

*Development in Practice* 17 (2007)  
DOI: 10.1080/09614520701723427

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*The Aid Chain: Coercion and Commitment in Development NGOs*  
Rugby: Intermediate Technology Publications, 2006, ISBN: 1-85339-626-5, 199 pp.

The authors of *The Aid Chain* focus on a matter of no small importance. Researchers from Johns Hopkins University estimated operating expenditures in the NGO sector in 2002 at \$1.6 trillion. Reporting on this in 2005, the *New Statesman* describes it as 'a multi-billion dollar industry' (p. 52). The authors set out to explore where NGOs seek and find funding, what conditions are attached to that funding, and how those conditions are shaping the ways in which NGOs work with their donors, staff, and partners.

The study provides a detailed view of funding conditionalities, describing an almost universal shift towards concepts of rational management. The effect of this shift is a chain of dependence of small NGOs on large ones, increasingly uniform behaviours, and a reduction in everyone's ability to respond flexibly and appropriately to poverty.

In a revealing final chapter, people from the three main organisational groups studied in the research give their reactions. NGOs from Uganda and South Africa are impressed, saying that the study shows how they are forced by their need for funding into doing things that they do not believe in. The new insights highlight the dangers of dependency and could encourage more radicalism. International NGOs and donors in UK are more hostile. They feel that they are being unfairly criticised, given their continued efforts to create accountability to taxpayers and to the people for whom the funds are intended.

For the Southern organisations, the numerous case studies and interviews illustrate just how overbearing are the regimes to which they submit in order to get funded. Acquiescing in the use of project-cycle management

tools (especially the logical framework analysis, or logframe), staff of these NGOs dutifully fill in pre-formatted plans and reports, while admitting that they find the tools difficult to comprehend and of little practical use. They dispute the value of being held to predicted outcomes in an unpredictable natural and political environment, and they complain of the time it all takes, and the distortions and lies that it generates. They admit that the donors' forms can be useful to clarify the logic of projects and programmes, but they say that the forms are often completed by managers at HQ who have learned the requisite arcane language. They suggest that this inhibits participation by the people whom they serve and support.

Are alien concepts and time-consuming reporting systems preventing successfully nuanced development from working? Are the solutions more open-ended approaches, more community participation, and more learning inside organisations? The donors argue that their management tools are misunderstood, they already allow for participation, politics, flexibility, and learning. But the book sets up the rational management regime as the enemy of the good, and repeatedly suggests that participation and context-specificity are the solution. Sadly, no direct evidence is presented for 'good development practice' or for the impact of a more participatory or localised approach. It is not easy to tell whether fair participation and flexible accountability would be possible or effective in the conditions of clientilism that seem to be the norm.

There is a chain of resource-shortage that shackles donors, international NGOs, local NGOs, and communities together in a relationship of patronage and power. The authors note that 'the reality of donor power and the urgent need of local NGOs to access scarce funding means that most people at every level have an interest in buying into the dominant paradigm' (p. 38). Despite the use of words like *partnership* and *co-operation*, relationships in the chain are mistrustful and resentful. Donors, pressed to

spend more money accountably while lowering transaction costs, use standardised paperwork and minimal face-to-face interaction. NGOs, competing with one another for donors' funds, seem unable to resist the standardisation.

Are NGOs not being disingenuous in blaming donor conditionalities for their often ponderous and sometimes exploitative approaches? The authors assume a hierarchy of hegemony headed by the donor and the donor's money. But the game is being played by all, and the compulsion to comply is as much about economic interests and status for everyone in the game as it is about commitment to development. Among the most interesting organisations mentioned in the study is a South African training group called CDRA. This NGO does not conform in the use of management tools dictated from outside, but it does perform and it is much respected. It focuses first on what it wants to do and how to do it. It gets copious funds on its own terms. It suggests that there are ways around the hegemony of the aid system.

The authors of this useful book do well to demonstrate the strong impact of funders on NGO behaviour. But I wonder if they have not missed an opportunity to encourage greater responsibility across the board for the resulting distortions in the aid system, and also to look for solutions outside the cosy confines of that system. The reality is the powerful attraction of resources within a highly lucrative and intensely political industry, worth \$1.6 trillion. Channels of accountability are too narrow, and radical ideas are too few. The new agenda should be to find means of real political engagement for the millions who need routes out of poverty to challenge not only their governments but also all the local and international agencies that claim to be on their side.

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