From Money to Action:
Strategies in U.S. Support to Education
in the Developing World

David W. Chapman and Anne Dykstra
University of Minnesota

Abstract

The United States provides substantial amounts of development assistance to low- and middle-income countries, much of it administered by the United States Agency for International Development (USAID). While the motives are complex, reasons include the desire to provide humanitarian relief, promote economic and social development, encourage political values and practices compatible with those of the U.S, and build international goodwill toward the U.S. International assistance agencies, such as USAID, have tended to utilize three mechanisms for allocating development assistance funds: problem oriented funding, sector-oriented project funding, and program funding. Of these, USAID has relied most heavily on project assistance, even at a time that many other donors are emphasizing program assistance. In awarding project assistance, USAID staff have choices about the mechanisms through which project funds can be converted into on-the-ground development activities, choices that can shape the eventual impact and effectiveness of the assistance. This paper examines the advantages and challenges associated with using these different mechanisms, with particular attention to aid to education, and suggests implications for the evaluation of development assistance activities.

Background

U.S. aid to education starts as money, approved by Congress, and intended for the support of education activities and institutions. But money, by itself, does not improve education. To be useful, those funds need to be converted into activities, e.g., training, instructional materials, classroom teaching, data systems. An important role of USAID and government staff in the receiving countries is to convert these inputs into improved educational processes that lead to more knowledgeable and effective graduates, able to participate meaningfully in the continued development of their own country. Consequently, USAID and government staff face two decisions: (a) what development activities to support and (b) what implementation mechanism to use in getting those activities to happen. To some extent, different funding mechanisms have emerged from different philosophies about development and the role of national governments and civil society in directing development funds. Nonetheless, the choice among mechanisms also needs to be grounded in pragmatic considerations of what is most likely to yield the intended development outcomes.

Evolving Strategies for Allocating Assistance to Education

Over the last 40 years, the choice of mechanisms for awarding assistance (problem focused, project focused, and program focused) has evolved in response to changing perceptions about what constitutes effective development, the importance of policy frameworks versus grass-roots interventions in effecting sustainable development, the U.S. role within the larger donor community, and the role of aid as a humanitarian versus a diplomatic tool. In no small part, the search for better ways to allocate foreign assistance was prompted by criticism of past practices. International assistance agencies have been repeatedly criticized for the limited impact and effectiveness of their development assistance (US News and World Report 1999; Economist 1999; World Bank 1999).

Problem oriented funding

From the 1950s into the 1970s, the conventional approach to international technical assistance was problem oriented. A development problem was identified and isolated—e.g., a shortfall of trained teachers, inadequate materials distribution to the schools, a shortage of electricity in particular area—and a potential solution was designed in the form of a targeted project. Many of these efforts were input-oriented. For example, during this period, USAID supported the construction of a number of universities and teacher training colleges, the provision of textbooks, and the conduct of labor market supply and demand studies. Criteria for effectiveness were generally quite clear: Were the inputs delivered in the manner and timeframe promised?

However, while often successful in the short-term, these projects often failed to have the anticipated long-term impacts. Many of these initiatives operated as relatively discrete activities, only to disappear when the external funding ended. Moreover, in trying to solve the target problem, other equally serious problems often were created. These failures were not necessarily because the funding was poorly targeted or the activities were badly implemented, but because planners failed to recognize the sector-wide implications of their interventions.

Sector oriented project funding

Since the early 1980s, the emphasis shifted away from funding individual activities, and toward more sector-wide planning and project oriented funding. Sector-focused projects were designed to simultaneously address several key issues within a sector, thereby improving the prospects for project success and sustainability. Such projects were intended to simultaneously address multiple problems in a coordinated way. Box A illustrates one such project. One consequence, however, was that aid projects became more complicated as attention was given to the wider constellation of factors needed to strengthen and expand an education system. Projects typically were highly prescriptive, specifying in considerable detail the activities for which donor money would be used, the schedule on which those funds would be spent, and the role of donor representatives in overseeing the work.

Such projects did much to build local capacity. Local staff and expatriate advisors worked closely together on very specific tasks (e.g., textbook development, design of training, strategic planning, budgeting). Activities often engaged middle-level ministerial staff and school personnel in practical efforts aimed at improving the design and delivery of education. Instructional materials were developed; teachers were trained; management systems were strengthened.

Box A: The Junior Secondary Education Improvement Project in Botswana

The USAID-funded Junior Secondary Education Improvement Project in Botswana, a multi-year, multi-million dollar project undertaken during the 1980s, is an example of sector oriented project funding. The project was aimed at developing new curriculum for the junior secondary level. However, project designers recognized that if the new curriculum was to be effective it would require trained teachers. School principals, too, needed training, if they were to adequately support the introduction of the new materials and teachers. Facilities needed attention; a new information management system needed to be developed to track teachers and students; and a new emphasis on monitoring and evaluation was needed to ensure everything else worked appropriately. Eventually, a team of 6-8 resident expatriate consultants worked with the Ministry of Education on a continuing basis over more than five years to help ensure that local staff were adequately supported and that activities stayed on schedule.

Nonetheless, such projects have sometimes fallen victim to their own complexity. They are only as successful as their weakest link. When any one function falls behind schedule or below acceptable quality, it impeded progress in other aspects of the project. In short, the complexity of these sector-wide development projects often has worked against the very success they seek. All too often neither the activities nor schedule of expenditures matched the technical and absorptive capacity of local educators to carry out activities at local or national levels.

Moreover, until recently, most projects have been heavily input-oriented. Their focus has been on ensuring that activities were undertaken on schedule and in the manner promised, but results have been inconsistent or illusive and often could not be documented. While the project approach often has been effective in ensuring that resources are programmed and used as intended, it has not always been as effective in ensuring the outcomes of those efforts. Finally, project design and implementation often have been donor-driven, not responsive to local wishes or sensitivities. Governments lacked control of some aspect of their own education system, complained about the heavy-handedness and overly controlling behavior of donors, and often resented the persistent expatriate presence. While the project approach continues to be used by USAID, the large, sector-wide efforts slowly lost favor

among some other donors.

Program funding

Over the last 20 years, larger multi-lateral (e.g., World Bank) and bilateral assistance agencies have made increasing use of program assistance strategies in which funds are allocated to a government to spend in whatever way it chooses, as long as the government makes progress in achieving a set of policy goals agreed upon at the beginning of funding cycle and/or operates within a framework agreement established with the donors. One effect of program assistance was to loosen the link between the external funding and the specific activities undertaken to improve education. At the same time, it tended to shift responsibility for implementation more directly to government, and away from specially created project teams often dominated by expatriates.

During the 1990s, USAID experimented with program assistance (which it sometimes referred to as "non project assistance" or NPA). However, as the 1990s ended, program assistance came under considerable criticism, particularly by the U.S. Critics pointed to the lack of accountability, the difficulty of seeing results, problems in linking the aid to eventual changes in the education system, and the challenge of addressing middle range compliance (e.g., meeting part of the goals, or only partly meeting the goals). In 1998, the U.S. Congress, concerned over the lack of accountability of funds when they were not directly tied to particular activities, banned the continued use of NPA funding.

While the U.S. has moved away from program funding, many other donors have embraced it, as indicated by the expanding use of sector wide program support (SWAPS). A SWAP is a form of general budget support to a country that has been strongly advocated by the World Bank, national governments (particularly the United Kingdom and Sweden), and national leaders in high aid-receiving countries. While Congressional reluctance to participate in program-type funding has constrained USAID from participating in SWAPS, the U.S. is nonetheless still exploring other options that would achieve a similar end, most notably through the Fast Track Initiative (FTI) and the Millennium Challenge Account (MCA).

Consequently, most USAID funding currently still is allocated as sector-oriented project funding, even at a time that many other development assistance organizations are putting more emphasis on program assistance. The emphasis on project funding has given USAID a relatively high level of control over how funds are used by recipient countries. At the same time, it highlights the issue of how USAID can operate to ensure that the project oriented funding is converted to culturally appropriate, effective activities that yield the development outcomes USAID seeks.

Mechanisms for Converting USAID Funds into On-the-Ground Development Activities

As argued earlier, the impact of U.S. aid for education comes through the ways those funds are converted into materials, activities, information, and educators' capacity and, in

turn, how those inputs are utilized within schools and classrooms. Whether aid funds lead to a lot or little impact depends heavily on the way these funds are spent and the people and organizations doing the spending.

In allocating aid to education, USAID personnel have choices about how they will spend development assistance funds to achieve the education goals they seek. They can channel the funds through ministries (or other governmental units) of the recipient countries, national or international contractors, national or international non-governmental organizations, multi-national organization, or some combination of these, as illustrated in Figure 1. While generalizations about the relative merits of working through each of these groups are difficult, a series of considerations typically shape the decision.

Figure 1. Mechanisms for Channeling U.S. Foreign Assistance to Education
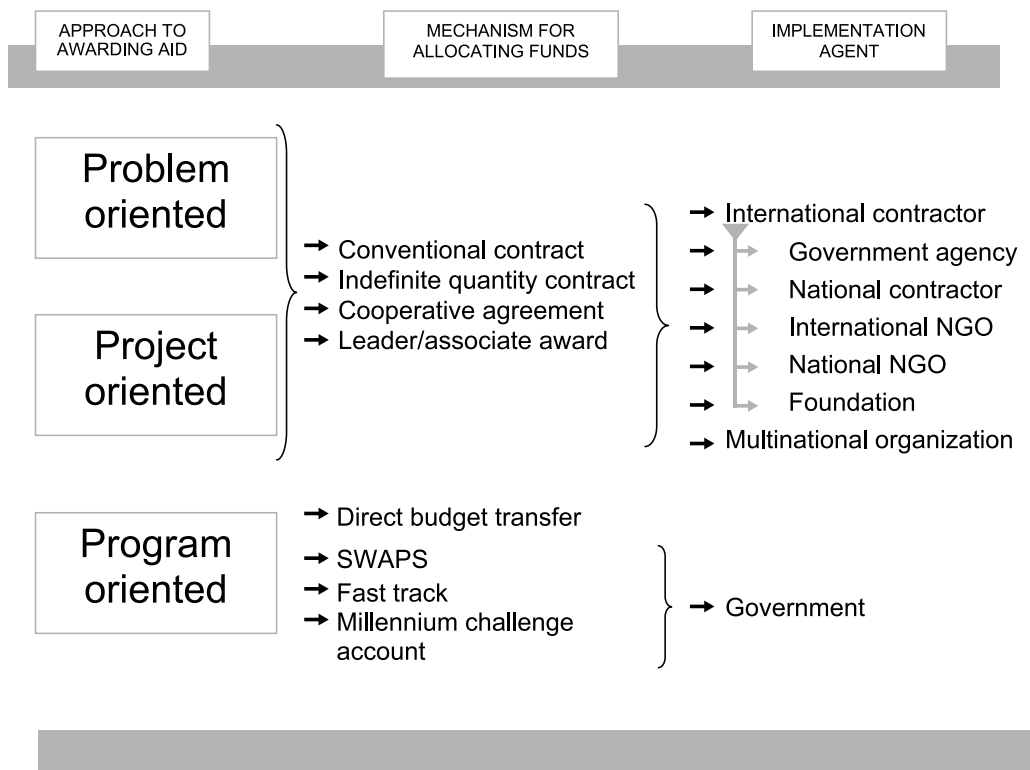
Government agencies

Some aid is given directly to government agencies with the intention that government agencies would implement the intended development activities. For example, money might be transferred directly to the Ministry of Finance or the Ministry of Education to fund a project implementation unit, a curriculum development unit, or a unit responsible for

delivering interactive radio programs. At other times, money is given to international contractors, NGOs, or international agencies with the understanding that some of the money is to be used to support government personnel and activities.

Allocating education development funds directly to government agencies is often viewed by the recipients as important recognition of the centrality of governments' role in the provision of education. In some countries, managing internationally funded projects provides ministry staff with useful experience in handling external funds. But there is sometimes a tradeoff between political advantage and logistical complexity. Some government agencies do not have strong enough accounting and reporting systems to satisfy USAID accountability requirements and USAID Missions may not have sufficient staff to be able to monitor this type of funding flow.

International contractors

Perhaps the most common strategy for implementing field projects is the use of U.S.-based contractors. Contractors frequently bidding on USAID contracts include private for-profit and not-for-profit companies and universities. Indeed, there is a whole industry of consulting companies that make a significant portion of their income implementing development assistance projects. While dozens of companies bid on USAID education projects, the field is dominated by 10-15 large consulting companies who regard USAID contracts as an important portion of their business.

The use of international (but mostly U.S.) contractors offers multiple benefits. By outsourcing the implementation of education projects to contractors, USAID can secure necessary technical knowledge on an as-needed basis without incurring the high overhead of needing to maintain much content expertise within it own staff. At the Mission level, it is not uncommon to find that USAID personnel responsible for education activities have their own training and expertise in health, agriculture, or other content areas. This gives USAID flexibility in its own personnel management, which helps it keep down staffing costs.

One of the most attractive features is that U.S.-based contractors generally understand USAID reporting requirements and financial accounting procedures. A more subtle point is that these companies generally want to maintain good relationships with their funder. They tend to be eager to please and willing to take direction and make accommodations requested by USAID staff. Moreover, using U.S. companies is politically attractive to the U.S. Congress and the American public because a substantial portion of the funding goes to U.S. companies and consultants. Indeed, USAID operates within federal laws that encourage the purchase of U.S. products and personnel whenever possible.

Given these advantages, USAID often uses these international contractors as general overseers of aid project funds. Instead of giving funds directly to the recipient government, national contractors, or NGOs, USAID often gives the funds to the U.S. contractor and makes it responsible for further sub-allocating the funds to these other groups. This centralizes the responsibility for oversight of project funds without burdening the USAID staff with the task.

Since USAID generally requires competitive bidding as the basis for selecting a contractor, having the international contractor manage the communications and flow of funds to national partners offers another advantage. International contractors often build local partners into their original bids. Since these local partners become part of the original bid, it reduces the need for USAID to organize subsequent bidding by these smaller partners on individual components of a project.

National contractors

There is widespread recognition in the aid community that impact and sustainability of development activities is increased through local ownership of the ideas. Local personnel often have a better understanding of which strategies are likely to be culturally appropriate and may be more effective undertaking implementation activities than 'outsiders.' At the same time, using local contractors is one strategy for building local capacity in ways that promote sustainability. Some also argue that funding national contracts promotes private sector development in the recipient country. Consequently, where possible, USAID often tries to use local contractors. Some of the more obvious examples are the use of local construction companies, textbook publishers, and research and data analysis services.

The downside is that national contractors are less likely to be familiar with USAID accounting and reporting requirements. They may lack the financial and managerial transparency needed to successfully compete for these funds.

International NGOs

Non-governmental organizations (NGOs) have long played an important role in delivering development assistance (Edwards 1997, 1999). However, their increased popularity as a mechanism for distributing development assistance gained popularity since the early 1990s, largely for five reasons.

First, working through NGOs was seen as a way of working with citizens without working through government. This approach took on special importance during apartheid in South Africa, as international agencies were seeking to support black and colored South Africans while being unwilling to work through a government supporting apartheid.

Second, there was a growing impatience with the pervasive corruption in the handling of development assistance funds by some recipient governments[1]. Channeling development funds through NGOs was seen as a way of by-passing regimes that were found to misappropriate international assistance funds.

Third, NGOs were viewed as being more in touch with the real needs of citizens and better structured to deliver services at the grass-roots level (Bies, Moore & DeJaeghere 2000; Edwards 1997, 1999; Aga Khan Foundation 1995). NGOs could often use new funds to build on activities and structures that they already had in place. This was attractive to

---

[1] For example, it was estimated that over 25 percent of foreign aid funds to Indonesia and to the Philippines were misallocated and never made it to the development project for which the funds had been allocated.

donors who wanted to avoid the high costs of establishing new management structures for project implementation, yet who wanted a clear chain of accountability for expenditures (Chapman 2001).

Fourth, US lawmakers saw NGOs as a way to multiply (or "leverage") the impact of US government funds, since many NGOs had private funding streams. NGOs were increasingly asked to provide some level of matching funds as a requirement of receiving bilateral assistance contracts (e.g., 20%, 25%). Moreover, USAID's competitive bidding process encouraged NGOs to offer high matching amounts in an effort to enhance their competitiveness for government funds. This meant that USAID could argue that their public funds were used in way that magnified their impact. Finally, working through NGOs was ideologically compatible with the US government's emphasis on privatization and greater reliance on the private sector (Chapman 2001).

National NGOs

National NGOs have many of the same advantages as international NGOs. They typically have a local presence in the geographical area in which USAID wants to work, local knowledge and a local network they can draw upon in implementing their activities, and staff committed to development activities, even beyond the external funding. As with national contractors, working through national NGOs is often seen as a means of building local capacity and promoting local ownership and sustainability of the ideas and activities. Moreover, working through local NGOs is often substantially less expensive than working with their international counterparts.

The increased reliance on national and international NGOs is not without controversy (Edwards 1997, 1999). For all the advantages, channeling development assistance funds through NGOs carries some risks. While NGOs and governments are not natural enemies, neither are they necessarily natural friends. Governments frequently have viewed NGOs as competitors for international development funds that would otherwise flow through ministries. While some of this interest may be self-serving on the part of the governments, working outside official channels can result in lack of coordination with countries' own efforts. At the same time, it is sometimes difficult to identify the more effective NGOs from the large numbers that sprang up during the 1990s. For example, over 6000 NGOs were registered in Poland in 1998 (Wygnanski 1999). South Africa, at the time apartheid ended, had over 3000 registered NGOs.

NGO activities are often only loosely (or not at all) connected to established government structures, putting sustainability of NGO initiated activities at risk. Often government had little sense of ownership or commitment to NGO activities. Work undertaken through NGOs, while often effective at the operational level, had little chance of influencing national level government policy. Working outside a national policy framework, NGO development initiatives often blossomed and died.

Another problem was that the rapid infusion of development funds sometimes exceeded NGO's adsorptive capacity. Planning, supervision and accounting systems sometimes were

unable to keep up with the influx of funding, leading to a drop in quality of the services delivered. This was further exacerbated by opportunism. As quickly as funds for NGOs grew, a large number of entrepreneurs rushed in to establish new NGOs. While some were well intentioned, others were blatant efforts to siphon assistance funds to inappropriate uses (Chapman 2001).

Multi-national organizations

Some aid flows through multi-national organizations, such as UNICEF, UNESCO, and the World Food Program (WFP). An attractive feature of these organizations is that they often have an established on-the-ground presence, reducing the need to create new delivery structures. Norway, For example, wishing to support girls' education in Africa, funded a multi-year, multi-country girls' education project through UNICEF, grounded largely in a sense that UNICEF had the experience and entree to cost-effectively manage this type of program. While the U.S. does not use this mechanism much, it does channel funds through multi-national organizations when those organizations have particular comparative advantage, such as the distribution of food aid.

Choosing the Most Appropriate Mechanism

The practical issue facing USAID staff is which mechanism (or mix of mechanisms) to use to implement an education project. Figure 2 provides a summary of the supporting and opposing arguments for problem, project and program assistance. Figure 3 suggests some of the advantages and disadvantages of specific mechanisms for channeling project assistance. While the choice of mechanisms is based on multiple considerations, at least four factors have special influence in that decision.

Importance assigned to achieving outcomes within a predetermined time frame

USAID has increasingly moved to a results-oriented framework for evaluating the success of its projects. No longer is it enough to demonstrate that intended inputs (trained teachers, books, classrooms) were delivered on schedule, it is necessary to show that once delivered, they had the intended impact on the educational process. Since aid awards typically are for a fixed duration, USAID staff often are under considerable pressure to demonstrate an acceptable level of impact within a fixed period of time. They need to keep project activities moving, even in the face of possible resistance, no matter how well-founded. While USAID staff recognize the value of participatory approaches, participation can slow progress in ways that threaten outcomes which, in turn, threatens the continuation of funding. The emphasis on a results-orientation tends to favor international contractors and international NGOs.

In choosing among funding mechanisms, USAID staff are often risk-adverse. They are sometimes more concerned that the funds be handled by organizations that are familiar with USAID's rather stringent reporting and accounting requirements than with building the

capacity of government staff or local contractors who may have less experience with these types of requirements.

Importance of sustainability

Development assistance agencies have been widely criticized for the lack of longer-term sustainable outcomes of the projects they sponsor. Too often, when international assistance ends, the activities initiated on the ground also die with little left to show for the effort. The heightened attention to sustainability is, in part, an offshoot of the increased focus on outcome-based funding within development assistance work. The lack of sustainable impact is widely seen as a key threat to continued flow of international development assistance.

Substantial international experience and literature indicates that a key strategy for increasing the probability that project activities and impacts will be sustained is to increase local participation and ownership. To do this effectively, however, often means letting local individuals and organizations control project activities. In general, if sustainability is to be encouraged, then relying on government agencies, local NGOs, and local contractors is more likely to lead to desired outcomes than is relying on U.S. contractors or international NGOs. As important as sustainability is to USAID, it often poses a direct conflict with the importance the agency assigns to staying on schedule and demonstrating short-term impact.

Figure 2. Summary of Arguments in Favor of and Opposing Alternative Mechanisms for Distributing U.S. Development Assistance

Primary mechanism for distributing U.S. development assistance	Arguments in favor of...	Arguments opposing....
Problem focused	Relatively easy to identify development problem and target the funds	Ad hoc approach to development needs Low sustainability or follow-through
Project focused	Effective development activities must address interrelated aspects of the development problem Accountability for use and effectiveness of funds is best accomplished by maintaining a relatively high level of control	Approach is often seen as donor driven and arouses resentment in recipient countries Project managers may not understand country well enough to make wise decisions
Program focused	Governments should be vested with the primary responsibility for allocating funds and implementing projects in its own country	Loss of direct linkage between inputs and outputs Presumes local capacity to manage and account for funds

Figure 3. Suggested Advantages, Disadvantages and When to Use Alternative Mechanisms for Channeling U.S. Development Assistance

Mechanisms	Advantages	Disadvantages	When to Use
Government agencies	Channeling funds directly through government supports, strengths, and honors the group that is ultimately responsible for education within a country Helps promote sustainability	If government agencies have limited management capacity and weak accountability systems, funds may be largely wasted	When recipient country has strong, effective government agencies, high levels of transparency in government operations, effective national policies, and low corruption
International contractors	Can secure needed technical assistance on an as-needed basis Introduces U.S. ideas into discussion of education reform Contractors understand USAID procurement, accountability, and accounting procedures Tend to have good working relationships with USAID Politically attractive in the U.S. due to buy-American clause	High priced expatriate advisors arouses resentment in recipient countries Expatriates may not have good understanding of local of culture, norms, and decision making processes Contractors sometimes seen as overbearing, leading to local resentment Limited (or no) long term sustainability of efforts; work ends when the money does	When USAID Mission is understaffed and able to exercise only limited project oversight When projects are particularly complicated and require strong management and oversight When there is considerable pressure for measurable results within a short and somewhat inflexible timeframe
National contractors	Less expensive than international contractor Fosters local experience with and ownership of education reform	May not have much experience with U.S. competitive bidding process May have difficulty meeting USAID accounting and accountability standards Limited (or no) long term sustainability of efforts; work ends when the money does	When cost is a factor and national contractor has a history of successful project completion When needed commodity or service is easily procured locally

(Figure 3, Continued)

Mechanisms	Advantages	Disadvantages	When to Use
International NGOs	Can secure needed technical assistance on an as-needed basis Introduces U.S. ideas into discussion of education reform Inter. NGOs usually understand USAID procurement, accountability, and accounting procedures Tend to have good working relationships with USAID Politically attractive in the U.S. due to buy-American clause	Expatriates may not have good understanding of local of culture, norms, and decision making processes (but less an issue with NGOs than with international contractors) Contractors sometimes seen as overbearing, leading to local resentment Not tied into national policy development Limited (or no) long term sustainability of efforts; work ends when the money does	When USAID Mission is understaffed and able to exercise only limited project oversight When projects are particularly complicated and require strong management and oversight When there is considerable pressure for measurable results within a short and somewhat inflexible timeframe
National NGOs	Less expensive than international contractors and NGOs Fosters local experience with and ownership of education reform Local NGO can access areas with less security risk	May not have much experience with U.S. competitive bidding process May have difficulty meeting USAID accounting and accountability standards	When emphasis is to build local capacity
Multinational organizations	Less expensive when organizations has an existing on-the-ground presence needed for the project activity	Recognition for the assistance may accrue to the international organization rather than the U.S.	For political reasons when country is in conflict situation When there is no government to work through

Strength and capacity of the groups involved in the activity

People matter. Research and consistent international experience suggests that the biggest factor in the effective utilization of development funds is strong, effective leadership within government, civil society, and USAID. Effective leaders can often overcome the constraints of weak project design, while even the best-designed projects can fail in the hands of ineffective leaders. Nonetheless, leaders have an easier time leading when projects are well designed and utilize the most appropriate implementation mechanisms.

The capacity of government units, NGOs and companies to implement development projects is a function of training, experience, supervision, and culture. That capacity differs with the size and complexity of the project being implemented. USAID staff inevitably make judgments about local capacity to undertake the type of project to be implemented. In some cases, the importance assigned to local ownership and participation may lead USAID to incorporate more local capacity and training. Often, however, the time demands of that training lead USAID to look elsewhere for the management and leadership skills needed to implement a project.

Cost

USAID wants to maximize the return on the funds available for education. Typically, local contractors and NGOs are able to work at lower costs than are international contractors or NGOs. At the same time, USAID may need to minimize its own costs associated with oversight. It may be reluctant to assume the direct oversight responsibilities of local organizations, which it often delegates to international contractors. Often, the personal cost to USAID field staff of managing local contractors and NGOs may be perceived as greater than the savings generated by using a local group. The assessment of cost, then, often involves weighting the capacity of local government or local organizations to manage project activities (thereby gaining experience and ownership) against the availability and capacity of USAID staff to monitor and oversee the activity.

Judgments about how aid flows into a country and the best mechanism for converting that aid to education activities are often made by international donors, and heavily influenced by the administrative convenience of the donor agency. Yet, a meaningful assessment of the pros and cons of aid flow needs to consider the constraints faced by government staff in the recipient country. The ultimate effectiveness of aid when it finally reaches a country often depends on a set of factors that are largely outside the field of vision of USAID staff.

A View from a Country's Perspective

Through all the changes in the way U.S. foreign assistance is delivered, USAID has continued to increase consultation during the design and subsequent implementation of education projects. The Ministry of Education, NGOs and other donor organizations (e.g., "development partners") usually are consulted, needs assessments are conducted, and local focus groups and other data gathering techniques are undertaken to try and match the

intervention to the needs of the recipient country. Evaluation and monitoring reports are reviewed and field personnel who draft country strategy are brought into Washington DC periodically to consult with departmental staff to help ensure agreement on strategic and programmatic recommendations and draft them together. Even in cases where strategy or projects are not initiated in the field, consultation and vetting is extensive within USAID and often with contracting organizations.

In this process, aid missions make enormous demands on the time and resources of policymakers (Clements & Radelet 2003). Recipient country officials may host hundreds of missions over a year. Each mission expects government to give a priority to their project, to assign staff fluent in the experts' language, and to have counterparts who are at their level of expertise and productivity. These demands often conflict with the wider set of duties of Ministry staff. Almost all of the senior policy, management and technical staff in developing countries carry heavy supervisory, operational and, often, political obligations that must be carried forward.

Moreover, the political ideology and structures of their own government may not match the outside experts' demands for critical analysis, comparative exchange of ideas about "strength and weakness" of their educational system, data driven decision-making, public airing of differing views or constructs (such as education to promote "democracy", "demand driven markets", "free trade", and "pluralism"). There are usually few senior-level staff at central levels who can effectively act as technical and political representatives among the legions of specialized educational experts that wash through a country from international organizations.

The visiting expert, on the other hand, is in country to 'package money', provide framework and funding documents, and to capture the 'educational needs of the country' which are to be addressed through a set of 'projects' that best match their organization's 'comparative advantage' and legislative or organizational mandate. While consultation is sought with a wide variety of MOE and NGO staff, reports may not reflect deep first-hand knowledge of the country as much as it mirrors the donor's or expert's assumptions about how education should work in the target set of countries being supported.

Translating central decisions into local action

It is not uncommon for provincial and district education officers to report to both the central ministry of education on technical matters and to the provincial governor (who, in turn, reports to the Prime Minister's office) on political matters, with a similar dual reporting structure at the district level. Provincial and district leaders may hold considerable power over finance, personnel, and logistics at their levels, giving them considerable influence in shaping the implementation of national policies. The consequence of this structure is that education officials in leadership roles must negotiate with both the technical hierarchy and the parallel political power structure. Policy is modified or made anew by staff at each level, all the way to the school. This dual reporting system profoundly affects the utilization of funds and is rarely accommodated in the design of donor projects.

At the same time, USAID personnel, other donors, and expatriate staff do not always fully understand the subtler political dynamics of a country. The politics in a recipient country that surround the use of donor funds are at least as complex as the debates about how donor countries should be dispersing those funds. From a recipient government's perspective, education funding for specific goals within donor-funded programs may impose outside goals that are incompatible with the country's political agenda. Donor implementation strategies may run roughshod over existing lines of local influence and authority in ways too subtle for expatriate advisors to necessarily understand. The result of such dynamics is that elements of the program may be changed in an effort to adapt to these subtleties, affecting the way in which funds are used after they are granted. Project activities may be dropped for no apparent reason and with little or no explanation.

Among the problems that the Ministry of Education faces, then, is how to coordinate the considerable expectations connected to donor funding with the practical problems of implementation within their countries' governing context and limitations of capacity and infrastructure. The time frame needed by a government to implement project activities may conflict with that of the donor, who must answer to demands of its own government processes through which foreign aid is authorized and dispensed. In too many cases, project structures are just beginning to function when the donor's approach or funding mechanism undergoes another change. Donor priorities frequently change, sometimes abruptly, yet donors expect recipient governments to accommodate the changes with little regard for the difficulties that education ministries face in realigning to accommodate the shifts in their own internal political context, thus beginning the cycle again.

Implications for the Evaluation of USAID Sponsored Development Assistance

The effectiveness of its development assistance has been a particular concern of USAID over the last decade, as reflected in its move to results-based frameworks for project planning and evaluation. USAID has become progressively clearer over the last 15 years about the importance of results and the need for evidence of impact. Yet judgments about aid effectiveness are complex, in large part because development assistance funds are often intended to simultaneously promote multiple goals and address the needs of multiple audiences (Chapman 2004; Windham & Chapman 1990; World Bank 2005a, 2005b).

As the preceding discussion suggests, the choice about which mechanism to use in moving aid from money into action has consequences on the eventual effectiveness of the assistance. The mechanisms available to USAID for channeling funds to development activities differ in the goals they most directly promote, the benefits most likely to be reaped and, consequently, which groups are most likely to gain. Hence, the choice of mechanism already embodies decisions about what outcomes are most valued. As this paper has argued, it is important that those involved in the management or evaluation of aid flows understand the mechanisms available to aid agencies for converting aid to action and the trade-offs among them.

USAID decentralizes decisions about the selection and design of its development assistance funds to the USAID Missions in the recipient countries for good reasons. Presumably, this decentralization allows better collaboration with recipient governments in the planning process and increases the relevance of the resulting activities. However, as this paper has described, (a) much of the specific design and subsequent implementation of development activities may be outsourced to international and national contractors and NGOs and (b) the various participants in these processes may not fully understand or appreciate the pressures affecting the decisions of other participants. One consequence of these factors is that participants may differ in the criteria they use to judge a project's success (e.g., school access, student learning, sustainability), the indicators they find credible for measuring progress on those criteria (e.g., standardized tests, interviews, surveys), and the standards they use to determine how much progress on those criteria represents success. This poses conceptual and technical dilemmas for the meaningful evaluation of development assistance activities.

A central challenge, then, is to develop consensus on what constitutes successful development assistance project. The various partners in the implementation process may not move at similar rates or share enthusiasm for the same outcomes that donor agencies want to emphasize in evaluating aid effectiveness. While the technical issues of evaluation can be challenging, the far more challenging issue is to develop agreement among partners in the design and implementation processes about what constitutes successful development of an education system.

References

Aga Khan Foundation (1995). *Strengthening NGO initiatives for social sector development in pakistan*. Washington, D. C.: Aga Khan Foundation.

Bies, A., Moore, A. & DeJaeghere, J. (2000). *Consultancies and capacity-building: Considerations of mutual fit, mutual learning and mutual benefit*. New Orleans: Association for Research on Nonprofit Organization and Voluntary Action.

Chapman, D. W. (2001). Assessing directions for educational development assistance. *International Review of Education*, 47(5), 459-476.

Chapman, D. W. (2004). *The Assessment and Analysis of International Institutional Higher Education Partnerships for Development Cooperation: Indicators for Evaluation (Summary of the Policy Roundtable Discussion)*. Washington, D. C.: Association Liaison Office for University Cooperation in Development.

Clements, M. & Radelet, S. (2003). *The millennium challenge account: How much is too much, how long is long enough?*. Working Paper Number 23.

Economist (26 June 1999). How to make aid work.

Edwards, M. (1997). Organizational learning in non-governmental organizations: What have we learned?. *Public Administration and Development*, 17, 235-250.

Edwards, M. (1999). International development NGOs: Agents for foreign aid or vehicles of

international cooperation?. *Nonprofit and Voluntary Sector Quarterly*, 28(4), 25-37.

US News and World Report (June 26, 1999). How to make aid work, 23-27.

Windham, D. M. & Chapman, D. W. (1990). The Evaluation of Educational Efficiency: Constraints, Issues, and Policies. Volume 1 in *the Advances in Educational Productivity Series*, Greenwich Conn: JAI Press.

World Bank (1999). *Assessing Aid: What works, what doesn't, and why. A World Bank Policy Research Report*. Oxford: Oxford University Press (www.world-bank.org/research/aid).

World Bank (2005a). 2004 *Annual Review of Development Effectiveness: The World Bank's Contributions to Poverty Reduction, Operations Evaluation Department*. Washington, D. C.: The World Bank.

World Bank (2005b). *Improving the World Bank's Development Effectiveness: What Does Evaluation Show?*, Washington, D. C.: Operations Evaluation Department, The World Bank.

Wygnanski, K. (August, 1999). Poland's charities: Help for the needy. The Warsaw Voice, S1-S8.