
Lexicon and Syntax of Development Cooperation: The Choice of Premise Control



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As the SSC has been more focused on the principles of solidarity with partners, the goals to be achieved are not really uniquely measurable; they are often normative. The actions set to be applied are not fully known either, paving the way for plurality of modalities; and hence the insistence of not committing to any fixed template of accounting for SSC.

The collective action centred around solidarity – economic, political, cultural and social – which began in 1955 involving nations that were primarily erstwhile colonies, went on unabated in providing moral support to yet to be independent countries till they had earned their freedom from the clutches of colonization. The Buenos Aires Plan of Action (BAPA) emerged in 1978 as one of the most significant milestones in this journey of solidarity of the Southern nations in the spirit of “pooling and sharing”. The concurrent establishment of United Nations Office for South-South Cooperation during the same year also established SSC on a sound footing. BAPA helped evolve the idea of Technical Cooperation among Developing Countries (TCDC). On September 12 1978, delegations from 138 countries adopted BAPA by consensus. BAPA identified a four tiered – at national, regional, inter-regional and global levels – action strategy consisting of 38 points of action. The objectives and the action plans clearly reveal the intent of SSC to foster a collective action process among the developing nations – mostly countries that were decolonized – to realize their aspirations, values and needs in a strategic manner so as to carve a niche in the global economic and political arena. The success of a collective action process can be successful only when it revolves around a sound governance structure – the set of rules of the game that we discussed in the previous issue.

Collin (1993) develops a third form of a governance structure that corresponds neither to a market nor to a hierarchical structure. He identifies such a structure as “brotherhood”. He dwells on two features of any governance structure – measurability of goal attainment and knowledge about the actions to achieve the goal. A market governance structure is characterized by a situation where the goals to be attained are highly measurable. Under such a scenario, the governance is carried out through a bargain mechanism involving completely specialized contracts. Market exchanges are such that there are no difficulties in separating and specifying a party’s

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contribution to the exchange as long as the contracts for exchange are defined and the coordination of the parties' efforts are carried out through the price mechanism. Such a mechanism involves specification of the output (measurable goals) in the negotiated contract. Thus it may be called to involve a case of "output control".

Hierarchy on the other hand, governs an exchange under conditions of high transaction-specific investments. Specification of necessary actions is done ex post through the use of command - a part of authority relation. It is suitable under situations of low measurability of goal attainment but high knowledge about actions needed to achieve the desired goals. Such cases are found to involve "action control".

A third form of governance structure emerges when neither the goals are highly measurable nor the actions required to achieve the goals are clearly known. Collin (1993) identifies them to be guided by what he terms as "premise control" - control prior to action through socialization and controlling the inputs. The three modes of control may be classified into a matrix as given in Table 1

Following Collin's typology we may distinguish between the three institutional structures in Development Cooperation

(DC). The pre-Paris Declaration approach to DC by the traditional donors may be identified as a hierarchical model of governance characterized by action control, with authority of the donors exemplified by strict conditionalities accompanied by emphasis on monitoring and process evaluation. With not much clarity in terms of measurability of goal attainment, it was but natural that the traditional donors stuck to "action control" and the recipient countries did not enjoy much autonomy in terms of their participation in managing the decision making process vis-à-vis the utilization of the funds committed and disbursed as DC. The Paris Declaration followed by Accra Action Agenda indicated a change in approach to DC. Calling for efforts at aid effectiveness, a new approach argued in favour of results based management of DC. Subsequent identification of Millennium Development Goals (MDG), on the one hand, and rooting for impact evaluation, on the other, cleared the deck for a shift to a market led governance of DC. The autonomy of the recipient countries increased through institutionalization of "Poverty Reduction Strategy Paper" - a joint document prepared by the donors and the donee (Craig and Porter 2003). The approach concentrated on preparing an exhaustive

Table 1: Discrimination of control types In terms of knowledge and measurability

Knowledge about the action	Goal attainment	
	Measurable	Not measurable
High	Action control or Output control	Action control
Low	Output control	Premise control

list of negotiated contracts between the parties engaged in DC, with exclusive focus on outcome – output control, to be specific. The experiences gathered over the past four decades were rich enough to move towards output control, as the goals to be achieved appear by now to be clearly measurable, with increased utilization of the methodology of impact evaluation – particularly randomized control trial (RCT). Pre-Paris Declaration approach was, on the other hand, rather characterized by a complete focus on action.

The spirit of SSC, on the other hand, was since Bandung, through BAPA, founded on an ideology that delved into mutual trust among partners in the spirit of solidarity. Such an effort was facilitated by emphasis on increasing people-to-people contact through mostly capacity building efforts that involved participation of individuals from across a host of nations sharing their experiences with one another – a declared respect for premise control. Such principles paved the way for horizontal sharing of experiences and consequent empowerment of the

citizens from all the partners engaged, contributing to their mutual benefit. Quest for such a roadmap also coincided with efforts to build new institutions to support SSC. As the SSC has been more focused on the principles of solidarity with partners, the goals to be achieved are not really uniquely measurable; they are often normative. The actions set to be applied are not fully known either, paving the way for plurality of modalities; and hence the insistence of not committing to any fixed template of accounting for SSC. SSC, for its governance, thereby chooses the appropriate control regime in the form of premise control.

References

- Collin, S-O (1993): The Brotherhood of the Swedish Sphere: A Third Institutional Form for Economic Exchange: Institutional Studies of Management & Organization: Vol. 23, No. 1 Pp 69-86.
- Craig, D and Porter, D (2003): Poverty Reduction Strategy Papers: A New Convergence: World Development Vol. 31, No. 1, pp. 53–69,

Recent Happenings in Development Cooperation

KOICA to Build Vocational Training Center in Myanmar

The Korea International Cooperation Agency (KOICA) will build a center for technical and vocational education and training (TVET) for free in Yangon, the largest city in Myanmar. Center is set to be completed by the end of next year and will be the largest of its kind in Southeast Asia. The project will serve to strengthen and expand development cooperation with Myanmar. The center is slated to have seven buildings including dormitories for the faculty and students. Construction will cost over 12 million dollars.

Source: KOICA to Build Vocational Training Center in Myanmar, KBS World Radio, 21 May, 2018