

**INTERNATIONAL AID AND
PUBLIC ADMINISTRATION**

Jorge Arias Ochoa

First Place Contest of Associates

Introduction

The field of international relations has been transformed in a vertiginous way due mainly to the explosion of the new technologies of information and communication. At present anyone, anywhere in the world is aware of world events, the moment they occur.

The communicational phenomenon reveals crisis or imbalances affecting groups or nations, and helps create global consciousness. Thus, International Financial Institutions (IFIs)¹, have developed programs that seek to eliminate poverty and become international aid, vital element in a globalised world, where nations as well as diplomatic, legal, and commercial ties are cultivating a particular interest in the area of human development. However, you must be based on commonalities such as the fact that without a peaceful environment there can be no development verify and support the rule of law is an important part. The effectiveness in development aid, is a point that must be given the utmost importance.

In this paper a project is developed which involves both human and social capital in combination with international aid, local government and participating communities. This will allow a healthy development as well as the continuity of the project.

¹ Source OECD. Aid effectiveness.
<http://web.worldbank.org/WBSITE/EXTERNAL/BANCOMUNDIAL/NEWSSPAINISH/0..contentMDK:20550824~pagePK:64257043~piPK:437376~theSitePK:1074568.00.html>

The challenge before us today, involves the cooperation of national governments and international organizations in collaboration with a common purpose and that allows to take advantage of the experience, support, innovation and creativity, to generate human development projects locally, taking into account the people and their needs and at the same time generate confidence and responsibility.

Background

It is important to be conscious of the challenges that the fight against poverty imposes. The list of important problems for development, seem to be invincible.

There are various fronts but not as many effective solutions. Improving educational levels, reducing child mortality, fighting AIDS, malaria, cholera,² ensure access to water and sanitation in communities where infrastructure is precarious or literally do not exist. In such cases, the need to increase the quality of national and international care is charged with renewed urgency.

The international aid for the developing countries has turned into a very complex solution. There are known cases where it has turned into an area of corruption, and does not exist a policy of transparency that guarantees the proper resources administration. In other cases, the aid gets lost in the lack of organization on the part of the State and organizations of all kinds, which have the best intentions, but that frequently lack synergy.

“... Flows that accompany globalization applied to public sector are those of the new public administration and the Public Choice school, both apply market-based approach to administrative reform and modernization of the public sector... what is related to the reinvention or redesign of public organizations and depending on market needs.”³ This phenomenon has been a co-dependent world, so that

² *Ibid.*

³ Hernandez Oliva, Rocío. Globalization and Privatization: the Public Sector in Mexico. 1982-1999. Public Administration National Award 2000. Instituto Nacional de Administración Pública AC: First Edition. June 2001. P 97.

what happens to a nation affects another, thousands of miles away. The world is becoming smaller and requires the collaboration of all nations to maintain a healthy balance.

Globalization, requires high levels of competitiveness in various fields: education, legal, administrative and hence governmental, in order to attract investment, and development. On the other hand, society, through its access to the media, has become a benchmark that allows people to compare their standard of living with other nations. This has implications for governments in turn, as the gaps are transformed into demands of society or unfulfilled promises. This generates pressure on a State already burdened financially. Society requires that the state provides a better standard of living, this is not an easy or immediate task, the example can be seen in developed nations where they can see that development has taken time and discipline, poor nations are not often aware of this, which creates distrust towards the rulers.

In due course the high poverty rates can be attributed to heavy schemes of bureaucracy, as well as laws that have not evolved, this makes them slow in their performance and hence its development.

Then the search of new strategies makes to look at civil associations from another perspective since they are closer to the problems and therefore closer to solutions, as well as for being outside the dynamics exerted by heavy state bureaucracies, they can meet targets and objectives in a more prompt and efficient way. That's why these “civil association” in the form of NGOs have become so popular in solving many of the problems of society.⁴ New relationships around the world are being created between the public and private sectors by aligning transitions and social, political and economic forces.⁵

These groups have achieved a very important representation in international associations like the UN, OECD, World Bank and oth-

⁴ Edwards, Michael and Hulme, David, *Beyond the Magic Bullet*. USA. Kumarian Publishers. March 1996, p. 40

⁵ Op Cit. *Beyond the Magic Bullet*. P 23.

ers, and this is due precisely to fill gaps that states can not fill, inter alia, by the arguments mentioned above. These organizations have become very dynamic and versatile because they are a private entity, with goals and objectives defined by its members, and that are created independently of local governments, regional and national as well as international agencies, you get a viable option to generate development in countries in need.

NGOs become major joints, when combined with the State administration, as international aid agencies and development assistance see in them an ideal mechanism for dialogue among the participants.

Certainly it is the State that implements the development policies, it is a key actor to give this dynamic, but we must not forget that if the community where the assistance program is implemented, does not cooperate, the program simply will not give results. Hence the importance of NGOs and their interaction with the main actors.

Before the mistrust on the part of local authorities and with strangers in general, the work of NGOs is of vital importance to create a bond of trust between those involved.

It is at this point where international aid needs to review and adjust its machinery to carry out its mission fully and thus arrive at where it has to reach and fulfill the objectives for which it was created.

Nowadays the UNO centers on the Objectives of Development of the Millennium; born of the Declaration of the Millennium, signed by 189 countries in the Summit of the Millennium of the United Nations of September, 2000.

I coincide with the argument on which the countries that have managed to get out of poverty in the last half century, have done it by helping themselves. I coincide as well as with a study published in 1995, by Peter Boone, of the London School of Economics that demonstrates that the international help finances more the consumption than the investment, thing that also happens in the case of the remittances, in the countries with a high percentage of emigrants.

Development

I now expose a proposal that I consider to be viable to promote the human development, to eradicate poverty, and at the same time to generate opportunities of economic, regional and national growth.

It involves the creation of an NGO at international level, as an important feature has the possibility to make synergy with interested groups in nations previously under study, where there is potential to develop human development projects. This will be done prior feasibility study.

The project needs an international NGO that in turn has representations, in every locality that needs and presents possibilities of investment.

A distinctive feature of NGOs, especially those that focus on human development and humanitarian aid, is the high level of commitment of its members.

These local NGO's, in combination with the "local governments", "institutions of international help" and "philanthropic private institutions", will establish programs of development, in every interested community and with potential, designed on the basis of its characteristics and particular needs. What it is intended, is to take the maximum advantage of the opportunities of every geographical zone, and who better than the locals and their respective administrations, with the "NGO's, institutions of international help and philanthropic private institutions" to identify them and to develop them.

One might think about this structure, as a form of "cluster"⁶, that allows the projects of development to be carried out in emergent economies, but with significant indexes of poverty. This conjunction of institutions, would reduce the economic load that represents to these countries to start programs of relative simplicity, but that need significant amounts of investment that puts pressure on their economies.

⁶ Clusters is the union of all areas involved to draw a final product.
www.sica.gov.ec/agronegocios/biblioteca/Ing%20Rizzo/azucar/cluster.htm

One of the important factors of this organization, is that its managers must be prepared and with the vision of a social enterprise, so that all actions of the NGOs are geared in that direction.

With this type of structure, different levels of responsibility can be developed in every stage of the development project. Likewise, it is sought to promote the transparency and the mutual supervision from the local governments, as of the NGO's, in the resources management, supervision and resolution of problems that arise along the project; this allows the promotion for programs designed to the measure of the needs of every community offering them better possibilities of success.

According to the OECD, the private groups that canalize their donations to the economic support of the developing countries, are increasing.⁷ These organizations have summed up to others as the Committee of Assistance to the Development (CAD), that depends of the OECD, the Program of the United Nations for the Development (PNUD), the World Bank, and the International Monetary Fund.⁸ This means more possibilities of support for the poor countries and to find innovative forms to face needs for development.

The conformation of a structure that relies directly in local NGO's, in which the members take part directly of each one of the communities, not only allows them to know the problems and the needs of every locality first hand, it also promotes the participation of its members and with this the impulse of every program, indispensable requirement for its success.

These NGO's in turn, will report to the local governmental administrations, to the official groups for development support, (CAD, PNUD, BM, IMF) and to the private groups for development promotion, of the detected potential and of the possibilities of success.

⁷ *Op Cit.* Source: OECD. Aid Effectiveness.

⁸ *Ibid.*

How is this study developed?

It is based on an investigation of business opportunities in different nations and different markets, as an example we can mention countries where it is feasible to encourage the food, agricultural, livestock, services and technology industries.

The fundamental point of this project, is that there are communities that can take advantage of a national or international support, to develop all kinds of industries (manufacture, pharmacists, tourism, agricultural, etc.), but that nevertheless they have not done anything, for lack of infrastructure, economic, or enclosed support or lack of interest on the part of the communities or the State.

This certainly needs great effort, but if the project achieves the coordination with the different secretaries of state or ministries, and the state of rule is reinforced, there will be certainty for the international support, and it will be possible to sell the project potential to the institutional and private investors. Another incentive is possible to achieve, if the State offers incentives to the investment, guaranteeing a major impulse and generating the possibility that growth points could be created with predetermined characteristics, which have added values, as the ecological one. Cancun's and Cabo San Lucas are examples where the government stimulated tourism developments and turned them into important developments that generate tourist employments for their respective communities, and even they attract population from other communities, which look for development opportunities, in the different areas that as consequence arose after the main projects. There is also the case of Dubai, in the United Arab Emirates, where a futuristic vision is developed in view of the culmination of the petroleum boom, for this, the tourist industry is developing.¹⁰

It is important to be conscious of the regional differences to develop the competitive advantages of every place and to capitalize them; it

⁹ Vargas Castro, José Alejandro. IAPEM Award 1998. The Implementation of Public Policies in Municipal Development: The Case of Valle de Bravo, Mexico. 1999.

¹⁰ http://www.tudiscovery.com/historias_fieras_ingenieria/historias_burjdubai/index.shtml

is also important that we bear in mind, the important role that innovation and creativity play in any project.

An international NGO, that is based on a scheme of social responsibility, and that has as principal characteristic, the detection of opportunities for development, in every place where a representation is established; should transmit the results of its investigations to the local administrations, this in order to generate confidence links, which increase the possibilities of success in the development of every project.

In addition the local authorities should acknowledge, the intention of support for the financing of the above mentioned project, on the part of institutions in charged of promoting development, as well as of philanthropic institutions, this in order to improve the quality of life of the community.

There are untapped areas, with potential to develop social enterprises. In developing countries opportunities can be found that in several occasions due to lack of resources, infrastructure would have gone unnoticed.

Another important point, is designing a development model that emphasizes on salaries for the locals that contribute with the workforce, and that depending on their capacities, receive training in the area of development in which the investment project is realized, in this way, not only employments are generated by just wages, but in addition they get prepared to be employed at the project once finished and initiated their labors, this would give continuity, not only to the project of investment, but to the project of human development. In this instance, the construction of public water and sewer under the program of the Ministry of Human Settlements and Public Works, General Coordination of the National Plan of Depressed Areas and Marginal Groups.

A point that we cannot leave on the side, is that the NGO, will have to know thoroughly the projects that already are established by the government or other institutions or help organizations, and insure

that the government is conscious of all the projects that are handled in its nation, to avoid duplicity of functions, or that a few projects collide with others and even manage to be annulled. It would be better to get to agreements and add one project to the others, and in that way, to potentiate their capacities.

Another important point, is that in this way, and with the design of an **economic model based on social responsibility**, previously designed by the international NGO, and fitted to the particular case for the local NGO, it is possible to play with the possibilities of international, local and private support, maintaining the international support and the governmental - local non-refundable one, providing that the local suppliers become attached to the economic model designed by the NGO as a whole with the government, and based on the equity and the community development, guaranteeing the purchase of inputs for the project for reasonable costs. This project will have to be integral in such a way that only suppliers who accept a just utility are accepted. This generates a virtuous circle that activates the regional economies, and guarantees quality materials and work in the perspective of turning them self-sufficient in the medium term, allowing that the organisms of international help can concentrate in other areas of the country or of the world.

Mexico has great areas of opportunities where poverty levels exert great pressure on the government administrations. This occurs at a time that a global food crisis of major proportions occurs, and where with the proper administration it could generate a significant amount of social enterprises throughout the 15% of its territory available for agriculture, adding an estimated extra 5%¹¹ of its territory for the production of fruit-growing in little slope mountains.

Another pole of development is the two oceans that surround the area and where the tourism industry and services can be developed, generating a lot of jobs. Inside the territory there are areas where adventure tourism can be developed, however the lack of infrastructure prevents locals to take the next step.

¹¹ www.inegi.gob.mx/

Cases exist where for the majority of low revenue countries, the help of the members of the Development Assistance Committee (DAC), which is known as official help for the development, continues being the main development financing source (ODA). According to this committee, part of the OECD, in Africa in the south of the Sahara, where there are the majority of these countries, the official flows represent near two thirds of all the capital income. These countries need a substantial increase of the ODA to improve their perspectives to reach the development objectives of the millennium (MDG's).

In order to achieve major efficiency in these cases, the conditions for the granting the international and local aid should be studied case by case and with a lot of care.

It is worth to consider the possibility to give a sense of belonging to each of the participants in the different projects across their active participation, this would stimulate them to assume responsibility and commitment with the project.

In this way the aid would be an investment by allowing to duplicate the development project in other countries.

Transparency in the resources management is a cardinal point, this guarantees efficiency in the application of the aid resources, in order to avoid having abuses or diversions.

It is indispensable that all the involved should be conscious of the temporality of the project, in this way, time does not become a psychological impediment where the task ending is eternal, whereas the people expect results in the short term. Even it is necessary to think of dividing in short and of long term objectives to give a vision of continuity, and not a sensation of abandon once each stage is concluded.

It is important to point out, that nowadays, while funds for organizations as the Committee of Assistance for the Development have diminished, there has been an increase on philanthropic private organizations and public - private of world relevancy, who take part in

the international help across global funds; that can take part as social business, and destine funds in a more humane way, without expecting much more revenue than that of the maintenance of the project. This using somehow the juridical figure of the cooperatives, which in some cases have been known for being very successful.

There is no unique method that can be used easily to treat the problems in diverse countries. On the contrary, the solution consists in adapting the programs to the local characteristics.

A Successful Experience

For some time the Organization "1 Kilo de Ayuda" (1 kilogram of aid), a successful food program that began with the support of international aid¹², tried to raise awareness to a community on the benefits of a food program,

At the end of the nineties, this organization began to detect the need for a more frequent presence of so-called "promoters", as doctors and nutritionists of the organization, each of them from the areas where they worked, so it was decided that each 14 days they visit their respective communities. It was in 2000 after the launch of this program when the communities responded in a very positive way. The reason for this change was due, as members of "1 Kilo de Ayuda", communities found in this new program a legitimate interest from the organization for children in the community. Today "1 Kilo de Ayuda" is a very successful program.

Each project, each program requires a total commitment by the institutions of international aid, but such details that are almost invisible, make the big difference. It seems unreasonable that it is so difficult to help, the NGO not only must fight against the inertia of the market, it must also fight against distrust, often justified, by the beneficiaries. One of the biggest mistakes from the assistance for development,

¹² In 1987, the program was strengthened with the distribution of food donated by international agencies to marginalized communities. www.unkilodeayuda.org.mx

observes the International Institute for the Environment and the Development (IIED), is the lack of support to the local organizations. “Only a very small proportion of the official assistance for development goes to what the poor identify as their priorities”

Probably in the macroeconomic vision of the needs of development of the communities, the microeconomic vision gets lost. This is owed fundamentally to the lack of direct contact with the locals and their needs. Certainly, a point exists where the locals lose contact with the real needs of development, in the vision of urgent needs to be solved rather than their important needs; it is there where the State and the NGO's, enter to capitalize the link that must be achieved across the consciousness of the local problems by the leaders of every community where they are working.

It is important to clarify that there will not be any support from any community, if their priorities are not solved in the first instance, this will help to earn the confidence of the locals, and afterwards they might be willing to make sacrifices in view of a major good.

Some studies emphasize the need to center in a few fundamental priorities, as the services provision in the area of quality schools, sanitary assistance and provision of water and reparations. These studies emphasize the importance of guaranteeing the state of law, and to assure that should be applied so that it protects the rights and the sustenance of the poorest groups.

It has been confirmed that one of the strategies of the so called Asian Tigers, was supporting with vehemence the education of their citizens, in this way, and for lacking natural resources, they organized the educational institutions to form pupils in the sciences, on what would become the technologies of the future, nowadays the computer science and the sciences of the technology; evolution that has turned our times in “ the era of knowledge “.

Today these technologies are still useful to the point of having turned terribly poor nations, in the most important economies of the world; it was the added value that these technological companies added,

which continues marking the guideline of the economies of these countries and others that are still using the same economic model.

The emergent nations have learned of these examples and have applied them successfully, nations as India, China, Ireland, East Europe, and today Vietnam, for mentioning some, in such a way that they are changing the balance of trade and power in the world. Which has been their main detonator, to eradicate the poverty and the marginalization? Certainly with the international aid infrastructure supports, but making education their first priority.

The support for the development of what will become the main engine of the economy is very important, and that is the education; for the mechanisms should be stimulated to achieve this goal inertias have to be broken.

It is evident that the “international aid”, has not achieved the proposed goals, in spite of the big economic amounts that have been destined, neither extreme poverty in many countries nor hunger or diseases have been eradicated.

The policy of countries with the needed characteristics to be subjects of international aid, promotes in some cases the request of international aid with the idea of promoting their development, nevertheless, at the moment of receiving this help sometimes the money gets lost in corruption, and even in the promotion of leaders who look up to the popular approval, leaving on the side important mechanisms like the proper tax collection, which would generate an economy. This generates two principal problems: first, governments little prepared to govern, and second, populations who get used to the paternalism promoted by their governments that hereby exercise a major control.

Under these vices, no country evolves, rather it displays a cynicism and retrograde that spoils the local economies and their inhabitants.

The international aid can be very effective development, first it is needed to attend their immediate problems, for later solving the

problems substantive problems whose solution will make them grow and reach out to be self-reliant.

By keeping in touch with groups of local assistance strategies of assistance can be developed that reach solutions effectively; the local operators will know first hand which are the most urgent incentives of the communities, whose solution should generate the sufficient confidence and disposition of the communities for the “development project”.

Often the urgencies of the communities do not represent major problems, probably a well of water nearer to the community, or some meters of pipeline that distribute water, a better school, a soccer field, a basketball court, a doctor’s office that gives local assistance, or the testimony that can be given by helping a chronic patient who has provoked the consternation of the community, the most elementary things give samples of humanity and good will for the support. Sometimes these actions are enough for communities to go from resentment to responsibility.

There the representative of the local NGO, turns into the community leader who solves problems, he turns into the absent government, into the friend, and even into the confidant, this is also a reason to choose people who are conscious of the crises on the different communities, otherwise it might be counter-productive and instead of helping, generating distrust in places where their is already distrust for strangers.

Afterward

Five points are presented as a synthesis for the work that it is now presented:

- 1) To create a NGO with direct participation of the inhabitants of the regions with problems of poverty, in order that opportunities of investment are identified in any item.
- 2) Every representation of the NGO, will elaborate an investment project of where it is emphasized:
 - a. The potential of the project.
 - b. The real benefit for the community.
 - c. Its viability.
 - d. Its stages
 - e The amount of investment needed.
 - f. Its profitability.

The project above mentioned should be presented to the “ local government “, to the “ organizations of international aid for the development “, as well as to the “ philanthropic private organizations”.

- 3) If the project is accepted by the three institutions mentioned, the local NGO, will follow-up the project development, emphasizing the transparency and management of the resources.
- 4) The local NGO will ensure the proper training of the members of the community, in order that they become the project.
- 5) Once concluded the stage of the project development, the NGO will support a permanent representation in the locality that will guarantee the proper course and continuity of the project.

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