The Practical Realities & Limitations of Aid Effectiveness in Pakistan

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Introduction

"It has become clear that what matters in reaching development goals is not just the amount of aid but also the quality of that aid…The goal is to improve the quality of aid and achieve greater development impact" (Deutscher and Fyson, 2008; p1).

This research critically evaluates aid delivery (specifically humanitarian assistance and development aid) in Pakistan and advocates for the use of the PEST model as a means of improving the implementation of the Paris Declaration on Aid Effectiveness. It is suggested that this would provide a more contextually specific lens (PEST) in place of a general outlook that can be presented to donors before decisions are made regarding effective aid delivery in the existing circumstances of the country in need

Motivation & Methodology

The following questions guided the research undertaken:

- In what instances has aid proved effective or otherwise (at policy, strategic and operational levels)?
- How can humanitarian and development aid engage more effectively and strategically in recipient areas?
- What can aid donors realistically expect in terms of outcomes?
- What challenges have deliberated aid effectiveness?
- What do existing models on aid effectiveness dictate in terms of practice?
- What is the PEST model essentially adding to this thesis in terms of effective aid delivery and to what extent is it realistically applicable?

This research recognizes that the Paris Declaration's principles on aid effectiveness do not demand replacing. Instead, what these principles lack in specificity, can be addressed by carrying out a PEST analysis to make aid delivery more context-specific. This will consequently help to address PEST-related variables of a country like Pakistan in order to counter the challenges that these unprecedented variables present.

Aid in Pakistan

Arguably, many actors enter conflict without being familiar with all the realities that exist in the recipient country 'spaces'. It is not a lack of knowledge, rather an *incomplete* version of it that inevitably compromises the delivery of humanitarian and development aid (House of Commons International Development Committee, 2006). What is lacking in the international donor community is a thorough knowledge of Pakistan in order to be able to provide aid that is not challenged or compromised at every stage.

Donor	Millions of dollars	Share of Total
United States	$1,276.26	30%
IDA	$879.75	21%
Japan	$573.32	14%
Sum of Other Small Donors (<$15M each)	$394.00	9%
United Kingdom	$334.01	8%
EU Institutions	$256.59	6%
Germany	$157.96	4%
AsDB Special Funds	$94.44	2%
Canada	$87.49	2%
Australia	$74.34	2%
United Arab Emirates	$71.34	2%

The figure "puts the United States' contributions in context by quantifying each donor's share of gross Official Development Assistance (ODA) that flowed into Pakistan in 2011. The United States was the largest contributor, constituting nearly a third of total ODA to Pakistan, and is followed by the World Bank's International Development Association, Japan, the United Kingdom, and the EU Institutions" (Center for Global Development, n.d.; p1).

The PEST model lens on Paris Declaration Principles

This research has explored the applicability of using the PEST model to improve upon an existing framework on aid effectiveness i.e. the Paris Declaration. This was to establish that such a step will provide the context specificity lacking within such guidelines, as this has been ascertained as significant reason for aid ineffectiveness. Prevalent levels of political instability and the strong presence of the military, as well as an improved economy struggling with issues of poverty and foreign aid, combined with the pressures associated with refugees and IDPs, and finally the technological limitations present in the developing world, have been revealed to all be key areas contributing to the inefficiency of aid.

http://visual.ly/pest-analysis

There is no empirical analysis of how the relationship between aid and the use of the PEST analysis can improve aid effectiveness in practice, and even lesser data on comprehensive analyses of recipient environments can develop the methodology of aid delivery for significantly better results. However, this thesis maintains that its approach of using the PEST model as a lens addresses the need for context specific information that can be overlooked by an aid effectiveness framework such as the Paris Declaration. The extent to how applicable this approach is in practice can only be witnessed in real life scenarios i.e. using the PEST analysis alongside the Paris Declaration in a recipient country.

Recommendations & Further Areas of Research

Just as the Paris Principles have found themselves to be on the receiving end of criticism, the apparent infallibility of the PEST analysis could also be questioned as well. Indeed, there are numerous variables that could result in lesser specificity in larger contexts, but it will be crucial to keep variables as specific as possible in order to gauge how differently aid must be delivered and overall perform.

A possible extension of further research could explore the transition of humanitarian aid, regardless of how short terms its efforts are, into development aid goals. Several commentators (Marzouk, 2007; Gabaudan, 2012; Kay-Fowlow, 2012, Barnczik, 2004) have agreed that a link between humanitarian relief and development assistance is essential for not only aid effectiveness, but also equips people with the ability to survive disasters and conflict as well as possess the tools that make self-resilience possible.

Conclusion

Effective aid delivery has never been without challenges and in that case of Pakistan, the country "provides an exacerbated set of examples to illustrate the gap between the rhetoric of principles and their practical implementation" (Pechayre, 2011; p13). The disconnect between principles that dictate effective aid delivery and execution of these principles in practice has produced a significant limitation within the donor community. Essentially, what *limits* aid effectiveness in any recipient country is a lack of contextual knowledge that would otherwise significantly assist in delivery that can prepare the donor community beforehand for the challenges and realities expected. By means of a PEST model, the factors that contribute to the very challenges that encourage a lack of aid effectiveness, can be recognized and explored on a level that leads to filling this existing information gap.

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