS senior management’s belief that the PMT is not managing but only advising on the project (Some of the disputes and conflict that has occurred during the project will be depicted in section 4.3 and Chapter 5). The PMT was originally made up of Chris Botha (head of the component), Jacques Carstens (a trainer from the component), Judy Klipin (a lecturer at the Public and Development Management School of Wits University (P&DM), and Kim Tabor (expatriate advisor from the Danish Police). The Danish advisor linked to the project and currently residing in South Africa represents one of the requirements by DANIDA. It is through

requirements such as this one that Denmark collects benefits through the funding of a development project (refer to section 3.1.5 above).

The project has an overall developmental objective. This guiding objective must fall within the principles of DANIDA as stipulated in section 3.1.2 above. The development objective for the SAPS Management Development Programme is, “the enhancement and development of a Police Service for post-apartheid South Africa which will be capable of sustaining democratic transformation internally while providing a safe and secure environment for all citizens” (Carstens, 1998: 8).

The project is based on an overall strategy aimed at ensuring that personnel in the SAPS Management Development component assume ownership of the project. This is linked to the notion of sustainability that DANIDA places emphasis on. As stated by Carstens (personal communication, September 27, 2001), “the main concern for DANIDA is that the projects that they fund are sustainable and of course have a developmental focus. They further have to lead to democratisation and good governance”. Another link to sustainability, as seen in section 2.1.5, is that of participation. “The project also commits itself to a strategy based on a participative and inclusive approach to the transformation of the component” (Carstens, 1998: 16).

Written progress reports will be supplied by the PMT to the Danish Embassy on a bi-monthly basis. “The purpose of the reports would be to communicate and provide detailed progress reports, information on results achieved and to address any unforeseen challenges as they arise” (Carstens, 1998: 18). Failure to do so could lead to DANIDA deciding to withhold funding until such reports were provided and included sufficient information to determine that the principles and objectives are adhered to.

Financial reporting would be done through the P&DM and copies of the audited accounts will be provided to the Embassy annually.

4.2 Expectations of Project

When applying for funding from DANIDA it is a precondition that objectives and outcomes are designed. It is against these objectives that the progress and results of the project are evaluated. The fulfilment of the objectives will also function as one of several indicators whether further funding should be provided to finance an extension of the project or similar projects.

It is a condition of DANIDA that the objectives stated in the proposal are not changed during the process without formal agreement. "While strategy, activities and inputs may be altered, any changes in project objectives and outputs will require changes to be made in the Government Agreement, because such changes will lead to a substantially different project", as stated by the Danish Ministry of Foreign Affairs (1998: 4). DANIDA therefore expects that the project team meet the majority of the objectives stated in the proposal.

The objectives of the SAPS Management Development Programme were separated into a Phase 1 and a Phase 2. In the funding proposal written by the PMT to DANIDA on 8 October 1998 the list of the objectives presented in section 4.3 on real outcomes were put forward (for a more detailed list of the outputs and activities under each objective see Appendix 1).

4.3 Real Outcomes of Project

Each of the objectives outlined below was revisited in the mid-term review presented by the SAPS Management Development team on 25 August 2000 to DANIDA. "The broad objectives of the mid-term review were to assess progress made by the project since April 1999 in order to discuss and recommend adjustments, as appropriate in the implementation of the remaining part of the project" as stated in the Mid-term review (Cartstens et al, 2000). The section to follow will view the outcome of the project in terms of determining if the 18 objectives were met. This discussion provides the basis of the outcome of the project necessary for the reader to gain understanding of the case study before the findings are disclosed and recommendations presented.

4.3.1 The Project Objectives and Outcomes

There was a general consensus that the project was well conceived at the time as the focus in SAPS then was on transformation, and the project offered an opportunity to contribute to transformation of the component in a sustainable manner. Each of the objectives was developed in order to lead to the required echelon of transformation. To indicate the emphasis of the objectives of the project the following resolution was adopted at the first Management Development Summit:

“We, the participants at the Management Development Summit, commit ourselves to support and or participate in the transformation of our component through the further negotiation and implementation of the agreed upon objectives of the project”, Carstens et al (1998: 7).

Phase 1: January – May 1999

Objective 1:

- The establishment of a Project Management Team in South Africa - objective was met early in the project although due to administrative delay in the Foreign Ministry office of Denmark the technical advisor arrived three months late. Changes have occurred in members and structure since the inauguration but the team is still functioning (as of date of interviews).

Objective 2:

- The hosting of a National SAPS Management Development Summit - hosting the summit of the component was facilitated by the PMT. This summit was the first in the history of the SAPS where all trainers from the different components came together. The team did meet the overall objective of the summit of introducing the new concepts to the trainers and getting them to commit themselves to working on some of the projects. However, the summit was not problem free. “There was a fairly

high level of racial tension at the summit and representivity appears to have been the major issue. This issue was subsequently addressed to an extent by the inclusion of members of previously disadvantaged communities” (Carstens et al, 2000:10). The summit was seen as a success by the PMT in that it gave it an opportunity to interact with the component as a whole and to have insight into the perceptions, fears and misunderstandings of members of the component. The PMT intended to address some of the problems experienced at the first summit before the second summit was to take place.

Objective 3:

- The initial insight and management of the implementation of the various projects identified at the SAPS Management Development Summit – project teams were set up for each of four topics chosen as vital to the overall success of the project. These topics are: trainer development; recruitment and representivity of trainers; a performance management system for trainers; and an administration system for management development. (Carstens et al, 2000: 10). Forming these groups also led to greater involvement of the various stakeholders although involvement was not at the sought level. (see Objective 1, Phase 2)

Phase 2: June 1999 – April 2003

Objective 1:

- The ongoing and sustained oversight and management of the implementation of the various projects identified by the SAPS Management Development Summit – this objective proved to be more complex. The teams only made minor progress, which was explained as a cause of long geographical distances and workload. In addition to this some team members complained that they had provided recommendations to the PMT but failed to get any feedback on proceedings and development. The PMT took action and decided that the project teams should be led by a representative from the PMT and thereby a more active role was created. (Carstens et al, 2000: 11-12).

Objective 2:

- Developing recruitment processes and ensuring representivity of management development personnel/trainers – the meeting of this objectives has been “overtaken” by the drawing up of equity plans which is a requirement of the South African Employment Equity Act. “This process has forced the units of the component to consider the issue of representivity in a structured and strategic way and to take steps to improve it over time” (Carstens et al 2000: 17). However, this aspect was the most contentious and it was felt by the PMT that damage might have been done in terms of credibility of the project by the perceived lack of transparency in the appointment of the PMT members.

Objective 3:

- Conducting analysis of management posts and levels within SAPS in order to ensure a move towards post specific, rather than rank specific training – the rationale of this objective is that members of SAPS who have management responsibilities in their posts, should be trained to fulfil these responsibilities, irrespective of the rank which they hold. This objective has received mixed reactions given the hierarchical and paramilitary history of the SAPS. “Resistance was recorded of moving in this direction particularly since historically attending a management development programme was the prerequisite to attaining a certain rank. This is compounded by the fact that ranks are linked to salaries. Unofficial progress was made in terms of more functional managers attending the programmes, irrespective of their ranks” (Carstens et al 2000: 5).

Objective 4:

- Conducting impact assessments on the current training programmes run by SAPS Management Development – A neutral impact assessment of all three programmes was organised. Outside consultants, Convergent Ideas, were contracted to conduct the task. According to Carstens et al (2000:2) “an approach was determined that would involve a learning requirement analysis; a gap analysis; an impact assessment as well as design and development of new training programmes with the emphasis

on National Qualification Framework prescripts". It was envisioned that hereafter it would be possible to assess any outsourcing possibilities. This objective is linked to objective 11.

Objective 5:

- Conducting international best practice research on management training and development – this objective was met to some degree by the PMT. The project was based on a “taking learning to the learners” best practice principle and tests focus on application of theory rather than memory. As mentioned by Carstens et al (2000: 20) “these principles were proposed in the original project proposal and reflect best practice”. The feedback to the PMT has been very positive. Learners appreciate the fact that the training does not require them to travel. In terms of the budget of the project this has also proved to be the most viable option. It is more cost effective to move two trainers than the proposed 560 learners. The PMT does however have a few concerns with this approach. It is believed that the trainers are likely to burn out from frequent travelling and the principle of taking learning to the learner will not be sustainable without outsourcing. (see objective 11) The aspect of including international research to the training component was viewed less positive by the trainers. It was felt that mainly senior managers went overseas and that any learning taking place during such trips were not disseminated to the teams. However, according to Carstens et al (2000: 21) “the involvement of Kim Tabor, the Danish technical advisor, in the component has brought international expertise into the component in a very tangible way”.

Objective 6:

- Developing the professional capacity of SAPS Management Development trainers – there had been little trainer development of a systematic nature although research indicated that there is a substantial need for trainers to keep up to date with operational procedures. The consultants Convergent Ideas was hired to do a need assessment but before the completion many of the trainers had resigned from the component and the future of the rest of the trainers were questionable.

Carstens et al (2000:14) mentions additional constraints such as a resistance from trainers to be trained and a perception from some learners that they knew enough about adult education and training.

Objective 7:

- Ensuring the restructuring of the component to maximize efficiency – although restructuring has taken place it was not in accordance with the project proposal but forced upon the PMT. The restructuring has resulted in many challenges for the PMT. To begin with it was no longer believed to be appropriate to call the team the PMT. The PMT was advised to redirect its focus to one of a more advisory nature. It was therefore decided to change the name of the team to Project Advisory Team (PAT). As explained by Carstens et al, (2000: 1) “The PAT will continue to meet on a regular basis and will continue to deal with many of the day to day issues that arise from the project. However, instead of taking responsibility for the management and implementation of the processes decided upon, the PAT will merely advise the management of the component on how best to do this”. This was not the intended direction envisaged by the PMT and does question the sustainability of the project. One obstacle for the project was based on the fact that the Training Component of SAPS decided to shift the focus away from the decentralised delivery on national programmes, preferring to deliver national programmes centrally. Another obstacle for the team was due to the previous lack of commitment from senior management and that these would now be managing the project and the project team only advising.

Objective 8:

- Designing and developing new programmes, in co-operation with personnel from the component, which will be phased in over time to replace existing programmes – three new programmes were developed and piloted by the project. These programmes are: the Operational Management Programme (OMP); the Middle Management Programme (MMP); and the Basic Management Programme (BMP). “Learners participating in the programmes considered them valuable and a success”, states Carstens et al (2000: 2). However, due to problems

arising through the restructuring of the SAPS the sustainability of the programmes is in jeopardy as with the rest of the project.

Objective 9:

- Ensuring that the principle of affirmative training is applied by the component – the PMT appeared to make progress in the aspect of racial representivity but less successful in gender representivity. “One of the ways adopted in order to improve the representivity of learners, has been correspondence from trainers to Provincial Training Managers in which the training managers are advised of the selection criteria” (Carstens et al 2000: 18). These criteria include: Learners from previously disadvantaged groups should receive precedence to attend the programme. In addition it was suggested that trainers should screen nomination lists and should aim to ensure a 70/30 split between men and women, and a 50/50 split between non-white and white participants. Although this has not formally been agreed some trainers have informally implemented it.

Objective 10:

- To design performance development systems to ensure the potential of trainers is met – As described by Carstens et al (2000: 4) “since no progress was made within the assigned group the consultants Convergent Ideas have been appointed to design the performance development systems”. This system has as its main purpose to determine the potential of the trainers and to guide them in the direction of career improvement. As mentioned by Carstens et al (2000:14) “there are important links to be made with the Career Development Department and once the assessments of all trainers are complete there will actually be something to measure the performance development system against”.

Objective 11:

- Establishing policies and systems for outsourcing of Management Development Programmes – some trainers have expressed concern as to what was meant by outsourcing in the context of the component being anxious as to what will happen to their position. However, during an interview it was explained that the growing demand of the leadership

training would make it impossible for the current number of staff to manage. Further, as explained by Carstens et al (2000: 22) “if the training were to be outsourced to a university, learners would benefit from a university qualification, rather than an internal SAPS qualification”. Finally, as in many cases it proves cheaper to perform the training in partnership with another institution. During 2001 the outsourcing was initiated. As mentioned by Carstens et al (2000: 3) “external trainer pools have been established in some of the provinces in co-operation with the Provincial Training Managers. This will increase the provincial involvement in management training, will address the responsibility of line managers towards the development of their people and will enhance the capacity of Management Development”. The external trainers participated in the delivery as trainees in order to broaden their management knowledge and are trained as trainers at the same time. Successes were reported from all of these interventions.

Objective 12:

- An administrative system that will ensure the effective management of information relating to learners who attended Management Development Programmes – this objective was viewed by most important due to the disorganised state of the administrative system. It proved to be difficult due to conflicting ideas. As mentioned by Carstens et al (2000: 23) “the training information system is in chaos, central training statistics are unavailable, and although reports are send to head office, no or an extremely late response is received”. However, it was eventually reported that a centralised system has been introduced which all decentralised offices are all linked to. The idea is that all training statistics, like learner records, trainer information, and course information will be captured on this system and will be available to all units and Head Office.

Objective 13:

- To set up a resource centre which would provide Management Development trainers nationally with training resources, such as case studies, and video material – this objective received support but again

due to the lack of a well functioning administrative system the opening of a centre had to be delayed.

Objective 14:

- Establishing a process whereby recognition of prior learning is given to participants – this objective could only for apparent reasons be achieved once the central system of recording all training was running to its full potential. However, the starting point was made in that the PMT was working towards incorporating this aspect into the training component.

Objective 15:

- To act as an advisory body to the SAPS Management Development component – as mentioned by Carstens et al (2000: 23) “there is widespread belief that without the PMT the project would not have achieved anything. It has played an important role in advising the component on organisational and training issues but simultaneously has been perceived as removed from the component as a whole”. The greatest challenge the PMT faced was lack of legitimacy due to the fact that it does not hold any authority.

4.4 Summary of Chapter

The SAPS Management Development Programme was funded by DANIDA. DANIDA has been involved with the SAPS since 1994. The reason for DANIDA's involvement is founded in the SAPS task of providing a safe and secure existence for all South Africans. It would prove difficult for the SAPS to succeed without additional assistance in terms of monetary and human resources. The development and delivery of high impact programme for the organisation became essential. The Management Development Programme was such a programme. It was structured as according to DANIDA's principles of sustainability and equal opportunity.

The SAPS Management Development Programme was carried out in conjunction with the Danish Embassy in Pretoria. DANIDA relies on the embassies to provide guidance and support to the project team. The project team is responsible for the planning and implementation of all objectives as

stipulated in the research proposal presented to DANIDA at the initial contact between the two organisations. The objectives have to be adhered to. Should this not be possible the Danish Embassy must be formally notified and agree to any changes. Fundamental changes could lead to the retrieval of the funding.

Each of the objectives are viewed by the PMT team bi-monthly and more extensively analysed in a mid-term review. The PMT is required to disclose progress of each objective and if problems have occurred to stipulate what action has been taken to rectify the problem/situation.

It is amongst other aspects the problems and issues that lay the foundation for the next chapter on findings and recommendations.

5. Findings on International Funding

This final chapter before the concluding comments will embark on the analysis of interviews as well as factors that have become apparent from analysing internal reports from the SAPS and project guidelines as well as other basic documents regarding DANIDA. On the basis of these findings it is possible to make recommendations to the methods used by international development organisations when providing funding to developing countries. As was viewed in the section on development theory, many recommendations through time has led to new theories but the current quality of life of people in the developing world is unacceptable and calls for drastic action. This chapter therefore aims to view if the methods used by DANIDA could be a way forward or if at least certain aspects could be adopted by bilateral or multilateral organisations with similar goals. This chapter will conclude with discussing such recommendations to international development organisations.

5.1 Discussion of Results

This section provides the discussion of the results based on the interviews and analysed material. Nine different categories surfaced as areas that should be considered when an international organisation is providing funding to a development project. They are mentioned here either because they created problems for the project or because they are examples of best practice. The recommendations to these findings will be presented in Section 5.2 below.

5.1.1 Equal Opportunity

It is the belief of the researcher that the issue of ensuring diversity and respecting the notion of equal opportunity was not sufficiently considered by the initial research team from the SAPS. The tension at the summit around this issue indicates that it was a matter not addressed to the satisfaction of other stakeholders. The research team suggested in the funding proposal that they act as the project management team although this team did not have a member of the previously disadvantaged groups.

It is further to be argued that this factor was not understood by DANIDA when providing the funding. Consultants from DANIDA do not seem to grasp the lack of equal opportunity amongst the diverse population of South Africans. The weight it holds for government is perhaps even greater than in other developing countries due to the apartheid policies that have created this gap. Had there been awareness of this issue it is unfortunate that DANIDA failed to pick up on the lack of addressing it when approving the project proposal.

Equal opportunity was addressed through ensuring that the learners equally represented the various groups within the SAPS. Another action was taken in including a member of the previously disadvantaged groups in the PMT but unfortunately the way in which this member was appointed did not adhere to general SAPS rules of allowing all to apply. This created further tension and negativity towards the programme. Although DANIDA was not involved in this process the action to be taken by the PMT should have been discussed with the Danish Embassy beforehand. This might have lead to suggestions on how to take action on this issue.

Gender awareness falls under this category although this was hardly mentioned by the PMT. There only seemed to be focus on including members of the previously disadvantaged groups but not specific emphasis on gender awareness. Disadvantaged women of South Africa needs the thrust forward perhaps even more than their male counterparts. DANIDA as an organisation is geared towards gender awareness as mentioned in Section 3.1. It is therefore surprising that they failed to demand this as one of the objectives. Although the SAPS is a male dominated organisation it is in these areas where developing organisations can begin to make a positive difference.

5.1.2 Level of Involvement from DANIDA

It appears that the involvement of DANIDA was mainly in the project planning phase and in situations where larger problems arose. The project team does therefore not create a working relationship with the funding organisation and

this could pose a problem. This is mainly due to the fact that DANIDA initially approved the project proposal but are not on regular basis drawn in to ensure that development objectives are in place. However, it must be stated that as with most development organisations resources of all types are limited and therefore finding an appropriate level of involvement could prove a saving factor.

The Danish Embassy functioned as the main link between DANIDA and the PMT. As mentioned above it could be a disadvantage that the funding organisation is not more closely involved. However the researcher does see the use of the Embassy acting as a supporting force as an advantage to the project. It is valuable for the PMT to know that there is continuous support and guidance should the need for such arise. All members of the team did indicate that the Danish Embassy had been an invaluable help at various points of the project implementation. Using the Embassy as a support rather than having DANIDA viewing every step could increase the level of ownership experienced by project members.

5.1.3 Sustainability of Project

DANIDA is meticulous in their requirement that all projects they fund must be sustainable. It is one of their three guiding principles. Sustainability of the SAPS is viewed with the focus of the organisation being able to incorporate the Management Development programme into the future training programme of the SAPS once DANIDA has ended their commitment. It appeared from the interviews that the sustainability of the project was no longer believed to be possible. The lack of commitment from senior management and the restructuring of the training unit indicated that sustainability could no longer be ensured. The PMT mentioned that the main reason for this failure was that commitment prior to the beginning of the project was not ensured. It is important that all stakeholders at all levels understands the benefits of a project and indicate their commitment to the project.

5.1.4 Focus on Objectives

It was felt by the majority of the interviewees that the strict focus by DANIDA on adhering to the objectives was positive. However, this could be a flawed method if the objectives to begin with were not in line with the overall objective of the organisation, in this case the SAPS or the developing country. The interviews did indicate that some of the objectives could no longer be met but that it was felt that the overall aim of the project was still on line.

DANIDA did not get involved in the process agreeing to the amendments of the objectives. This was the responsibility of the Embassy. It has to be assumed that the members of Embassy involved in the projects are trained in assuring DANIDA's sector programme and principles are imposed and that they have a developmental background. Without this it would be difficult to agree to changes in objectives as the amendments would have to still fall within the principles of DANIDA, the SAPS and those of South Africa's development programme.

5.1.5 Conflict Resolution

It was felt by many of the interviewees that a conflict resolution mechanism should have been build into the initial planning of the project. Many conflicts arose between the PMT and senior management. It was felt that such disagreements could have been addressed better and that more desirable outcomes would have appeared from the discussions. As with any project it is a basic step of project management to perform a risk assessment and to include mechanisms to handle risks/conflicts should they arise.

5.1.6 Use of External Consultants

The use of external consultants is necessary for ensuring the desired transfer of knowledge. DANIDA uses Danish skilled consultants on projects both to provide their expertise but also to ensure that the project is managed as planned. Finally, there is the benefit that it provides employment and creates further knowledge for the consultant to use in other projects. The PMT was positive on

having the consultant linked to the project. In fact, the consultant formed part of the PMT. The PMT felt the expertise of the consultant in terms of police training was invaluable and in fact requested for the consultant to stay longer than first intended. The Danish Embassy agreed to this. Although the PMT was satisfied it was mentioned that they had experienced animosity from some key decision makers within the SAPS regarding the use of the consultant as part of the project. The fact that the consultant was part on the project and not just advising could by some senior managers have been interpreted as that an outside person came in to make decisions and take charge. It is evident from this experience that sensitivity towards this issue is necessary.

5.1.7 Use of Frequent Project Reviews

Executing frequent project reviews is invariably an instrumental part of any development project. It not only ensures the continuous focus of the PMT but also allows the funding organisation to keep track of the project and take action should this prove necessary. DANIDA have as a requirement that they receive quarterly reports on the progress of the project as well as a more comprehensive mid-term review. The reports have to provide information on progress to date, current status, expenditure, challenges, objectives and validation. The quarterly reports view the objectives in terms of short term goals and activities. The mid-term report places more emphasis on the objectives but discussing each in detail. The PMT found this reports to be an advantageous way to keep track of the project and be aware of problems that might have occurred since the previous report.

5.1.8 The Goals of the Developing Country

One of the questions in the interviews was based on the extent of which the project falls within the general developmental goals of South Africa. These goals were believed by the researcher to be equal opportunity, sustainability, public participation, human rights, gender awareness and democratisation. The goals were compiled through personal experience of life in South Africa, through keeping informed through news and other media, through extensive

reading prior and during this case study and finally through studying Public and Development Management at the University of Stellenbosch.

It is the general belief of the PMT that they attempted to steer the project in the same direction as the overall developmental goals of South Africa. A number of the project objectives as discussed in Chapter 4 include the aspects. Unfortunately it proved difficult later in the project cycle to fulfil the goals. As mentioned above, equal opportunity, gender awareness and sustainability was either only partly or not at all possible to fulfil.

It is an important factor that the funding organisation is aware and understands all developmental goals of a country when providing funding. DANIDA illustrates this through their transitional assistance programme (TAP) (see Section 3.2.2) which is build around development work in specific sectors believed to be in most need of the funding. Although the headings are not identical to those in the interview question (see Appendix 2) they represent the same issues. DANIDA illustrated understanding of South Africa's situation at least at a theoretical level.

5.1.9 Literacy Level of DANIDA Requirements and Guidelines

Viewing and analysing the SAPS Management Development Programme, highlights the fact that very few of the potential project teams in developing countries would be able to follow the guidelines and processes set up by DANIDA. Just the extent of the requirements of the team leader illustrates the high level of demands depicted by DANIDA. (see Section 3.3.2.4). The level of literacy, education, general knowledge and access to telecommunication systems could prove to be a problem when adhering to the requirements of DANIDA. The SAPS are fortunate to have skilled, educated personnel and have access to computers, phones and sufficient methods of transport. In addition to this they are privileged to have established links to a higher education institution with experts on public management. Looking back at the discussion on developing countries in Chapter 2, it is evident that most developing countries would not have the same privileges. This is likely to be the scenario of a project residing in a rural area or an extreme poor country.

5.2 Recommendations to International Development Organisations

From the presentation and discussion above on the findings from the SAPS/DANIDA development project certain general recommendations have appeared which are applicable to the general practices of international development organisations. This is not to indicate that none of these recommendations are not in place in some organisations as this is most likely the case. This is rather to illustrate how certain aspects of providing funding have to be present to achieve the best possible outcomes.

This section will analyse each of the nine areas discussed above before concluding with a summation model on the list of recommendations. It must be mentioned that this list is not exhaustive. These recommendations are based on what appeared through analysing the DANIDA/SAPS case study.

5.2.1 Recommendations to the Issue of Equal Opportunity

A major factor for any development organisation to put into practice through projects is that of equal opportunity. If it is not considered and positively dealt with it can create problems and jeopardise the future of the project. This is not only true for a country like South Africa but also resembles the structure of many other developing countries. Equal opportunity should be thought of in terms of both representivity of all classes and races and well as gender awareness.

The project proposal should include the structure envisioned to guarantee this issue is addressed. It should describe how the project management team is to be selected. It is possible like in the case of the SAPS Management Development Programme that the team comprising the project proposal become the project team. However, measures should allow for all possible candidates to have equal opportunity of participating in the selection process. The project team should be representing the diversity of the target group be it an organisation or a whole community. Finally, the project proposal should

include how the project intends to address the issue of gender awareness. Although this falls under equal opportunity it should be given special attention due to the urgency in developing countries of strengthening the position of women.

5.2.2 Recommendations to the Level of Involvement of Funding Organisation

As described in Section 5.1.2 above, DANIDA was not continuously involved in the SAPS project. There is a lot to be learned from the method used by DANIDA. The researcher is of the opinion that there is room for improvement. The use of the Embassy to provide support and guidance for the project team is considered to be a valuable method. Firstly, employees of an Embassy reside in the country and are therefore closely involved in the developmental processes taking place. Secondly, they are easily accessible for the project team. Thirdly, resources could be saved in that the Embassy is already present and perhaps only a few additional staff is needed to support the local projects. However, it does seem important that the funding organisation is involved at least by engaging in quarterly and mid-term reports (recommendations to the use of frequent reports will be discussed in Section 5.2.7). The funding organisation is therefore regularly updated and can step in should it be noticed that the project is not running as according to the plan anticipated in the project proposal. What becomes apparent is that it is necessary to set the level of involvement based on the skills, knowledge and structures of a project. In the case of the SAPS the level of skills, knowledge and democratic structures were present and the project could more or less proceed without too much interference. After the discussions in Chapter 2 it is clear that some projects in South Africa, but also in many other developing countries, would need stricter involvement and additional guidance and support. However what is invariably important is that the involvement still allows for the project members to establish ownership of the project. As was noted during the discussion of the theories of development the days of funding organisations charging in, implementing a project and leaving on completion are no longer deemed functional.

5.2.3 Recommendations to Sustainability of Project

The funding organisation should employ penalties/obligations upon the recipient department/body in the case of clear non-commitment to sustainability of the project. In the case of this project the SAPS committed to the project by signing the original agreement. However since then it has become clear that SAPS will not sustain the gains made through this project. If such an agreement has been signed the penalties should be imposed. With the amount of poverty in the world and need for funding in more projects than possible it is only fair to expect commitment. However, in situations where it is not the lack of commitment that is the cause for non sustainability but rather due to unforeseen reasons there should not be imposed a penalty. It also has to be recognised that such a penalty may be of very little value should the organisation or community involved already be absolute poor.

5.2.4 Recommendations to Focus on Objectives

Placing objectives at the centre of the project plan is a much used application in development. It is imperative in any project to be continuously aware of the intended goal or outcome. Only through setting clear objectives is it possible to gear the project in the desired direction. Although DANIDA does require objectives to be the foundation of the project they failed to become involved in the process of amending them when needed. It is believed to be beneficial for both parties that the funding organisation is involved in this process. Firstly, in this case DANIDA is ensuring that the project throughout its lifespan falls within DANIDA's and the developing country's goals. Secondly, the project team will be required to thoroughly depict their project objectives to incorporate both sets of goals and thereby working towards a unified development ideology.

Leading from the discussion above and after having viewed the SAPS project it is evident that setting realistic and achievable objectives from the very beginning is important. If the process of setting the objectives was done hastily and without much thought the project would be more likely to fail and funding thereby deemed worthless.

5.2.5 Recommendations to Incorporating a Conflict Resolution Mechanism

A risk assessment should be included in the project proposal stipulating an agreed method of dealing with problems. Having such a process in place will ensure less time and resources are spend on solving the issue.

It is necessary for the project team to identify which of the objectives might be areas of risk or uncertainty. Once the possible risks are identified it might be valuable to prioritize these in terms of the impact they would have on the project should they appeared. This information should be described in the risk assessment document to be attached to the project proposal. This document should indicate how the risk assessment plan is to be implemented. The risks should not only be determined at the start of the project planning phase but should be revisited continuously as the project environment will change as the project unfolds.

5.2.6 Recommendations on Using External Consultants

External consultants can and perhaps should be used but with consideration. The consultants should not only represent the funding organisation but should also as far possible represent the community where the project is based. The use of consultants should be determined on the basis of the individual projects need for external assistance. As was seen with the SAPS project a certain level of sensitivity towards decision makers should be enforced. It is an important part of the development process for the project beneficiaries to feel they own the project. This sense of ownership is only possible if the project members made key decisions themselves and tested their own skills. The external consultants should not be a decision maker in the project but should be available for providing advice when necessary. Involving the consultant in carrying out tasks along side other members based on their decisions is important.

Before the beginning of any project the level of involvement of the external consultant should be agreed to by all members of the community or in this case organisation benefiting from the project. It is vital that an agreement has been reached and that such an agreement has been understood and signed by all parties. The funding organisation could have standard agreements with different levels of involvement that the project members could reshape as needed for their specific project. It is an important part of all development projects that locality and uniqueness is given priority. Only through this method is it possible to implement development projects that actually fulfil their purpose.

5.2.7 Recommendations to Use of Frequent Reviews

DANIDA places emphasis on frequent project reviews. This is valuable to ascertain that the project is progressing according to plan or to determine any changes that might have occurred in due time to take suitable action.

It is recommended that quarterly, annual, mid-term and evaluative reports are carried out by the project team. Although this is a substantial amount of reports it will enhance the relationship between the funding organisation and the project team. In the case study DANIDA as the funding organisations did not appear to be involved in evaluating the reports. It is to be recommended that the funding organisation at least engage in the annual, mid-term and evaluative reports. Although the Embassy is involved this should more be viewed as a support and guidance rather than a quality assurance body. It is useful to have an assisting body and an authoritative body linked to the project. Authoritative in the sense of ensuring that the project is on line in terms of objectives and budget, not in terms of decision-making. It cannot be stated enough that the project members must feel that they have created and own the project.

5.2.8 Recommendations to the Framework of Development Goals

It is to be recommended that all international development organisations have a defined set of development principles. Decision to provide funding to a project should be based on whether or not the country follows similar principles. These

principles should not be based on what religion or cultures that a country should adhere to but be determined on basic human rights such as those described in the theory of basic human rights in Section 2.1.4. Non-political and non-cultural principles are essential for the development process.

When a funding organisation decides to provide funding, research should be done regarding the development goals of the country to ensure that the Development Programme is geared in the same direction. In situations where a developing country does not have a development policy or defined goals, the funding organisation should request and assist the country with developing such a programme before any funding could be given. This development programme should not be dictated by the funding organisation. The process should be managed by the government of the country. As was seen in Chapter 2 in the discussion on structural adjustment programmes, it is not always the right solution for the funding organisation to impose their ideas and belief. Compiling a development programme ensures that the funding does becomes part of a meaningful process towards development.

The project for which the funding is given should therefore also have to incorporate the development goals and principles into the project. This will eventually provide the golden thread between a country's development plan and the projects that are actually implemented. Development projects should not be implemented at random.

5.2.9 Recommendations to Level of DANIDA Requirements and Guidelines

Although this item is that last in the discussion it is perhaps the most important. The requirements and guidelines set up by development organisations are often complicated and difficult to interpret.

Due to the factors mentioned in Section 5.1.9 it would be required of DANIDA to assess the situation in each country and adapt the guidelines to the local setting. It is not recommended to focus less on the principles of DANIDA or to not be rigid on adhering to procedures. The recommendation lies in added

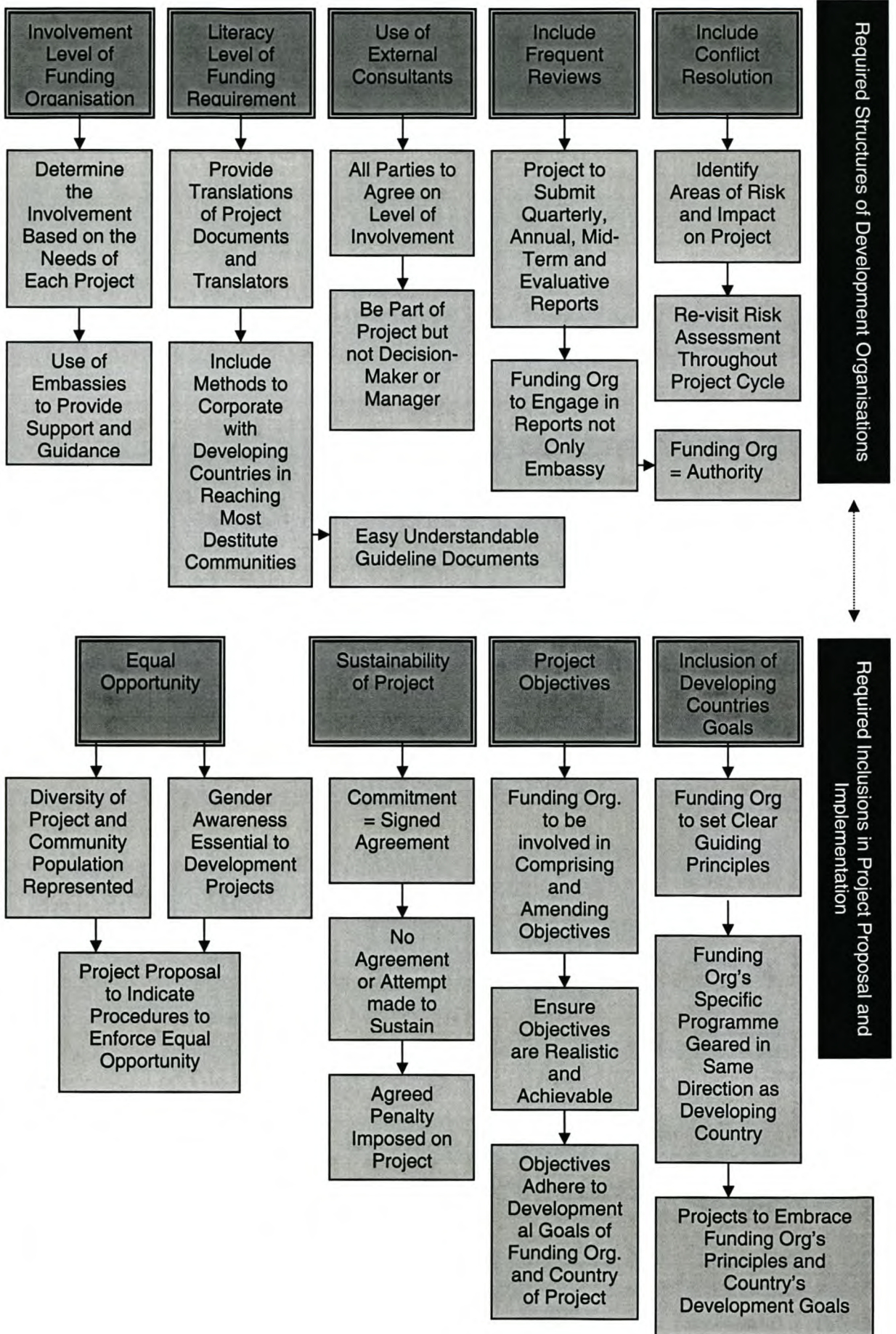
support from the Danish Embassy but also from DANIDA. It would be vital for the successful outcome of any project that the level of support and guidance is assessed at the time of initial request for project guidelines. The project proposal stage could prove to be too late in the process as it is assumed that many would need assistance when compiling this document.

Attempts should be made by the development organisation to produce documents that are easily understandable, translated into the most common languages in the world, allow for the cost of translators to be incorporated into the administrative budget and in general to be aware that those with lowest levels of literacy are often those in most need of resources. As seen in Chapter 2, the communities that are most destitute are often those that the aid reaches last. Mechanisms to avoid this should be incorporated into the general set up of any international development organisation. It is at this level that it becomes necessary to carry out development projects in cooperation with the country and beneficiary communities as they hold the awareness an international development organisation rarely does.

The following section provides an illustrative model on the recommendations presented above.

Model 5: Recommendations to International Development Practices

The model on the following page is divided into two levels of recommendations. The first level present recommendations on the structures required of international development organisations. The second level refers to recommendations on the required elements of project proposal and implementation. Each area on both levels provides a brief summary of the recommendations explained in more detail above.



5.4 Summary of Chapter

Chapter 5 presented a set of recommendations for international development organisations to adopt to achieve better outcomes of projects in developing countries. While analysing the case study it appeared that nine areas were of importance when planning and implementing development projects. These did not represent a complete list but illustrated those issues that emerged through analysing the case study.

The issue of equal opportunity proved to pose a problem early in the project. To address this issue it was recommended that the diversity of project members, and of the community or population the project is serving, should be represented in the make up of the project team. Gender awareness must be viewed as a part of equal opportunity and therefore as essential to all development projects. It is imperative that ways to address this issue be incorporated into the project plan.

Reaching an appropriate level of involvement of the funding organisation should be based on the specific needs of each project. When possible the embassies should be used to provide support and guidance to the project.

Projects that are not seen as being sustainable should not be supported. All stakeholders should be committed to sustainability by signing an agreement. Should the project members refuse to sign such an agreement, or fail to sustain it due to reasons within their control, an agreed penalty should be imposed on the project.

All development projects should be based on achievable project objectives. These objectives should be comprised in collaboration between the project team and the funding organisations. Should amendments be necessary it is vital that the funding organisation is involved in this process to ensure that the project stays on the intended path. The objectives must at all time correspond with the development goals of the funding organisation and the developing country within which the project is implemented.

All project proposals should include a conflict resolution plan. This plan should identify all areas of risk and the impact these could have on the project. Risk assessment should be revisited throughout the project cycle to ensure that the assessment is still running parallel with the project.

All project stakeholders should agree to the involvement of external consultants. These should form part of the project but should not be a decision maker or manager. This is in order to ensure that ownership of the project is not jeopardised through the use of external consultants.

International development organisations should insist that the project team compile review reports. These reports should be submitted frequently. It is proposed that quarterly, annual and mid-term reviews would ensure the greatest level of involvement and indirect control of the funding organisation without the project team feeling that they spend all their time on writing reports. At project completion an evaluative report should be submitted.

It is important to create coherence between the partners involved and their developmental goals. It was therefore recommended that guiding principles are compiled by all funding organisations. The funding organisations programme should fall within the development programme of the recipient in question. Finally, the project should integrate these principles and development programmes when compiling their project proposal.

All international development organisations need to consider the literacy level required of projects when applying for funding based on an organisation's funding requirements. All documents ought to be available in various languages and translators should be an available option. All documents should further have incorporated methods on how to reach the most destitute members of a society. This should be done in collaboration with the developing country.

The following and final chapter will provide the conclusion and link to the hypothesis. The recommendations in the conclusion should be seen as an extension to those of this chapter.

6. Conclusion

At the outset of this study the researcher anticipated a conclusion that supported the notion of international funding assisting in increasing poverty and debt in developing countries. Analysing the material on development theory and practices it has become evident that the anticipated hypothesis is correct and changes have to be made in order to adverse the damages. Although international development programmes have been planned and implemented since the 1940's we have all failed in the struggle to eliminate poverty. The reality remains that one fifth of the world's population live on less than a dollar a day, while the world's wealthy suffer from symptoms of excess such as obesity. Further, nearly 3600 children die every day from preventable diarrhoea mostly caused by contaminated water. The list of shocking facts about the developing world is endless. It does however appear that the developed world has created a shield around them that does not let statements such as these affect them. Or have such statements become so part of every day life that we no longer hear them. Perhaps the answer is that they do have an effect, but still no preventative action will be taken as long as it has economic consequences or as long as we allow a few nations to exploit power for their own benefit.

Fortunately this case study did highlight that there are organisations that do work in the best interest of their beneficiaries. It is organisations like these that need to lead the way by setting an example. It is not thereby stated that no improvements could be made but merely that their attitude towards development is on the desirable path. To reach the anticipated conclusion it is necessary to recap the general findings and golden thread of this study.

It is clear that the problems of the developing world goes back far and that they cannot entirely be blamed on the failure of development organisations to implement efficient programmes. Neither can it be blamed solely on colonialism, corruption, Western beliefs, industrialisation or even the climate of developing countries. It has become clear that these aspects together have created the present scenario. Through the discussion on reasons for the current state of affairs it is obvious that multilateral development organisations have had a

significant role to play. These organisations were granted a position of control that was made possible through decision making powers based on economic wealth. The structural adjustment and subsidising programmes were meant to help the developing countries but ended up doing the contrary. The study moved on from viewing the general development arena to focus on the case study. Both organisations involved in the project namely DANIDA and SAPS were discussed. DANIDA was explained by providing a background to the principles and characteristics of the organisation, by viewing their involvement in South Africa and by analysing their project guidelines. The SAPS was viewed solely in terms of the project by providing background and expectations and by disclosing the real outcomes of the project. This provided the necessary base for the discussion of the results and the position to formulate recommendations to the development programmes highlighted in Chapter 2. Some of the recommendations relate to parts of a development programme and some are of a more general nature. The recommendations presented in Chapter 5 appeared from the case study and were explained at that stage. However aspects of those findings will be referred to again as both sets of recommendations form part of the overall recommendations of this study. It is the aim of this conclusion to present the overall recommendations and their link to the hypothesis.

It is due time for the development process to be structured with the sole purpose of eliminating poverty in a sustainable and participative manner. The time of structural adjustment programmes being forced upon countries must be a thing of the past. Fundamental changes are needed to ensure that such programmes will no longer be part of increasing poverty and debt in developing countries.

The overall issue is that of the conditions attached to funding. There should be general agreement that some level of conditionality is necessary. Except on purely political and humanitarian grounds, we cannot expect economic aid to be given without conditions. However, it is clear that the present type of conditionality is in need of reform.

It became evident through this study that funding conditionality should be less rigid. There should be more allowance for contingencies or external factors beyond the control of the recipient. Development organisations are there to assist in solving problems that the programme might encounter.

The conditions should be based in terms of objectives rather than instruments. Not by prescribing ways of reaching the desired state but rather letting the objectives determine the instruments. The record of recipient governments should be judged by the objectives rather than by their compliance with economic instruments. This means the developing countries should be given greater leeway in selecting the instruments for achieving these objectives according to the particular circumstances of each country.

Conditionality should be a two-way business. Once the project or programme proposal has been agreed to by both parties their commitment should be recorded. The commitments of the recipient government must be matched by commitments by the international community to provide support. In the example of DANIDA and their sector programme it could be an option for them to commit the same amount to the sector of combating violence and crime as the recipient government. This will provide the developing country with an incentive to perform. What is needed is a mutual development agreement as opposed to a prescribed reform programme.

When development programmes run into trouble and the initial targets and conditions are not reached, it should not be automatically assumed that this indicates failure on the part of the recipient country. Neither should support be automatically withdrawn. It should be investigated whether and to what extent such difficulties are the fault of external factors beyond the control of the government or perhaps due to inappropriate and the unrealistic nature of the initial conditions. In an attempt to avoid problems a risk assessment should be compiled. This ensures transparency of the project and allows for preventive measures to be planned in advance.

Staff of development organisations should be recruited from a wide range of fields and backgrounds. It should not be limited to people with a financially-oriented training. Neither should only people from developed countries be employed. It is important to employ people with experience in developing countries. People growing up in poor communities possess an understanding few wealthier people would have gained. A mixture of all experiences, skills and understanding should make up the staff of development organisations.

Development organisations should perform an analysis of the country they are planning on providing funding to. Local people should be interviewed as part of the process. This analysis should be based on determining what sectors are most in need of funding. From the findings a country specific programme should be compiled. Their development programme should be based on the recipient country's development programme. The two parties should in partnership write the programme believed to best assist each sector in reaching development goals. It is beneficial to create a partnership based on mutual respect rather than hierarchy based relationship that the structural adjustment programmes enforced.

The goal of equal opportunity should not be limited to projects or even programmes but should be global. All development organisations should encourage equal opportunity and should themselves be representative of the global diversity as far possible. Development organisations should encourage recipient governments in forming equal opportunity policies for all sectors. Accommodating diversity creates awareness and this is an important factor of development.

It is key to the development process to create a sense of ownership of the programme. There are ways to encourage this and ways to damage the process. One factor for development organisations to be aware of is the sensitivity issue around using external consultants. These should participate in the programme but should not hold a decision-making position. The management of a development programme should be done by those the programme is intended to benefit. It is also important to establish the level of

involvement of the funding organisation. Although it is necessary to require frequent update reports the organisation should not be seen as the overall supervisor of the programme. It is clear that the funding organisation must have an overview of the programme to ensure that objectives are met. However, this relationship should be viewed as supportive and guiding rather than authoritarian. DANIDA's use of the Danish Embassy is one possible way to achieve this as well as saving resources that could be used for other programmes.

The researcher believes that sustainability is two-sided and both should be an integral part of all development programmes. Sustainability is about considering the environment and ensuring that projects are sustainable. Due to the many indicators that the world's resources will not last forever, sustainable programmes are essential. All development programmes should have as a main principle, sustainability. There should be a signed agreement by both parties to ensure that all development activities are sustainable. If the recipient government does not manage to do so for reasons within their control, a penalty should be imposed. This penalty should be stipulated in the agreement. Sustainability is one of the areas of development where more rigid rules might be necessary. We cannot afford to be lenient when it comes to the environment. The other side of sustainability, namely to ensure that projects will continue after the funding is complete, is equally important. It is also recommended that an agreement is signed to ensure the commitment of this type of sustainability.

Development organisations such as DANIDA that are allocating parts of their funding to multilateral programmes should not assume that these utilise similar practices. Although these bilateral organisations might hold less power in the global picture they do have the right to decide where their funding goes. Pressure should be placed to change methods proven to be inefficient or at times even detrimental to developing countries.

Changes have to be made in the practices of development organisations in order to assist in decreasing poverty and debt. This study set out by hypothesising that development programmes, such as structural adjustment

programmes, were assisting in increasing poverty and debt. The word assisting was used as it was believed that other factors play a part. The hypothesis was proved and recommendations to alleviate this problem were presented in Chapter 5 and the conclusion above. The question that now poses itself is whether recommendations such as these will be considered and adopted by development organisations. For the sake of the millions of people living in poverty it is the hope of the researcher that good will triumph and people and our environment will boast a brighter future.

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8. Appendices

Appendix 1: Objectives, outputs and activities of the SAPS Management Development Programme

Information on objectives is from the funding proposal by Carstens et al (2000).

Phase 1: January – May 1999

Objective 1:

- The establishment of the Project Management Team in South Africa

Outputs:

- The formulation of working procedures, work plans and time frames for the PMT
- Detailed project planning
- Allocating tasks and responsibilities to members of PMT

Activities:

- Conducting a planning session/workshop for members of the PMT

Objective 2:

- The hosting of a National SAPS Management Development Summit

Outputs:

- To clarify and share the new strategic direction of the component with all its members
- The identification of those smaller projects that will transform the component in line with its new strategic direction
- The appointment of project leaders from within the component, for some of these projects
- Formulation of objectives, outputs and time frames for each project
- Members of the PMT individually assigned as mentors for all the projects identified

Activities:

- Detailed planning and preparation for the Summit
- Providing all the members of the component with all the relevant information regarding the purpose and scope of the summit
- Facilitating various planning sessions in plenary and in small groups during the summit
- Building networks amongst members of the component
- Allocation of tasks and responsibilities to individual management development trainers

Objective 3:

- The initial insight and management of the implementation of the various projects identified at the SAPS Management Development Summit

Outputs:

- Providing leadership and support to the members involved in the implementing the projects
- Monitoring the progress regarding each project
- Ensuring continued support amongst members of the component and other key role players, for the internal transformation process

Activities:

- Conducting of planning sessions and co-ordinating meetings by members of the PMT
- Facilitating workshops between PMT and project leaders
- Field trips to various training institutions by PMT
- Workshops and planning sessions with key role players in the field

Phase 2: June 1999 – April 2003

Objective 1:

- The ongoing and sustained oversight and management of the implementation of the various projects identified by the SAPS Management Development Summit

Outputs:

- Providing leadership and support to the members involved in implementing the projects
- Monitoring the progress regarding each project
- Ensuring continued support amongst members of the component and other key role players, for the internal transformation process of the component

Activities:

- Conducting of planning sessions and co-ordinating meetings by members of the PMT
- Facilitating workshops between PMT and project leaders
- Field trips to various training institutions by PMT
- Workshops and planning sessions with key role players in the field

Objective 2:

- Developing recruitment processes and ensuring representivity of management development personnel/trainers

Outputs:

- A more representative Management Development component
- The running of recruitment drives aimed at improving the quality of trainers

Objective 3:

- Conducting analysis of management posts and levels within SAPS in order to ensure a move towards post specific, rather than rank specific training

Output:

- Standard criteria for learners to attend training programmes, within a new coherent system of Management Development Programmes

Objective 4:

- Conducting impact assessments on the current training programmes run by SAPS Management Development

Outputs:

- Impact assessment indicating the effectiveness of programmes run by SAPS Management Development
- Employing these results in an effort to improve weaknesses and to build on strengths of these programmes

Objective 5:

- Conducting international best practice research on management training and development

Outputs:

- A document accessible to all management development trainers, summarizing international best practice in the design, delivery and evaluation of management training programmes
- Input into new and improved management development training programmes, based on the findings of the research
- Training and development programmes that are in line with international standards and practices

Objective 6:

- Developing the professional capacity of SAPS Management Development trainers

Output:

- The running of one trainer development programme at each of the three training institutions per year of the PMT's existence

Objective 7:

- Ensuring the restructuring of the component to maximize efficiency

Output:

- The establishment of a revised structure for the component as proposed in the research proposal

Objective 8:

- Designing and developing new programmes, in co-operation with personnel from the component, which will be phased in over time to replace existing programmes

Output:

- The running of pilot training programmes, based on the new principles and strategies contained in the research report (*eg. Taking learning to the learner, modular programme delivery and piloting the use of senior line managers as part time facilitators and evaluators on Management Development Programmes*)

Objective 9:

- Ensuring that the principle of affirmative training is applied by the component

Output:

- Learners attending Management Development Programmes would reflect the diversity of the organization

Objective 10:

- To design performance development systems to ensure the potential of trainers is met

Output:

- A performance development system within the component that allow the maximum personal development opportunities for every trainer

Objective 11:

- Establishing policies and systems for outsourcing of Management Development Programmes

Output:

- A policy framework detailing the outsourcing possibilities of Management Development Programmes

Objective 12:

- An administrative system that will ensure the effective management of information relating to learners who attended Management Development Programmes

Output:

- An administrative information system functioning within the component and linked to the rest of SAPS, that ensures the availability of up to date data relating to learners who attended Management Development Programmes

Objective 13:

- To set up a resource centre which would provide Management Development trainers nationally with training resources, such as case studies, video material etc

Output:

- A resource centre linking the three institutions and provides a quality service to all Management Development trainers

Objective 14:

- Establishing a process whereby recognition of prior learning is given to participants

Output:

- A policy framework addressing the issue of recognition of prior learning by Management Development

Objective 15:

- To act as an advisory body to the SAPS Management Development component

Output:

- The providing of ongoing advice and support to all members of the component for the duration of the project

Appendix 2: Interviews

Questions on the DANIDA funded SAPS Management Development Programme

1. Please state your role/involvement with the project.
2. For what duration have you been involved in the project?
3. How do you perceive the role of DANIDA in the project?
4. Has DANIDA's involvement had a positive or negative impact on the Management Development project?
5. How do you perceive the role of the Danish Embassy in the project?
6. Do you feel that the Danish Embassy functions well as a communication link between DANIDA and the project?
7. How do you view the procedures and conditions prescribed by DANIDA?
8. Do these conditions create any obstacles or difficulties in the successful implementation of the project?
9. In the initial proposal to DANIDA several project objectives were stated. Do you feel that the requirement of fulfilling these hamper any natural development within the SAPS Management Development component?
10. Is there any initial lack of planning from DANIDA or the Project Advisory Team that has had a negative impact on the project?
11. If so, what lacked planning and could it be rectified at a later stage in the project without changing the initial agreement with DANIDA?

12. Do you have any suggestions or recommendations as to how DANIDA could improve their conditions of providing funding?
13. Do you believe that the project falls within South Africa's general developmental needs/goals?
14. Do you believe that DANIDA encourages:
15. Equal Representation
16. Sustainability
17. Public Participation
18. Respect for human rights
19. Gender awareness
20. Democratisation
21. Please describe any benefits that DANIDA (representing Denmark) might gain from any aspect of funding this project?
22. Describe any positive or negative impact of using consultants and/or advisors. (Please refer to both South African and Danish)

Appendix 3: Interviewees

Chris Botha, Assistant Commissioner, SAPS Training Headquarters

Karen Miedzinski, Consultant, Convergent Ideas (this interview was cancelled due to lack of knowledge on DANIDA and its involvement)

Jan van Wyk De Vries, Director, Paarl SAPS Training College

Kim Tabor, Expatriate advisor, Danish Police Service

Superintendent. Jacques Carstens, Project Management Team, SAPS, Paarl

Superintendent. Jan La Grange, Management Development Unit Leader, SAPS, Paarl

Judy Klipin, Public and Development Management School at Wits University, Project Management Team, Johannesburg

K.V. Johanssen, Counsellor, Danish Embassy, Pretoria