

# Long-term development cooperation between Sweden and Tanzania

Comments to EBA evaluation report

October 18 2016

Kjell Havnevik

University of Agder, Norway

# Issues to be addressed in comments

- Evaluation question, method and results
- Theory of Change/drivers of poverty reduction
- Reflection on the purpose of aid
- Alternative periodisation of Tanzanian development phases (including politics)
- Broader perspective on aid values/interests
- Contribution to broad conclusions on why Swedish aid did not reach primary aim

# Evaluation view on poverty in Tanzania

- ‘... a fundamental point in this chapter (evaluation ch. 4, p. 53) is that poverty in Tanzania has primarily been a rural phenomenon.....if substantial inroads into poverty reduction were to have been achieved, donors would have needed to respond to the circumstances of rural dwellers in Tanzania.’

# Evaluation questions

1. Has Swedish aid contributed to poverty reduction in Tanzania over time, and if so, in what way?
2. Important lessons for Swedish development cooperation today.

Sweden has provided USD 6 billion in bilateral aid to Tanzania since 1960 (constant 2013 prices)

Tanzania received aid (ODA) from all donors from 1960-2013 amounting to USD 80.7 billion, 7th largest receiver in the world

# Aid Quality Evaluation Framework (AQEF) – three components

Evaluation question 1 could not be answered - indirect method used to approach question of Swedish aid contribution to poverty reduction (PR) in Tanzania:

1. Consistency with Paris Principles (PP) – recipient ownership of development agenda
2. Consistency with pressing development needs (PN) in partner country
3. Cognizance (COG) of development capacities in recipient and donor countries (to deliver)

# Results of evaluation study

• Time period	PP	PN	Cog	Poverty red.
• 1962-82	Yes	No	Yes	No
• 1983-96	?	<b>Yes</b>	?	?
• 1997-pres.	Yes	Yes	Mixed	Yes

As to pressing needs (PP) and poverty red. (PR) in 1983-96 conclusion is not convincing (p. 83) or inconsistent (p. 94).

The method requires more knowledge about country developments and politics (than the budget of the evaluation allowed, including discussions in Tanzania) to avoid that evaluation conclusions are at the margin.

# Evaluation conclusions & comments ()

1. Swedish aid to Tanzania has fairly well respected recipient ownership (Paris Principles of 2005)(except for periods of the 1980s)
2. Swedish aid to Tanzania was directed to Pressing Needs from 1983 to present. (for the period 1983-1996 the analysis is not convincing)
3. Swedish aid has to a major extent been cognizant of development capacity and acted upon it
4. Swedish aid to Tanzania has marginally contributed to rural poverty reduction since 1997 (the marginal positive evaluation conclusion for 1983-96 is inconsistent – data/knowledge point to ‘no’)

# Theory of Change (ToC) – six drivers of poverty reduction (alternatives sugg.)

Drivers that Sida has a potential to influence:

1. Focus on rural areas (Yes)
2. Promote economic growth (No) (alternative; industry and small scale industry, 12.7% of total Sida sectoral support)
3. Design & implementation of pro-poor growth (?) (alternative; agriculture and forestry, 4.9% of total)
4. Understanding informal institutions and clientelism (No) (alternative; governance and civil society, 8.7% of total)
5. Support pro-poor expenditures (Yes)
6. Build bureaucratic & policy development capacity (Yes)

Drivers of poverty reduction should focus better on potential for Sida influence/poverty reduction (knowledge needed).



# Reflection on the purpose of aid

Should the purpose of aid primarily be:

(a) To help solve problems of poverty **directly (outputs, measuring against various performance indicators)?**

(b) To provide the recipients with the means, including dialogue on policy reform, by which they themselves can solve problems of poverty, i.e. **indirectly (process/sustainability)?**

Sida over time shifted its aid from project, to programme, sector and macro-economy/reform dialogue. Constructive, but was it a conscious strategy? Issue goes beyond short term results versus long term impacts (refer evaluation lesson 2)

# Direct or indirect poverty reduction – positioning of evaluation drivers

- DIRECT

1. Focus on rural areas (HESAWA, Education and Energy II, rural electr.)
2. Design and implementation of pro-poor growth (?) (Budget Support)
3. Pro-poor expenditures (Budget support, HESAWA and Education)

- INDIRECT

1. Promote economic growth (Energy I, dams)
2. Understand informal Institutions and clientelism (no example)
3. Build bureaucratic and policy dev. capacity (Budget support, education/research, HESAWA on local level)

# Tanzania – Evaluation phases and alternatives (politics included)

- Evaluation report
  1. 1962-82: Two decades of wasted development
  2. 1983-96: Contraction and Adjustment Phase
  3. 1996-present: Post-adjustment and expansion phase
- 1. 1961-67: Modernisation/the nation state
  2. 1967-72: Arusha Decl.; ujamaa/self reliance
  3. 1972-79: Authoritarian state and industry – aid dependence, oil prices, war with Uganda
  4. 1979-86: Crises and IMF/WB impasse
  5. 1986-96:SAP & Mwinyi
  6. 1996-present: democratisation, HIPC, Mkukuta, budget support, inflow of non-ODA, large agricultural investments, reform dialogue from trust to mistrust

# Reflection: alternative periodisation required in order to:

- Integrate in the evaluation study the analysis of the dynamics of Tanzanian politics and its impact on development policies over time
- Take better account of external economic developments/globalisation and its influence and affect on Swedish modalities of aid, Tanzanian policies/politics and the distribution of global poverty over time

# Suggestion of broader perspective: aid values/interests/alliances in Tanzania

- 1962-72: Solidarity, **bias for agric./social profile** (Arusha Decl. and self reliance - growing authoritarianism)
- 1972-84: Alliance with state - **bias for industry and crop authorities and against smallholder agriculture**
- 1985-96: Alliance with IMF/WB (ERP/SAP), removal of subsidies/devaluation - **bias against smallholder agriculture/rural areas**
- 1996-05: Alliance with state (Mkukuta, budget support)
- 2006-present: Alliance with state, investors/business, philanthropists; large scale agro-investment in corridors - **bias in favour of large agro-investments (Eco-energy)**

# Why did Swedish aid not attain its rural poverty reduction objective?

1. State driven development, Swedish aid and globalisation overall biased against rural areas
2. When Swedish aid reached rural areas focus on environment and organisation, not economic aspects and use of existing village institutions – need more focus on process and sustainability
3. Swedish aid unable to influence clientelism and informal institutions – meeting of different cultures, mistrust–‘problems to see the other’

# Sub-Saharan poverty since 1990 in global and regional perspective

## Global poverty

Total world poverty likely to fall below 10 % of global population in 2015  
(World Bank Press release, October 4, 2015)

## Share of Sub-Saharan poverty in global poverty

- 1990 - 15 %
- 2015 - 50 %

Share of Sub-saharan poor down from 56 % in 1990 to 43 % in 2012. (Increase in head count of poor from 280 to 330 millions). Poverty reduction slowest in fragile countries, and rural areas remain much poorer (World Bank: Poverty in a rising Africa, 2016)