

## Policy transfer and aid supported-administrative reform in developing countries

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### Abstract

The EU’s IPA (Instruments of Pre-Accession) II programme (2014-2020) as an instrument of assistance for the Western Balkans seems to be characterized by a ‘development’ rather than the arguably ‘political’ angle of ‘EU accession’ adopted under IPA I (2007-2013), whose primary goal was to prepare the countries of the region for participation in the ‘European administrative space’. Drawing on the policy transfer literature, where processes such as Europeanization accentuate the role of policy networks in the implementation of *acquis*<sup>i</sup>, the discussion here focuses the challenges of policy learning and the role of ‘donor-bureaucrat-contractor’ networks in the given context. A critical analysis of the absorption of aid through donor-supported training endeavors reveals a series of context-specific dimensions such the invisible workings of such networks, overreliance on local NGOs as ‘capacity-building’ implementation partners and the ability of the context to affect donor behavior - all ultimately contributing to non-occurrence of policy transfer.

### Introduction

Contributing to a gap in research on aid effectiveness, referred to as the Paris agenda, and its implications for policy studies, the policy transfer literature (Dolowitz and Marsh 2000, Easterly and Pfütze 2008, Marsh and Evans 2012) seems to cognately fuse both areas of study. It identifies – in addition to aid organizations and bureaucrats – other actors including consultants, networks and epistemic communities (Stone 2004, Evans 2009) in policy transfer. Yet, while emerging research work points to the unintended consequences of global aid institutions and mechanisms for administrative capacity building in non-OECD country contexts (Blunt et al 2012, Karini 2013), the evidence on the role of the ‘policy community’ as defined in the literature is somewhat anecdotal and continues to remain under-researched. The Western Balkans, which this paper focuses on, seems to be a case in point where transfer processes are mainly analyzed – both among policy circles in Brussels and in the fairly limited research work by the regional scholars – within the scope of transfer between the EU as one supranational entity (and donor organization) to individual countries in the region as ‘beneficiaries’ of its aid to further the specific agenda of ‘EU accession’.

Drawing on the above assumptions, the paper will look at the implications of what are referred to as ‘formal and informal’ networks toward an enlarged European administrative space in the Western Balkans not simply as agents of policy transfer but naturally, through their role in the implementation of capacity building policies, programs and projects – another essential element in the policy transfer conceptual framework. Thus, rather than discussing the role of such networks as a development ‘phenomenon’, the paper will seek to unpack the complexities of such ‘invisible’ networks involving between bureaucrats, contractors and donors as demonstrated in the implementation of capacity-building programs funded by for the former, of which the EU is undeniably a lead donor. As the paper contends, the ‘Opinion’ Reports’ reports of the EC (European Commission) fail to adequately address the role of the aforementioned networks in the transfer of policy learning processes to the given context. Such reports continue to place their emphasis on the difficult political contexts and the communist legacies of the countries in the region despite the fact that December 2015 marked the 25<sup>th</sup> anniversary of the anti-communist movements which affected the region. At best, by critically examining the interaction of donors, bureaucrats and contractors, this article claims that the official EU (and other donor) reports are either silent or vague about the existence of such networks, their informality and “power” in the progress of efforts towards building true capacity for EU accession processes.

#### *Evolving debates on the link between aid, policy learning and development*

Unlike the classic theoretical debates, which had predominantly taken place within the pro- and anti-aid opposing camps and as late as the 1990s, focused more broadly on political and economic aspects of aid policy, the literature in the last decade has been paying more attention to further exploring the link between aid and development as influenced by various factors. Those include the role of political and social indigenous contexts related to aid effectiveness, the dynamics of the relationship between donors and beneficiaries and most recently, aid transparency and politics within and among donor organizations (Easterly 2003, Riddell 2007, Booth 2011). Most notably, the more up-to-date literature has been debating donor-supported policy learning as part of endeavors toward ‘good governance’, a core concept in development management practice and research.

The development management literature began to address issues such as the role of beneficiaries and political and socio-economic factors in indigenous contexts of recipient countries in relation to their impact on development as early as the 1980s. While early-day critics of the ‘conventional aid theory’ have argued that the impact of aid for development depends upon personal, cultural, social and political factors, that people’s own faculties, motivations, values, their institutions and the policies of their bureaucracies, there is a consensus that more grounded research (and far more honestly) needs to be injected in the dynamics of domestic networks that facilitate the international aid in developing country contexts. More recent debates have further explored the complexities of the interaction between donors and recipients in terms of power relations as well as institutional and cultural variables as key to effective and efficient international aid policy and programmes (Hyden 2008, Booth 2011).

The argument that ‘certain socio-economic and political systems can be a significant impediment the successful implementation of donor aid’ has been supported in the development literature (Böhning and Schloeter-Paredes 1994: 109). It has been argued that ‘many problems with

international aid are caused or exacerbated by wider systemic or institutional factors; some of these originate with the donors, some can be traced to the recipients, and some can be traced to the overall relationship across and between donors and recipients' (Riddell 2007: 357). On the one hand, donor countries acknowledge the neglected influence on aid of ever changing domestic politics, ideologies, institutions and political systems (Lancaster 2007). On the other hand, as the normative conventional aid theory suggests, the (in) effectiveness of aid continues to be blamed on the recipients' performance and inability to absorb it toward policy learning.

However, the debates on both the role of political and institutional factors as related to the impact and effectiveness of aid as well as on the dynamics of the relationship between donors and recipients are complex and contextual. 'The traditional pressures on donors to reduce costs of providing development aid are now reinforced by concerns about costs versus benefits of recipients and its applicability to local, national or cultural contexts' (Riddell 2007: 204) and... about 'excessively cumbersome administrative processes, inefficient accountability and feedback mechanisms for aid beneficiaries' (Celasun & Walliser 2008: 543-547). Issues of cost effectiveness and sustainability of development aid have become increasingly important to look at in the aftermath of the post-2008 global crisis affecting both developed and developing countries. It is often suggested that donors are also to blame for disappointing results in development co-operation because their monitoring and evaluations are based on technocratic, outcome-based framework approaches and limited feedback from beneficiaries (ECDPM 2008).

Modern day critics of aid, who have researched the dynamics of provision of aid to post-communist Central and Eastern Europe (CEE), Western Balkans being an important enclave within the region because of its aspiration to join the EU, tackle their criticism from broader perspectives. As development economists have for years blamed aid agencies for creating programmes in those countries without regard to their distinctive cultures, political and social frameworks (Miller 1998), some of them point to the importance of formal and informal networks through which donors and recipients operate. Wedel (2000, 2004) is one of those critics. For her, aid programmes in CEE have suffered from a 'gigantic disconnect between East and West forged by the Cold War and exacerbated by the barriers of language, culture, distance, information and semi-closed borders' (2000: A16). In trying to explain the ethnography of aid in CEE, she argues that 'processes associated with those systems disperse accountability and.... bring to the fore the importance of networks, relationships and key brokers (such as contractors and consultants) in negotiating international aid' (Wedel 2004: 166-68; Mosse & Lewis 2005: 16).

Donor transparency and motivation have also been subject to increasing criticism in recent years. As discussed earlier, there is literature going as far back the 1950s that warned us of rhetorical donor self-interests (Riddell 2007, Easterly 2010). More recent literature treating donor motivation as related to their impact on foreign aid suggests that, although both altruism and self-interest are motives for giving international aid, it is still designed to provide economic benefits for donors and serve 'domestic special interests' such as increased influence of donor governments for better access to markets and exports (White 2006, Murshed 2009, Moyo 2009, Easterly 2010). Thus, most recent research has been able to demonstrate that aid is always linked to and often made conditional on the donor's national interest or political agenda (Abouassi 2010). Such finding accords with the view of Browne (2006), who has argued that it is precisely

because the content and terms of aid are strongly influenced by the needs and interests of suppliers rather than those of recipients that aid is still poorly matched to need.

Therefore, elements such as domestic contexts, dynamics of donor-recipient relationships and aid transparency are important factors to look at because they have clear implications for the role of aid policy in developing countries including the context in which this research takes place. However, as in the case of the conventional aid theory and views associated with it, the more recent theoretical debates on aid and development still represent controversial and inconclusive views rather than well-established theories, which meaningful research should build upon. Despite that, it is claimed that there is a consensus in the literature gravitating towards a ‘middle ground’ theoretical approach which is built upon the assumption that aid is a form of international policy transfer that has at least the potential to impact positively on institutional capacity (Collier 2006).

Such debates have revealed that, irrespective of the fact that Western governments tend to base their decisions on the pro-aid rationale that international aid and development are positively correlated (Riddell 2007), research to date has not proven that this is the case. On the one hand, empirical research has been able to identify a correlation between the performance of bureaucracies and their capacities and the economic and social development of less developed countries (Evans and Rauch 2000, Rodrik 2007, Holmberg et al 2009). However, on the other hand, in most cases, this has not been necessarily linked to the international aid provided to those countries. In this context, Collier (2006) and Booth (2011) attribute the lack of evidence of a strong positive link between aid and development outcomes to the failure of development research to take on board the centrality of ‘context’, whose constraints limit the aid impact. Based on these arguments and in light of the criticism of international aid in the Western Balkans almost exclusively supporting processes of EU accession and *acquis communautaire* as a political instrument<sup>ii</sup>, this paper might indeed contribute to the debate on the link between EU integration and development, which is the original idea behind the 1999 Stability Pact for the Balkans (nowadays known as the Regional Cooperation Council)<sup>iii</sup> as well as a new focal element in 2014-2020 IPA II<sup>iv</sup>.

### *Transfer through policy learning in a Western Balkans context*

In an attempt to frame the discussion on aid and its absorption for policy toward the EU accession processes in the Western Balkans around a theoretically sound conceptual framework, we turn to the agents of the policy transfer framework, which as both as its proponents and critics argue, goes well beyond the two main groups a) international aid organizations (‘donors’), and b) bureaucrats (or public servants) (Dolowitz and Marsh 2000, Evans 2004, Benson and Jordan 2011). Despite the fact that the above two constitute the major two groups studied under the scope of this research, the ‘policy community’ (as termed in the policy transfer literature) including other actors such as think-tanks, NGOs and international consultants can be ‘catalysts’ of policy transfer (Stone 2004).

Hence, in the discussion that follows, the focus is on what is agreed both in academic debates and development practice: the advantage of the policy transfer framework which lies in its ability to highlight the relationship between policy actors and the dynamics of that relationship (James and Lodge 2003). The interaction between the two identified key actors, donors and Western Balkans bureaucrats as aid recipients in the transfer process is analysed through training as a policy learning

and tool and effective capacity-building approach. Still, while regional scholars have only recently engaged in modest debates about the benefits of policy learning for the reconstruction of their post-communist societies, capacity building itself has become a vague ‘buzz word’ to please donors but is seldom owned by beneficiaries (Pollitt and Bouckaert 2011, Karini 2013). At best, recipients of aid in the Western Balkans region have responded to donors’ efforts to incorporate such concepts as part of development projects with resistance and considering it as an approach for Africa but not for the region, thus pushing (EU) donors to seek more alternative strategies to enhance the effectiveness of their aid by promoting collaborations and professional exchanges, twinning being a highlight policy learning instrument of IPA II, between the region and relatively new EU member states (Poland, Hungary, etc)<sup>v</sup>.

From another theoretical perspective, the Dolowitz and Marsh (1996) multi-level approach to policy transfer and the Europeanisation thesis, as a specific strand of the policy transfer literature, both point to the salience of the administrative context in the transfer process (Schimmelfennig 2005, Evans 2009). Besides, the Europeanization literature itself highlights administrative capacity building only as an EU policy approach but also conditionality for EU aid, while warning that such conditionality might be insufficient for the Western Balkans region (Hoffman 2005, Petersen 2010, Karini 2015). However, this research recognizes that in less mature political contexts such as the Western Balkans, ‘administrative context’ should be not studied merely in terms of the organisational culture and structures (Schedler and Proeller 2007, Painter and Peters 2010, Stewart 2011). Instead, building on the argument that ‘the proof of policy transfer lies in its implementation’ (Evans 2009), the attention should focus on the administrative culture as reflected in the interaction between donors and bureaucrats and other actors, which in the specific context of the Western Balkans, are referred to as ‘EU contractors’. The facilitators and constraints of such interaction and how they affect policy learning processes (Dolowitz and Marsh 2000, James and Lodge 2003, Benson and Jordan 2011) are part of the discussion that follows, which intends to bring to light potential variables characterizing the Western Balkans context, where public servants engage in aid-supported policy learning.

In terms of *research design and methodological* considerations, the research approach adopted in this paper has focused on the process (rather than outcomes) through which the ‘donor-bureaucrat contractor’ networks – a term which will be extensively used in the analysis – might influence policy learning of public service agencies in the context. Therefore, rather than developing measurements, which are otherwise carried out by donors via their results-based management (RBM) frameworks, the paper seeks to qualitative accounts of interviews with public servants, donors and civil society representatives across the region during 2010-2015 through the elements of the original Dolowitz and Marsh (1996) conceptual framework – a toolkit guiding the research, connecting all aspects of inquiry and allowing for generalized commentary. In more practical terms, the research has built upon 40 semi-structured interviews with public administration specialists and NGO activists in Albania, FYROM and Kosovo/a during the period of January 2011 to December 2015 and utilized a thematic analysis approach to analyze and interpret the data as it emerged through the field research.

Last but not least, *from a practitioners points’ perspective*, these findings are meant to contribute to two dimensions: a) first, they obviously highlight the importance of what I describe as ‘donor-contractor-bureaucrat’ networks toward policy learning as an instrument that might aid the

accession of the Western Balkans countries as potential full members in the next few years; b) secondly, the EU itself currently struggles with ‘bigger picture’ dilemmas over migration crisis, threat of new ‘Cold War’ and global terrorism and more recently, Brexit, this research seeks to challenge and contribute official ‘EU Opinion Reports’ on the (unsatisfactory) progress of reforms in the region, persistently blamed on including post-communist and difficult political environments, which, to re-iterate, after 25 years of changes affecting the region as part of the former East-European communist bloc are - in my view as an author – more of clichés rather than signalling a clear policy of, or even a coherent and sufficient interest of the EU in the Western Balkans.

The following section proceeds in four parts. The first discusses issues around absorption of aid by recipients through an analysis of facilitator and constraints of policy transfer. The second focuses on the communication between policy actors, namely donors and Western Balkans bureaucrats and their interaction. It will argue that, in the research context, the existence of (informal) networks is also related to a perceived failure or non-transfer towards policy learning to support specific policy transfer outcomes such as EU accession (Dolowitz and Marsh 2000, Bovens and ‘tHart 1998). The discussion that follows (‘Donor organization and politics’) takes us back to technical and operational aspects of aid and its transparency discussed in the literature (Riddell 1987, Lancaster 2007, Easterly 2010). On the assumption that, in the research context, the interaction of aid and bureaucrats in the policy transfer can be best understood if the gamut of policy actors is not exclusively confined to donors and bureaucrats, the last part focuses on other actors such as NGOs and consultants in policy transfer.

### *Facilitators and constraints of policy transfer*

Discussing the dynamics of policy transfer – be it voluntary or coercive - would be insufficient without exploring other variables, which can either facilitate or restrict the policy transfer process. In their analysis, Dolowitz and Marsh (1996) have placed emphasis on an important factor that needs to be considered in the policy transfer process: the different *political motivations of policy actors*. For them, the latter often need to legitimize or justify decisions for the development of certain policies, which may be interpreted as a catalyst for why they appear to engage in transfer. In their interpretation ‘it is important to understand that if policy transfer is undertaken during periods of social, political stability within a nation different actors have different motivations, then such transfer is likely to be voluntary; if there is some form of political crisis, then transfer is likely to have some coercive elements’ (Dolowitz and Marsh (2000: 17). Besides, policy transfer ‘may also help political leaders bolster wider political support but the symbolic effect of transfer may be of greater value’ (Common 1998: 72).

If we accept the above arguments, then it is necessary to account for both *policy incentives* behind conditions and prescriptions of aid organizations as well as the specificity and internal dynamics of the *national context* (political and bureaucratic culture), which may be capable of modifying transferred policies, thus determining the success of policy transfer (Common 1998, Pollitt and Bouckaert 2011). In Common’s view, ‘for policy transfer to occur, the aspirations of the recipient country have to match those of the donor and if those (in addition to the context) are not taken into account, policy transfer becomes a major cause of policy failure’ (1998: 63-71). Contextual factors such as ‘facilitators’ or ‘constraints’ of transfer have been analyzed in the

literature and other factors including path dependency, implementation, the uniqueness of the national culture were shown to be significant (Page 2000, Evans 2009; Benson and Jordan 2011).

The policy literature suggests a number of other variables including policy complexity and feasibility, resource similarities, authoritative coercion, presence of power relations and disputes in values/interests as well as other non-negligible factors such as language in the category of constraints/facilitators affecting the policy (transfer) process (Sabatier 1993; Dolowitz and Marsh 2000). While treating all of the above as mediating variables would be unrealistic, the discussion that follows focuses on what is agreed both in academic debates and development practice: the advantage of the policy transfer framework which lies in its ability to highlight the dynamics of the relationship between policy actors (James and Lodge 2011). Hence, the interaction between the two identified key actors, donors and Western Balkans bureaucrats as aid recipients in the transfer process is analysed through the macro-, meso- and micro-level approach to studying policy transfer (Dolowitz and Marsh 1996) and technical assistance and training as policy learning instruments.

Overall, 'aid absorption by recipients' with regard to the broader picture of administrative capacity building reform appears as a recurring theme, in a way which may constrain successful policy transfer between the EU donor(s) and Western Balkans bureaucrats. This is echoed in the account of an interview with a senior EU officer, who expressed frustration with the pace reform progress, hinting at a series of limitations to aid absorption, which led to a mixed record of EU's technical assistance in the region. She noted:

The (Western) Balkans has received of lot of foreign aid. In our estimation, the quality of TA<sup>vi</sup> has been generally good.... However, the progress of administrative reform has been rather slow... . Even though, we still think administrative reforms in the region reform is gradually happening, it requires a lot of 'pushing' as there no adequate support from the government and implementation of our recommendations is the key obstacle to the process. Difficulties in obtaining data and statistics in the progress of recent initiatives towards PAR<sup>vii</sup> in the region and often weak reporting/updates and lack of follow-up on the part of reform implementation agencies are indeed problematic... .

Institutional set-ups or, more precisely, re-structuring of key units responsible for administrative reform implementation) such as re-alignment of reform departments, traditionally under the jurisdiction of prime ministerial offices, to line ministries seem to have exacerbated the poor relationship between the EU as a perceived lead donor in policy learning and regional governments as aid recipients. The outputs of the EU's assistance toward reform have been formally accepted while its implementation has clearly not occurred. This is demonstrated in difficulties in assessing the impact of the (EU) aid on administrative reform:

The 'façade' implementation of the EU recommendations or more precisely, formal commitment to enforce those on paper but failure to deliver on them in reality is a great concern and source of frustration for us...'

Reflecting the ongoing issue of politicization of public administration, 'high staff turnover' due to political changes, especially at the central level, appears to be the greatest impediment to the impact of donor-supported programmes both in terms of general capacity-building initiatives as

well as those tailored to administrative reform. It has led to a mixed record on the sustainability of training, as a specific form of policy learning and knowledge transfer from international organizations to public servants in the region.

Besides, with regards to ‘aid absorption’ of donor-supported policy learning, one category in particular, specifically ‘mentality and attitudes’ appears to be a frequently mentioned ‘constraint’ in the transfer process as discussed in policy transfer theory (Dolowitz and Marsh 2000). As best put by one donor officer, changing attitudes and mentality is one of the hardest tasks in imparting policy learning. This is also substantiated by accounts of other actors involved in the delivery of training programmes:

[In addition to the differences between the mentality of ministries, which see aid as ‘hard investments’ and donors seeing it as investment plus capacity building], there is limited understanding (by recipients) of the benefits of the latter for growth on individual, organizational and country levels. Additional obstacles for aid absorption from public servants include lack of career perspectives, responsibilities not being linked with capacities, uncertainty for their position and start from a low base level due to poor recruitment practices.

Perhaps, a “know-it-all” attitude of bureaucrats and lack of understanding of the need to upgrade skills is what mostly undermines absorption. Besides, a ‘one-city state’ mentality pervasive in the capitals of the region (Pristina, Skopje and Tirana) where most of training programmes take place while remote areas (communes/municipalities) are in greater need of intervention is part of the problem.

The lack of an ‘M&E’ culture among beneficiaries reflected in the bureaucrats’ mentality and perceptions of the M&E as something ‘less important’ rather than an effective tool to measure the impact of training is an issue.

Learning is not seen as a continuing process... [and] probably not understood and appreciated in the local context [which shows in] the tendency of the bureaucrats to demonstrate conformist rather than proactive attitudes about their own capacity building needs [and] passive participation [in training], where trainers are not seen as facilitators but rather as “doers”.

Indeed, recognizing the importance of ‘active participation’ of bureaucrats as key to aid absorption, one specific donor organization, namely the EU Delegation to X [country], has reportedly intensified its efforts to zero in on the above as a potential ‘constraint’ or ‘facilitator’ of the knowledge transfer for long-term capacity building despite challenges:

The sustainability of TA to an extent where public servants are active in the implementation of our efforts is increasingly a key concern for us [EU]. For example, through our current [policy learning] initiative assisting Y [agency], our training aims not only improvement of performance of functions [i.e. data collection and management] but also learning policy to handle future challenges such as project and funds management. In this regard, the changes in the capacities of the organization over the years are immense even though this has obviously created additional workload for the EUD staff.



However, the extent to which aid is absorbed can be limited by other factors including the competence of trainees and questionable practices on the part of the public organizations which nominate bureaucrats to participate in aid-supported training programmes:

Sometimes, the wrong people are sent to the training or if they are competent, they have no power in their organization they come from... .

or, as a former public servant, currently employed in a donor-funded project, observes:

absorption is also hampered by the fact that sometimes public servants sent to the training programmes are usually close to senior politicians or officials (but not necessarily the right ones for a given training programme) while at other times, it is not uncommon for public service agencies to send (usually incompetent) employees to the training as way to deal with the inflated administration... .

However, as described by a senior departmental director interviewed for this research, a positive record of the role of aid in training as a key approach to capacity building and its absorption over time is undeniable:

With the time passing, because of the ongoing exposure to training (at home and abroad) as well as improvement of language skills, the public service in the Western Balkans is definitely not what it used to be in the '90s or early 2000s or even 2010.

Besides, while the above may be interpreted as a facilitator in the knowledge transfer process, an expert involved in several M&E tasks for donor-funded training programmes points to 'improvements' in public servants' attitudes due an increased interest in their own career development especially in recent years:

There are improvements in the beneficiaries' perception and absorption of the benefits of capacity building and training in particular. Increasingly, it [training] is taken more seriously and seen [by public servants] as a complementary HR resource and value-adding element in their qualifications and daily work... .

A final factor, neglect of the national specificity and failure to reflect contextual elements in training programmes figures as a key constraint as far as absorption of aid towards policy learning is concerned. This resonates with the arguments discussed in both aid and policy transfer literatures (Peters 1997, Riddell 2007, Hyden 2008, Lavergne and Saxby 20110) and is substantiated by accounts of interviews including those within the donor community:

The issue with some training programmes designed for public servants that they are not contextualized with the socio-political contexts of the region. To gain ground, donors often tend to over-utilize 'fashionable' terms and concepts in their programmes, which do not fit with the context; sometimes, they even go outside their core expertise... . Donors need to focus more on the 'contextual understanding' of countries in the region to ensure effectiveness of their training programmes.

### Communication between donors and bureaucrats

The review of the literature on aid and policy transfer converged on the importance of communication between aid organizations and recipients and the ‘indigenous’ or ‘national’ context as broadly referred to in the policy transfer framework (Rose 2005, Lancaster 2007, Evans 2009). Both strands of literature point to a number of specific variables that may influence such interaction including power relations as well as institutional culture, which are not only key to effective and efficient transfer but even capable of modifying transferred policies and programmes (Common 1998, Hyden 2008, Pollitt and Bouckear 2011). The dynamics of such interaction are reflected in the policy-oriented learning facilitated by different policy actors (Ladi 2005, Evans 2009).

The research results discussed below are analysed in the light of the variables discussed in the policy transfer literature and potential ones emerging from interviews. The communication between donors and bureaucrats in the research context seems to be influenced by the manifestation of a predominantly ‘closed culture’ typical of Western Balkans institutions during the implementation of most capacity-building programmes. Such culture is significantly shaped by resistance to change often driven by political polarization and, specifically, a tendency to ‘hide problems’ within the public organizations, which donors can assist with.

The arguments debated in the literature, which suggest that greater emphasis should be placed upon the technical and operational aspects of aid delivery as well as the relationship between donors and recipients (2007) have applications for this discussion as well. Thus, in the research context, the (mis)communication between donors and recipients was exemplified through either ‘lack of or poor consultation prior to’ or ‘inappropriate timing’ of the implementation of policy learning initiatives:

While certain other donors directly impose their idea of ‘needs assessment’ on the beneficiary, there are cases when training contracts are awarded to certain companies that had not consulted the beneficiary institution at all during the design phase of a proposal by the company. Besides, given that the needs assessment for a training programme happens 2-3 years before its actual start, there are times when proposed modules are no longer current or even relevant.

While the above may appear to represent an isolated scenario, the lack of consensus on capacity building needs seems to be a common concern shared by interviewees, which may be interpreted as a constraint in the donor-bureaucrat communication:

Failure to find common grounds in identifying policy interventions often leads to inconsistencies of TNAs<sup>viii</sup> by donors vis-à-vis those expressed by public servants consulted, which ultimately leads to failure of such initiatives... .

Power relations, a variable broadly discussed through the policy transfer literature (Djelic 1998, 2001; James and Lodge 2003) also seems to be a factor in the communication between donors and recipients, which in the research context can be both a ‘facilitator’ and a ‘constraint’. Based on the accounts of interviewees, the dynamics of power relations (in relation to certain processes such as recruitment of consultants) can also constrain the communication with the donors. A public servant

interviewed for this study exemplified this through a change in those dynamics because of the termination of an international consultant's contract by his agency, affecting the relationship between the agency and the EU Delegation Office:

Resisting the imposition of donors with regard to the choice of consultants is a very new thing... and that became stronger with our government having a stronger voice in dealing with donors recently. A case in point is a recent decision by Z [public org.] to dispense with the services of Y [private contractor] recommended and contracted by EU to perform a capacity building project. In my view, this is a good thing, but I wouldn't say the situation has not caused tension between us and the EU.

However, the dynamics of power relations especially as they relate to aid politics, internal governance of aid organizations and the presence of networks (Sabatier 1999, Wedel 2001, Riddell 2007) are increasingly key to policy transfer in developing countries and will occupy most of the discussion in the next section.

### *Donor organization and politics*

Despite the increasing emphasis on aspects related to internal donor governance in the literature on aid and its politics (Celasun & Walliser 2008, Easterly 2010), such aspects are insufficiently treated in the policy transfer literature to date. Yet, such literature highlights the salience of the dynamics of the interaction between policy actors for policy transfer to occur (Dolowitz and Marsh 2000).

As regards the impact of the internal governance of donor organizations on the donor-bureaucrat interaction, 'mixed/conflicting messages' in feedback mechanisms to recipients as discussed in the literature (Riddell 2007) appear to be an issue in the context and are perceived as a constraint in such interaction. To illustrate, in relation to the implications of the progress of administrative reform for membership into international organizations, a consultant interviewed for this research provided a sense of frustration with the fact that:

While the development division of X [donor agency] celebrates successes working with the government initiatives to implement reform, the political division [of same donor agency] issues a conflicting report which states that 'reform in the country has hardly progressed at all' so... a completely different message.

Issues related to donor politics were reflected through the accounts of interviewees from the NGO sector as well. In the words of a high-profile think-tank expert, clashes among donors and their agenda in the early years of transition have nowadays been replaced by a growing competition for 'market shares' among them or even between certain donors and bigger national NGOs. Coupled with underreporting of funding to the sector, this is considered to increasingly undermine the donor community's values and credibility. Besides, the perceived issues of the effectiveness of aid coordination and effectiveness mechanisms (as maintained mostly by non-EU donors) can be precisely attributed to the fact that:

Irrespective of commitments to global and in-country aid mechanisms and institutions, certain international (aid) organizations still operate as ‘bilateral donors’ and aid coordination is simply ‘not a priority’ for them.

While the above may be interpreted as constraints in the donor-bureaucrat interaction, other interviewees believe that certain recent changes in the internal organization of some donor agencies may have positively influenced their interaction with the aid recipients, contributing to more effective policy learning. A civil society expert praised the significant changes in the reporting practices within the EU Commission in particular, thereby contributing to more effective policy learning and noted that:

Once a conservative donor lacking public disclosure of reports and indicators, the EC’s reporting practices are now more open and transparent. Besides, the decentralization of politics within the EC itself (with individual state members taking over its presidency regularly) has had positive implications in terms of the assessment of the impact of their capacity-building programmes because public servants now have more access to the Commission’s reports.

From another perspective, a donor officer sees the accession of new member states into the EU as a potential facilitator in terms of the donor-recipient interaction as well as for improved EU-Western Balkans relations and more effective policy learning across the public service:

The effectiveness of the EU aid towards capacity building will be enhanced when bureaucrats in the region will start to appreciate more the benefits of the expertise of their colleagues from the new member states (Poland, Hungary, etc), whose experience is more relevant and closer to their reality.

However, as discussed earlier, the interaction between the key actors (donors and bureaucrats) is facilitated by other actors included in the policy transfer framework such as NGOs and consultants and contractors. Their role and specificity in the Western Balkans context (discussed below) helps to better understand the ‘cultural’ element of the national context.

### *Donor-bureaucrat-contractor networks*

Building on the above assumption, in addition to international aid organizations and public servants, the networks of policy actors that are involved in learning and transfer, constituting what has been termed as ‘policy community’, are extensively discussed in the literature (Bennet 1991, Stone 1999, James and Lodge 2003, Dassauge-Laguna 2012). More significantly for the research context, as it was learned through interviews and focus groups, the dynamics of the interaction between the key policy actors engaged in policy transfer cannot be fully understood without examining the formal and informal networks between them.

On the one hand, some donor officers interviewed expressed frustration with the lack of pressure groups and a strong civil society, which could otherwise perform ‘watchdog’ roles in administrative capacity building processes in the Western Balkans. In the absence of real ‘local capacity builders’, NGOs are increasingly sub-contracted to conduct analyses and implement capacity training programmes through ‘service contracts’ rather than ‘democratization grants’,

which was the case through the 1990s. On the other hand, as some interviewees echoed, those NGOs are perceived to be the most silent in the aid effectiveness institutions and mechanisms introduced in recent years. On the balance of findings based on the accounts of interviewees and focus group participants, it appears that, irrespective of the acknowledgement of transfer through NGOs, their acting as ‘implementing partners’ on behalf of donors rather than as representatives of public interests is a peculiarity of the context:

Here [in the Balkans], we are not talking about civil society pressure groups [but rather] NGOs, which refer to *themselves* as ‘centres of expertise’, often using access to information and technical knowledge [and loopholes in the legislation around the functioning of non-profits] to access capacity building contracts... . [Thus], rather than representing the beneficiary or even the agenda(s) of donors contracting them, they act as private entities, representing their very narrow private interests.

Describing most of the sector as ‘weak and opportunistic’ and hardly a reliable source for effective pressure on the government to implement reform, some in the donor community realize that, the main issue is that in the 1990s and early 2000s most Western Balkans NGOs came into existence either due to donor funding availability or as spun off from Western NGOs rather than inherently rising from within the Western Balkans societies. However, resembling the politicization in the public service, what seems to have undermined their core values and even damaged their image, especially most recently, is their clear political bias, that is siding with political parties.

The lack of transparency and accountability and low standards of performance in delivering capacity building programmes are exacerbated by high levels of corruption and informal networks both among the NGOs as well as those who receive the training. While the establishment of formal networks (mechanisms of transfer) among donors or between donors and individual governments in the region may be interpreted as a ‘success story’ in the Balkans context, strong informal ‘donor-bureaucrat’, ‘donor-contractor’ and ‘bureaucrat-contractor’ networks seem to prevail in the region. In the views of the interviewees, those networks often manifest themselves in tendencies of contractors (NGOs) to please beneficiaries in the public service and ‘buy their partnerships’ through the implementation of capacity building programmes. Most significantly, resembling the ability of the politics to alter policy transfer discussed in the literature (Common 2001, Evans 2009), the existence of the informal networks is also demonstrated even in ‘clientelist’ donor behaviour, whereby certain public service structures or private contractors, foreign or local, are often favoured:

certain donors are also negatively affected by the apathy and corrupt behaviours of the local environment in the region and... in order to meet their objectives, they become easily manipulated by such an environment .

There are times when a local NGO will *not* access a contract from a certain donor simply because it is perceived as an ‘ally’ of another donor. At other times, even personalities of senior officials of an aid agency affect chances of how favourably (or unfavourably) a capacity-building proposal is evaluated by that agency.

The issue of ‘clientelism’ emerged in several interviews with public servants as well. In their views, it often demonstrates itself in the quality of donor-selected consultants, who, in some cases,

have little or even nothing to do with the nature of a given capacity-building programme. Such views are challenged by individual donors like the EU, claiming their commitment to inclusion of aid recipients as equal partners in the selection of contractors but the reality shows that when beneficiaries are involved in the selection or, when local consultants are selected and employed, implementation of capacity building projects is more effective. Ultimately, as an interview with a senior bureaucrat revealed, donors need to reconsider their tendency to deliver training via NGOs and make more efforts to coordinate training through national public administration reform agencies thus strengthening their capacities as more legitimate government capacity-building entities.

## Conclusion

Policy learning, particularly in developing, non-OECD country contexts, is facilitated by various actors, which – in addition to aid organizations and recipient governments – constitute the ‘policy community’ or the ‘policy networks’ in a given environment. Building on more recent elaborations of the policy transfer framework – a well-established, yet non-heuristic and non-conventional model of public policy-making, recognized for its applicability to transitional contexts and advantage of highlighting the dynamics of relationships between policy actors (Evans 2009, Karini 2013) – this article has attempted to unpack the inner complexities of a particular type of ‘networks’. Thus, through highlighting the role of ‘aid absorption’ toward EU accession processes, it makes references to the ‘donor-contractor-bureaucrat’ networks in the Western Balkans. This particular southeast corner of Europe continues to struggle in negotiate the terms of its current and future relationship with the EU while the latter itself struggles with other imperative policy priorities emanating from *Brexit* and a lingering refugee crisis, likely to affect the region in the next few years.

Based on the consensus in the literature that the dynamics of the interaction between the key policy actors engaged in policy transfer in the Western Balkans context, especially as it relates to both political processes (EU accession) and broader development goals cannot be fully understood without examining (formal and informal) networks between policy actors including representatives of think-tanks, NGOs and consultants as ‘catalysts’ of policy transfer, the interviews organized for purposes of this research focused on training as an instrument of policy learning and the interaction between various policy actors involved in the delivery of capacity-building programs to support the preparation of the region for ‘participation in the European administrative space’.

Through a contextual analysis of policy transfer via policy learning, this article has pointed to various constraints to policy learning through training as a capacity-building instrument including: a) a pre-occupation of aid-supported training programs with topics related to EU accession and aid coordination; b) a mismatch between training needs assessment and skills that would be required to support policy learning toward more indigenous socio-economic development in the region; c) concerns about trainees with limited power in the public organization which designate them to donor-supported training programs; d) problematic power relations between EU contractors and national training agencies especially in hiring training consultants; and d) passive and conformist attitudes toward training as a potential conduit to

more effective human resources management in the Western Balkans public service systems and a major constraint in the absorption of international aid towards policy learning.

Drawing on the literature review on aid and its politics, the research has explored the role of international aid from the perspective of donor governance. Overall, the results revealed that often, 'mixed or conflicting' feedback from donors to recipients, the existence of informal donor-beneficiary-contractor networks as a 'coined' term I present to the readership based on the research results and the tendency of donors to over-rely on weak and opportunistic NGOs as 'implementing partners' rather than 'pressure groups' in the delivery of policy learning are key constraints in the particular context. Most interestingly, it can be argued that, the peculiarity of the domestic environment in Western Balkans lies in its capability to not only modify the policy transfer process but even affect donor behaviour.

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<sup>i</sup> EU Laws

<sup>ii</sup> The current EU candidates from the Western Balkans region are Albania, FYROM (Former Yugoslav Republic of Macedonia), Montenegro and Serbia. Croatia became an official EU member on July 1, 2013. Bosnia and Herzegovina (B&H) and Kosovo/a are potential EU candidates.

<sup>iii</sup> The goal of the 2020 strategy of Regional Cooperation Council for the Balkans is to improve living conditions in the region and bring competitiveness and development back in focus, closely following the vision of the EU strategy Europe 2020.

<sup>iv</sup> IPA II succeeds IPA (Instruments of Pre-Accession) is the original mechanism created by the EU to deliver aid efficiently to the Western Balkans (2007-2013)

<sup>v</sup> Twinning is a European Union instrument for institutional cooperation between Public Administrations of EU Member States and of beneficiary or partner countries.

<sup>vi</sup> Technical assistance

<sup>vii</sup> Public Administration Reform

<sup>viii</sup> Training Needs Assessment