

APPENDIX FOUR

FOREIGN AID AS A GIFT RELATIONSHIP: a brief literature review for Guess Who's Coming to Dinner

Introduction

The study of the 'gift' has always been dominated by French sociology and anthropology with an interest in the role of the gift as an expression of social solidarity and cohesion that dates back to Durkheim¹. This brief literature review draws on what is available in English but notes the need to explore further the extent to which the gift has been treated as a subject in French development studies. For the purposes of this review a gift is understood as a material expression of a social relationship. It can be divided and analysed in four components, the object that is given, the chain of relationships through which the gift passes, the motives of those involved and the rules or principles governing their behaviour (Berking 1999, cited in Osteen 2002)

Aid as a gift has few friends in the world of development practice. While supporting the idea of aid, they would prefer to see it defined as something else. The liberal economist prefers to see it as an investment with long term returns and the rights-based practitioner would like it to become an entitlement. . It is curious that aid persists as a gift despite our common wish that it were not. I suggest the reasons lie in the political and ethical characteristics of the gift which are outside the domain of economics and yet are integral to development practice. Yet our common wish that aid were something else distorts and obscures those many elements of current development practice that appear to be the giving and receiving of gifts. This inadequate and distorted vision impedes our best intentions. We are not very good at aid because we have not recognised it for what it is.

In this paper I argue that by thinking of aid as a gift we may learn to better manage the shadow side and promote the positive aspects of a socially embedded relationship which is what a gift expresses.²

Current discomfort with aid as a gift

In a global market economy one set of global monetary transactions stands out by its difference. This is the giving of money from OECD countries, from governments and citizens, to the rest of the world. For many years 'aid', 'donor' and 'recipient' were the terms commonly used to describe these transactions but these are being replaced by what are considered more acceptable descriptions, so that aid becomes 'development co-operation' and donors and recipients are 'partners'. There is no single explanation for this change in language but, rather, it is symptomatic of the essential discomfort that those involved feel about the anomaly of a gift relationship in today's world. The causes of this discomfort and the implications for donor-recipient relations are the theme of this brief paper.

¹ See for example recent works such as Caillé 2000, the review M.A.U.S.S, Blanchon (date?)

² This is the argument of Caillé who proposes that the gift is sufficiently noble to overcome its shadow side and to transform war into peace.

The idea of development is of a country or region progressing through various stages until reaching the 'developed' maturity of the OECD countries. One aspect of this historical development is the evolution of a monetary economy where goods and labour are traded in markets. Gift exchange, as practised in primitive economies, was embedded in social relationships that constrained and limited the potential for individual enterprise. It is thus understood as a precursor to the development of modern capitalism and the mutation of relationships into market transactions. Today gift giving maintains a residual non-economic function in modern societies. It is therefore ironic that development, so exceptionally strongly imbued by economic thinking, is practised as a gift relationship rather than as a market transaction. It is of course for this reason that very liberal economists object to foreign aid and argue that foreign direct investment has a much greater potential to develop the recipient country than could gifts received from a development bureaucracy. Those economists more sympathetic to the idea, or making a living from the practice, argue that aid is a short term stop-gap that is, in any case, in the self-interest of the donor. It might look like a gift but it is really a market investment that brings a return through more people in the world having the wherewithal to buy the goods that the donor country produces.

The alternative, more socially oriented position, objects to aid as a gift relationship because it believes that developing countries are entitled to receive money from the richer countries. My own sympathies tend to lie in this direction. Our argument is usually couched in terms of the international human rights framework and in concepts of global citizenship. The entitlement approach to aid seeks to construct a system of global governance that manages the global economy. Based on the thinking of T.H. Marshall about the national welfare state, social global citizenship, implemented through policies of redistribution, will lead to a de-commodification of labour by decoupling the living standards of citizens from their market value. This alternative view strongly dislikes the 'shadow' side of the gift relationship and this is particularly upsetting for those working in non-governmental organisations that are seeking to promote social justice and equality: 'As in a relationship between landlord and tenant, at the centre of the donor-recipient relationship is an exchange of deference and compliance by the client in return for the patron's provision' (Crewe & Harrison, date?)

Both objections, from what we might call the right and the left³ of the aid debate (Therien, 2002) owe their origin to Enlightenment liberal thinking concerning contracts, democracy, rights and individual autonomy. The Enlightenment looked back at its pre-capitalist past and saw thick, messy and unjust relationships in which privilege and patrimony decided life's chances. In that unpleasant past value was not defined by what the market would pay but by the power of kings and priests. Wealth was not created through one's own effort but depended on a royal gift. People had no rights; they were subjects rather than citizens. Thus, development practice, as one of the most faithful adherents to the Enlightenment view of the world, is acutely discomfited with the idea that aid could be a gift. In the next section I consider further our understanding of the gift.

³ Jean-Philippe Therien (2002) argues that the right tends to see aid as charity but I would suggest that this relates to personal individual giving from a rich person to a poor person through the voluntary sector, typified by the child-sponsorship NGOs. In terms of public sector transfers the case for aid is either economic (future markets) or political (the furtherance of a country's self interest).

The return of the gift

Post-modernism and feminism have favoured the return of the gift as a subject for academic consideration. Post-modernists appreciate its ambiguity and its potential to make positivist economists feel uncomfortable. They like its capacity to create an epistemic tremor, that is to shake our convictions that we know how the world is structured (A. Callari, 2002). Feminist studies have rescued the gift from its residual function as social glue – women’s matters – in a world run according to the dictates of the market (Strathern, and ?) The gift privileges relationships over transactions.

There is no consensus as to what is a gift. While it is quite useful to think of it as something different from ‘impersonal’ market transactions on the one hand and entitlements on the other hand (Zelizer), we should be alert to identifying elements of two or even all three types of commodity transfer in any particular set of relationships. Market transactions and entitlements both contain the idea of impersonality and impartiality. The gift introduces the personal and the partial into these. For this reasons gift relationships are usually described in the terms of the personal, rather than the institutional. Godelier, for example, proposes that the act of giving must be voluntary and personal. ‘If not it immediately becomes something else, a tax, for example, or extortion.’ (1999:14). Making such a binary distinction may obscure as much as clarify. A taxpayer may feel that that part of her contribution going to an official aid programme *is* a gift in that it expresses for her the sentiment of personal and societal solidarity with people in another part of the world. Similarly, the intermediary organisation responsible for transferring the taxpayer’s contribution to the aid recipient, may encourage its staff to act both impartially (as rational, impersonal bureaucrats following procedures) and to exercise partial patronage in pursuit of the organisation’s objectives.⁴

If a gift is understood as a means of commodity exchange that is seen developmentally as the economic practice before the invention of money, its reciprocal character is emphasised. Thus, there is no such thing as a free gift. Every gift expects a return, even if the return is symbolic in character, or in the language of neo-classical economics, the giver chooses to optimise his preference for altruism. A gift understood in this way is not a gift but just a particular kind of exchange within the universal market in which all human inter-actions (transactions) take place. This view that there is no such thing as a free gift or genuine gift risks us losing some of the most illuminating aspects of the way in which commodity exchange is embedded in social relations (Mirowski 2001).

Thus there is the argument that considering the gift as a rather clumsy form of economic transaction means that we do not notice the irreducible elements of power and morality that shape the character of the gift. In other words, rather than confine our thinking to the economic paradigm, let us explore those other aspects of the gift that make a gift relationship so ambiguous and even risky. The ambiguity of the gift relationship is that it is at one and the same time one and the same time interested and disinterested (Mauss). A gift always has an intention behind it – and is therefore interested. On the other hand, if the intention is moral or sacred, then it is also disinterested. The giver sees himself as a vehicle or intermediary in the delivery of a

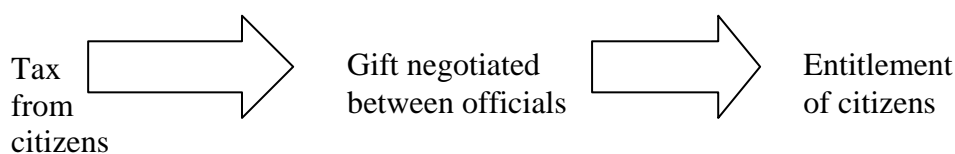
⁴In examining the role of patronage in bureaucracies Herzfield (date) assumes that patronage inside a bureaucracy is always linked to the pursuit of personal advantage but aid agencies exemplify that it can be codified and regulated as an approved organisational activity.

gift from God. Thus, the giver should not be thanked because he has no interest in the gift. When gifts are seen as sacred it is bad manners to express gratitude to the human intermediary (Appadurai). Along the same lines, a representative of a donor agency dislikes being thanked personally when authorising an aid expenditure. It implies there is a personal interest whereas the representative wishes it to be understood that he or she is, like a religious devotee, simply acting on behalf of the taxpayer.

Gifts have a further ambiguity. As an expression of the sacred and or the moral, they are a recognition of a social bond between giver and the receiver, But that same recognition can be imbued with sentiments of power and even aggression. The receiver may find himself in a position of accepting a gift which he cannot refuse⁵ (Callari, 2002, Amariglio, 2002). The gift does not only express love and friendship but hatred and resentment (Caillé 2000:263). This is what I mean by the positive and shadow side of the gift relationship⁶ This paradox is very clear in the aid relationship. No recipient government or NGO wants to be aid-dependent – and they may attribute that dependency not to their own incompetence but to the unjust way in which the powerful manage the world’s economy.

Aid as a gift

I am not proposing that we should solely understand aid as a gift. Rather that such an understanding throws light on obscure or implicit norms and patterns of organisational and individual interaction in aid relationships. It illuminates some of the paradoxes that inform the daily encounters between donors and recipients as expressed through the employees of the organisations concerned. This does not mean we should see official aid as wholly a gift relationship. It is tax at the moment it leaves the citizen in the donor country but converts to gift when it passes to the recipient and then ideally changes again as it enters the recipient’s budget and becomes a public sector entitlement for that country’s citizens. Thus, I argue that it is the gift aspect that shapes the personal encounter between the representative of the donor and the representative of the recipient.



The inherent challenges in the donor-recipient relationship have been confronted more robustly by the development NGO community than by bilateral donors (Fowler 1991, Lister 2002, Charlish et al 2003). Issues of power and racism in NGOs have been explored by Crewe and Harrison (date?), White (date?) and Goudge (2003).

⁵ Thus the Government of India has recently decided to reduce the number of countries with whom it has an aid relationship. On the one hand it is asserting its autonomy by telling some countries that it no longer wants its gifts but, on the other hand, has informed more powerful countries that it will continue to let them run aid programmes in India.

⁶ ‘But gift implies power, violence and aggression as well as affection, caring and responsibility and love (as do all schemes of social justice)’ Amariglio : 274

However, only two publications have been identified that use the 'gift' as a conceptual tool for analysing these relations.

To date Stirrat and Henkel (1997) have offered the only thorough anthropological exploration of aid as a gift. They look at how a gift of money from a private donor in the North moves through a chain of NGO relationships until it reaches its ultimate recipient. Using a classic Maussian analysis, they argue that while the money flows one way, symbolic reciprocity moves up the chain the other way. Most notably, they propose that while the gift is understood by the donor as an expression of social solidarity and the way it is given attempts to deny difference between the donor and the recipient, a gift in practice reinforces or even reinvents these differences. Steven Sampson (2002) writes in a similar vein about the chain of giving and receiving in which it is always the giver who has the power, stressing there is no such thing as a free gift.

Stirrat and Henkel disagree with Parry's proposition that anthropologists have been over-influenced by economic concepts of self-interested individuals and that the gift may have communal and sacred characteristics that cannot be reduced to this self-interest (Parry 1986). While not rejecting these other qualities of the gift, they suggest that the Maussian dyadic distinction between interest and dis-interest and that Parry insists upon, obscures the more interesting issue of the way in which the gift is transformed as it moves through the chain of relationships. It may possess different qualities in the chain. The motives of the actors and the principles governing their behaviour need to be analysed at each stage in the chain. Finally, they stress that the 'gift' in aid relations cannot be taken out of the wider context of relations of the transfer of money and other commodities.

Can there be a gift relationship between organisations?

Much of the literature on gift exchange stresses the personal (as compared with arms-length) character of a gift relationship. Is a gift relationship between two organisations an impossibility? Giving and receiving is an emotional affair. Can an organisation have emotions? Lister notes that similar questions could be asked about partnerships, citing Brown's review of social capital (Lister, 2000; Brown 1990). He argues that the stronger the personal relationship, the higher the levels of social capital available for co-operative problem solving and the more easily the gaps created by different levels of power and knowledge can be bridged. Experience and common sense tell us that more is achieved when staff in recipient and donor organisations establish personal relations of trust and symbolic reciprocity that we might see as the 'good' side of the gift relationship. Is development aid most effective when these personal relationships are established?

Who owns the gift – or who is in the driving seat?

The paradoxical and elusive nature of the gift challenges the distinction between primary ownership and possession. Osteen (2002:233 quoting Weiner) notes that it is possible to 'keep while giving'. Whereas a commodity exchanged in the market is alienable – once passed over to the other person the original owner no longer has any claims on it – a gift may never leave its owner although, through giving, it passes into the possession of the recipient.

This particular quality of the gift illuminates current anxieties in the aid world concerning 'ownership' and 'partnership'. Jerve (2002) distinguishes between ownership and partnership and defines the former as 'who decides what in the process of aid delivery'. Ownership is seen to come with responsibility. Jerve notes that NORAD has a term 'recipient responsibility' that is the same thing as recipient government ownership (394)

Ostrom's institutionalist analysis of the aid relationship posits four conditions that must be met for the aid to be owned by the recipient (what she describes as the 'beneficiary owner' (2002:12)

- Recipients need to announce a demand for aid
- Recipients need to reciprocate the aid by putting some of their own resources into the project
- Recipients must find the aid useful
- Recipients must have clear cut responsibilities and be able to participate in decisions regarding continuance or non continuance of a project

These recent reflections on ownership indicate some of the dilemmas in which donors find themselves when seeking to promote recipient country ownership. If the donor maintains most of the decision making powers he remains the owner even although the recipient is in possession of the money. In many instances, of course, the donor retains control over the financial and human resources through discrete project management. Direct budgetary transfer is thus understood as a means of enhancing recipient ownership. Nevertheless, the overall framework of conditions concerning the transfer of funds would indicate that there is multiple ownership shared between donor and recipient.

Thinking about ownership as a bundle of rights and responsibilities shared between two or more social actors is an anthropological approach to understanding the aid relationship⁷. It is because development practice is so strongly influenced by neo-classical economics that the idea of multiple, fragmented ownership has been so difficult to grasp. Economics understands ownership as complete and autonomous, related to just one individual or an incorporated individual. On the other hand, if we think about ownership of any decision/property as a variable bundle of rights and responsibilities between the various concerned parties then the donor anxiety about who is in the driving seat disappears. There are many drivers, not one. The challenge is that they have to agree as to the direction they wish to travel.

The gift in unequal relationships

What about the 'power element' in a concept of multiple ownership? Abugre understands partnership multiple ownership, as for example in a firm of lawyers or accountants, but argues that, despite donors' enthusiasm for the term, the aid relationship is not one of partnership but of patronage. He proposes that the asymmetrical power relations should be recognised and used as a basis for constructing a framework based on solidarity. Although he does not use the term, this

⁷ See Hann (1996:453) quoting Gluckman (1965:45) 'ownership cannot be absolute for the critical thing about property is the role that it plays in the nexus of relationships'. Hann adds that concepts of ownership must be related to ideologies of distribution and sharing, and supplemented by analyses not just of position in the status hierarchy but of control and power.

might imply a transparent gift-relationship ‘recognising a shared ideology and values’. (Abugre, 1999)

While much of the recent discussion emphasises the element of power in the gift relationship, there is not much that specifically explores the theme in terms of patron-client relations. The categories patron-client are usually used to describe two participants in particular type of political relationship where the patron is more powerful, of higher status and with more material resources. In classic anthropological treatises such as Maquet’s analysis of pre-colonial Rwanda, the patronage system is understood as a system of reciprocity which brings mutual advantages to both parties (Maquet:1961) . Marxist critiques saw this argument as a means of obscuring relations of exploitation that were an outcome and a means for maintaining structural inequality. Wood’s recent analysis of clientelism in Bangladesh pursues such an argument, proposing that the high levels of uncertainty experienced by poor people locks them into exchanging autonomy and voice for livelihood security In these circumstances, he argues, the relationship requires a loyalty to the patron that constrains the possibilities for the construction of a democratic and accountable state. (Wood:2003). Once again, reciprocity is seen as fundamental to the relationship

The flow of material gifts without equality of reciprocity is explored by Yinxiang Yan (2002) who compares the Indian situation where goods flow down from higher to lower status people and in China where they go the other way. In either case, a material return is not expected and therefore, argues the author, this cannot be seen as gift relationship because in the latter like is exchanged for like. In India, following Parry’s argument (1986) the recipient of lower status is denied the right to return the gift so as to confirm the power and the prestige of the giver. In China the recipient is of higher status and the receipt of material goods confirms that status. This comparison between the two countries is an encouragement to explore the significance of gifts between equals and unequals in Bangladesh and Bolivia.

Clientelism is commonly understood in development practice as undermining the impartial and democratically accountable state despite a growing literature that argues that this idealised view of the state ignores the existence of patron-client relations in the public bureaucracies of ‘developed’ countries (Herzfeld, Mitchell). So far little appears to have been published on viewing a donor bureaucracy as patron rather than as impartial, rule-bound agent.

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