

CHAPTER 2

CONCEPTUAL FRAMEWORK AND LITERATURE REVIEW

Foreign aid is actually political performance, not just economical action.¹ Aid is a tool for donor to reach donor's goal and can get people's agreement on them by good reason such as humanistic concept or other, that conceals political aim, and financial concept that help international trade unbalance.² The other way, foreign aid plays a part of function as a nation's policy manifestation to public and the world. It can say that trade and direct investment flow will show an important private sector's effort in international contention and, the other way, economic assistance takes a role to show governments' commitment. Economic assistance is the tool to take part in international society.³ Overseas Development Assistant (ODA) is the assistance for development, but it is based official finance source from tax and post-office saving, it is not same as voluntary activity. Thus in aid action, donors are to seek their national interest.⁴ For common being ideology, on the other hand, it can say that foreign aid is people's duty to participate with world.⁵ Although, Tanaka (1995) points out that this concern is less discussed in aid performance and may be to focus on the role of aid that is world distribution of fairness for the more from the view of that is a kind of income transfer from developed nation to underdeveloped nation. This structure forms aid action, which reflect donor's political ideology and play role as a strategic tool, brought impact on diplomatic affairs under international relations.⁶

Through times, economic assistance has been developed under bilateral governmentalism and relevant actors competitively handled it to seek national interest. Bilateral ODA still performs as a main role of foreign aid by sharing large part of total ODA budget in DAC members, even though multilateral aid system stands getting influential in the world. Historically, economic assistance had been handled on zero-

¹ Dennis, T. Yasutomo.:_Watanabe Akio(Tr), *Senryaku enjo to nihon gaikou* , (Tokyo : Dobunkan,1989), p.3 (Dennis, T. Yasutomo. (1986). *The Manner of Giving ; Strategic Aid and Japanese Foreign Policy*:D.C. Health and Company,)

² Urano, Tatsuo. *Kokusaikyoryoku/ regime/ enjo*. (Tokyo : Nansousha, 1997) .p.142

³ Dennis, T. Yasutomo. *The Manner of Giving ; Strategic Aid and Japanese Foreign Policy*: (D.C. Health and Company, translated by Watanabe Akiko. *Senryaku enjo to nihon gaikou*. Tokyo: Dobunkan, 1986), p.65.

⁴ Tanaka, Yoshiaki. *Enjotoiu gaikou senryaku*. (Tokyo : Asahishinbunsha. 1995), p. 224.

⁵ Ibid.

⁶ Ibid.

sum game whatever frame it shaped. In 1960s it emerged as a political tool that shows nation power or it had took form into peace strategy for the policy of constructive contribution for detentes since 1970s. Urano (1997) noted that after all, economic assistance has to be non-zero sum game. As one of new trends, he observed that ODA developed new global policy to flow aid to some small countries since 1980s. Concept is that ODA has to work for global contribution as a government's diplomatic tool under civil observation. Foreign aid was charged for diplomacy means. Thus it is assumed to be the strategic tool and what the more, charged for a task as the property owned world community. In this context, Urano (1997) refers that to handle aid may bring to realize the forceless influence, that don't depend on nation's military force and economic power. So it may act on non-zero sum game and the enlightened interest, described as pacifism or philanthropism, and it mightn't be concerned as economic power enforcement.⁷ So, it needs donor people's agreement that can symbolize for national interest as though aid is performance of economic means of nation power.⁸ Besides, foreign aid that holds functions in both of for world contribution and for diplomacy means is managed into donor's definite aid policy and implementation according with recipient's development policy. Thus, to understand the whole shape of ODA is not easy because ODA contains complicated mechanism of operation and mean. Moreover, the new trend emerged since 1980 that pushed to participation of divers actors into governments' producing aid action, such as local government, NGO, NPO and small action groups⁹ This pluralistic participation help ODA conceiving more complicated. To be added, ODA initiated the measure to operate performance by some definite concepts such as good governance.

These complicated and sought intention in ODA performance shape the whole of ODA and affect on people's views on ODA. It brought discussion on ODA by concerning from various angles. The contradictory views have been developed over the role of the foreign aid. The first is the view generally adopted by major official aid agencies, bilateral as well as multilateral. In this view, foreign aid is regarded as a supporting mechanism to promote and advance capitalism and other social development in backward regions. This perspective generally assumes that the mass of people are living in a poor and static conditions in underdeveloped regions, and the role of foreign aid is basically to offer materials, means, incentives, and benevolent prods to get things moving. The second view on the role of foreign aid is a criticism of the first views. The value of foreign aid as mechanism for development is questioned, particularly by some scholars, and recently by some groups of social scientists. In this view, foreign aid is seen as an instrument of advanced economies and

⁷ Urano, Tatsuo. *Kokusaikyouyoku/ regime/ enjo*. (Tokyo : Nansousha. 1997), p.66-67

⁸ Ibid., p138.

⁹ Ibid., p 69.

powerful states to direct and dominate courses of development and affairs of less-development regions in service to long-term interests of aid-giving nations. Thus, foreign aid is conceived in this general perspective as a mechanism of control rather than a mechanism for development. In recent literatures, some empirical analyses have contradicted the view that foreign aid represents a form of disinterested international munificence. For instance, in comprehensive reviews of studies on the effects of foreign investments and aid, Borschier conducted that foreign investments and aid induced cumulative long-term negative inequality within underdeveloped countries. In addition, the review concluded that such negative effects held independent of geographic areas. The contradictory views on the role of foreign aid in modern history has crystallized into major and continuing debate between different groups of social scientists holding different perspectives on development.

Adding to it, another discussion still has been developed on foreign aid. It is about the criteria for the way to measure foreign aid's effectiveness. Foreign aid effectiveness has been measured by various criteria. Though criteria is the key to outcome of foreign aid effectiveness and then also affect on to conceive ODA, what proper criteria might be applied to estimate effectiveness to each project is still on discussion. Some studies, therefore, are operated without concerning question of the properness of criteria and steps to bring some analyses and arrive at their findings on foreign aid. Then that kind of study brought conclusions by basing on criteria without any wonder for criteria's suitability or capability to introduce conclusion. Depend on what criteria they use to estimate effectiveness of project, deferent outcomes are brought as a result. Moreover, criteria's validity may have been seen at what foreign aid aims for and effects for or what value foreign aid has for what. Following points can help to frame the criteria so as to major foreign aid's effectiveness by comprehensive understanding of a foreign aid.

2.1. Foreign aid and strategy

2.1.1 Politics and economy

Economic assistance, or foreign aid, is carried out for development, and at the same time it stands on diverse concerning and complicated mechanism for relate actors to seek benefit from to operate ODA. Though ODA tend to be studied simple viewed from development angle or from critically focus on donor's economic purpose, then Urano (1997) points out that economic assistance is sure to be economic phenomenon but this approach isn't enough to clarify the whole of it. Thus, discussion on political strategy can help us to understand aid action and should examine political

function by relating donor's foreign policy.¹⁰ We may say that foreign aid for development sets donors to reach goal of their political strategy, that is also done under the name of the support for Third world's development. Norl describe following that the political and military merits by giving aid assistance are 1) Being the tool to contend political effort against opponent countries. It is to get and keep relation with military allies and divide rival ally. 2) It may help to keep friendship with abroad. 3) It can support political and military factors by holding target government, which suffers economic, domestic and foreign pressure. 4) It can help to keep recipient's military security, 5) Presence of government concerns on poverty issue in the world can make favorable image as a donor country. 6) For third world, it makes a political commitment.¹¹ To be added, he refers to the politic and the strategic merit in long-term span, too. Economic development sustains recipient's political stability, which effectively strengthen resistance against foreign offence. Better economical condition for recipients can make their attitude turn to be more stable and peaceful from destroy and bellicose. At last, recipient's economic development will realize to structure world system and policy in favorite environment.¹² Foreign aid is strategic tool to bring merit to donors. It is not just development assistance for recipient, it is also donor's performance in order to take their action into their own interest.

Beside, Tanaka (1995) overviews foreign aid through times and noted that we could find the foreign aid worked for in the form of subsidy on the stage of international relations since modern times, especially for military force assistance. At beginning of the 19th, traditional finance support system collapsed and this finance cooperation between monarchs turned to inefficient diplomatic strategy for getting allocation and friendly neutrality following. International finance of foreign loan and foreign exchange replaced it as main foreign assistance between nations and became the tool for political goal. While support system has been developed with international relation's change, their aim is continually to seek political interest through aid performance and, in recent years we can still find both of means. Tanaka shows simple example of the first one, being subsidy for force assistance, has been still founded at some forms. That is foreign aid under the cold-war. U.S. support as the cooperation for security is of the subsidy, that took form of grant aid and economic support assistance. Other, referring the last one, which is of financial mechanism, it was seen as general economic assistance. One of them was, for example, G7's economic assistance to Russia in the last of the 1980s, which strategically implemented foreign aid by the aim to impact on domestic political balance. The point is that foreign aid's essential aim has not been changed since its initiation and has impacted to diplomatic efficient in

¹⁰ Urano (1997), P.63.

¹¹ Klaus Knorr, *The power of Nations: The political Economy f International Relations*(New York: Basic Books, 1975), pp.169-170.

¹² Ibid., p.170

international relations. He goes on to describe that as foreign aid effect following three factors may be noted as political tool: (1) build up diplomatic presence to recipient (2) getting friendship and facilities (3) present authority so as to improve international situation. To be concrete, during the cold-war, economic assistance competition between China and Russia showed typical case of the first one. Their assistance for infrastructure construction in Africa aimed at to present their nation power, but at last their effort did not effective fruit and turned to the obstacle to be said the white elephant. The second one seeks of donors to get recipient's concession and facilities as to reward of donor's assistance. One of success cases is Korea and West German impacted on Russia's diplomatic policy, as though it is debatable because economic assistance is proper precondition on friendly and cooperative relation between two nations, which is different from force assistance. Other, Beijing and Taipei competed using aid tool to small countries in the South Oceania so as to get diplomatic acceptance. Through aid implementation, donors try to realize their ideal world, intending to achieve detente, free and pluralistic world or the class-less world, and it became the tool of cold war. As cases showed above, he refers that we can see businesslike trade in aid performance for diplomatic condition. This is based give-take relations and bargaining between nations through aid.¹³

2.1.2 Inclination of Aid Performance

Aid performance as being political performance can mark features by forming inclined outputs and operate economic or political sanction in aid performance. Regarding aid inclination, Tanaka noted that during cold-war, to carry out foreign aid had been based on strategic concerns or ideology more than to tackle recipients' economical difficulty. Donors gave strategically priority to important countries and areas to them and they distributed their aid to them more than poorest countries much. Regarding area of aid distribution, it shows that poorest countries or large number of people countries have less enough chance to get aid. This situation is known as the aid inclination toward middle-income countries or the nation power. The inclination of aid distribution for middle-income countries shows typical feature that aid scale will raise scale larger as countries' income rises more, even though poorest countries require foreign aid more than middle income countries. It is because that donors carries out foreign aid to important countries with strategic priority and tend to distribute their aid to the middle income countries because of getting more high economic aid performance and achievement of more smooth implementation than low-income countries.¹⁴ Tanaka cites explanation of Paul Isenman, the America

¹³ Tanaka (1995),a. p.224-233

¹⁴ Ibid., p202

International Development Agency, about inclination mechanism that the middle – income country easy to get aid. He points out three points as follows. (1) Economic efficiency from aid performance in recipient countries. Donors concern that favorite economies will possible to bring efficient result of economic assistance better than low developing countries. (2) The more high-income countries require foreign aid the larger. These countries need cost of salary and outlay for economic development much more than under-development countries. (3) Recipient’s ability for effective aid usage. Low development countries have less ability to effective use of aid. That is way they are lack of social infrastructure, low-level technique, scarcity of competition power, weaken administrate system, and lack of human resource in project design, construct and management.(4)The higher-income countries are the more important to donors in term of politic and economic. The middle-income countries are tied to donor thorough trade and investment stronger and deeper than with low developing countries. This inclination is not just post cold-war phenomenon but also can be seen in aid history all the time. Besides, another feature is seen in the nation scale inclination. Nation of which the smaller number people tend to get aid budget the larger. Tanaka cites two scholars’ concerning points, Dowling (ADB) and Heaments, Keal Internatilnal economic study institute. At first, it is for this reason that aid program bases on nation unit, not on proportion of population scale. Each country proposes their aid request and at ends, small-scale countries tend to get lots of aid. Secondly, aid program’s effect to political and economical one in the more population brings the less interest. Therefore, it doesn’t let donor motivate to increase aid more than that. Thirdly, These countries hold administrative and technical problems and it disturbs to make effective use of aid.¹⁵ These are motivations to bring inclined distribution in aid performance for development under political strategy.

2.2 Foreign aid as diplomatic presence

As seen above, donors strategically utilize foreign aid as a part of diplomatic policy under the concept of the development for recipient.¹⁶ It is evident that these actions are promoted with motivation to keep friendship, if recipient is not under relation to depend on donor or if they are in un-favorite relation. Donor seeks the way to tie friendship with these countries through aid.¹⁷ Regarding diplomatic presence, Tanaka, however, point out considerable view on it. Just because aid brings some effect for diplomatic presence, it doesn’t follow that the aid is strategic tool for diplomacy by itself. That is to say whether aid keeps confident regulations and

¹⁵ Tanaka (1995) a. p207

¹⁶ Ibid., p235-241

¹⁷ Urano. (1997). p139.

criteria in implementation is important to make different between them. The first point to notice is how a donor keeps aid performance to each recipient with strong tied relation when recipient government met international critic to domestic problems such as un-humanistic incident. If a donor eager to tie friendship with the government by carrying out aid, donor has danger to bring double standard. The second is how treat to rampant of recipient's political violence. It may antagonize opposite political power to current political power in domestic affairs.¹⁸ Therefore, donors should describe their own ideal world in aid policy, because it needs donor's original policy for development assistance, not political manifest. Foreign aid has authority to control recipient government policy in actuary and then it brings effect on more than goal for development. Then, question is brought whether donor's action should be applied at the interference into domestic affairs. The principle of interference of domestic affairs is obligation of neighboring nations or international organizations over individual right, which is nation sovereignty over neighboring nations. It prohibits compelling domestic affairs treating by suggesting disadvantage condition such as some preventing in diplomacy or trade affairs. Here, the meaning of domestic affairs doesn't target on just matter regulated by general international law or treaty. So, it may treat in alternative. Issues that are concerned as domestic affairs as ever, turned to attract international concerns in facing on move of international affairs changing. The principle of interference into domestic affairs, of course, doesn't include obligation to free un-humanistic action or an offence against general international law or treaty. In these cases, it should give priority to universal values like human right and require active interference in order to keep international order, not recommend to be an observer.¹⁹ Anyway, without any concept, foreign aid turns to be only money distributing system.

Intervention to domestic matters

As referring performance for development, ODA treats from grand assistance of Basic Human Needs to loans for economic infrastructure. Anyway it is no way to suspect the goal is for recipient's development by self-help. In other words, it' goal is to realize the right development by keeping Basic Human Needs as main concept. Besides, it also aims to realize certain security of human right containing freedom right, or economic right. To realize the right of development, ODA carry out its effect by two ways. In the case that ODA was used for depressing democracy or keeping despotic government or enlarged economic difference between poor and rich, ODA should reform to carry out by point of to realize the fair development right. The first one is way to stop ODA implementation at to face situation that recipient didn't follow to donors' advises for using ODA. The second one is that after discussing

¹⁸ Tanaka (1995) a, p235-241

¹⁹ Taya, Chikako. *ODA to kankyōu/ jinken*. (Tokyo : Yuuhikaku.1994), p.152.

remedy in international forum, recipient gets the recommendation. Donors will stop their ODA to recipient that don't follow their recommendation. The latter aims to secure social and economic right and to apply the right of NGO or individual by submitting to the committee of social right and to seek idea to reform ODA by their thinking. It is an case to stop ODA after Tiang Men incident in China for a while. Following donor's concerning, donors handle ODA performance. Positive sanction can be seen, that offers what recipient want in due to let recipient continue to act which have been welcomed to donor and to encourage to change the act which are not welcomed to donors.²⁰ On the other hand, it is just still in idea to stop ODA, which corresponds to donors' advise for recipient to reform their ODA operation; economic and social right and individual requirement right to international bodies.²¹ Anyway, still now we can see ODA treats only in to take care of basic human right and secure freedom to nation's violating.

As regarding political and economical sanction in aid performance, Taya point out as following. It is questionable that whether donor's advise for recipient to reform ODA usage or to improvement for human right condition may have utility or not. It is suspected whether donor's advise for reform may actually effect to solve poverty or human right security as a result, not means that thread of suspending ODA can control recipient's action directly. There are two points to discuss that ODA usage became the conditionally in giving process of ODA by itself, as whether it effects to grass-root people and lead to solve poverty or not. Another one is that how treat domestic issues of recipient, that is not direct issues of ODA, such as invading issues of human right²² To prevent ODA make use of recipient lost their face at international and domestic if it is large scale. Diplomat pressure to recipient is use for betterment human right of recipient as a shock treatment for short time. The other way, to stop ODA because of invasion of human right don't come to encourage recipient's positive action such as bring grass-root democracy or eliminate thing obstacle it. These condition in process of ODA limit to effect to aim for diplomacy. Adding, preventing ODA for long time may come to opposite outcome worse than lost government's face.²³ It can say that in case of ODA effect for poverty, development for grass-root democracy or economic development by themselves, continual implementation of ODA can encourage secure human right, as if it doesn't help for steady social bodies of despotic government, economic exploitation or invading freedom right. To stop for short time may effect on the aim of require policy change to recipient, but as for long time, it is not suitable. The mean of aid prevent pushes

²⁰ Kojima, Akira. *Towareru nippon no taiou*. In Nakanishi, Terumasa(ed.), *Asia ha dou Kawaruka* (1993). (Tokyo: Nipponkeizai shinbunsha), pp.362-275.Kojima in Nakanishi p 369)

²¹ Taya (1994), p.144-145.

²² *Ibid.*, p.147.

²³ *Ibid.*, p.149.

people in trouble, who should get aid benefit actually, more than making recipient's face lost and that is not goal of aid.²⁴

Whether to condition in ODA implementation is interference into domestic affair is based in on reasonable and objective frame of international law.²⁵ It is worth mentioned in passing that humanitarian interference and good governance is rose in aid concept since the 1990s as new movement in aid performance. Humanitarian interference is a kind of assistance which aims for human protection against domestic affairs, but at same time question are cautiously discussed on whether it is defiance of non-interference principle against domestic politics and on the conditionally to accept international interference.²⁶ International law has set the basic rule of non-interference by reflecting various cases through times. Humanitarian interference has ever abused its efficiency by making use of pretext, as though with their actual goals concealed, some of that are for religion protection or strong nation's intervention to weaken countries. We can say that humanitarian interference in recently marks some amendment movement on non-interference principle. On the other side, developing countries, however, moved to reject international interference into domestic affairs, such as human right violence, by strongly insist on the non-interference basic rule. On the other side, although non-interference principle requires precondition of political independence, it means not only traditional concept of national sovereignty, that free from abroad' political occupation. But also it means to keep people's political freedom. So, to support people under improper situation lead to construct precondition, because strong authoritative control disturbs people carrying out their political freedom. It is reason that they can require abroad assistance with domestic affairs by forceless way to push their political independence.²⁷ Besides, Taya refers that whether interference or not is on case by case. That ODA condition on facing to government's heavy invasion of freedom or betterment of human right is not interference into domestic affairs because authoritarian government's freedom invasion bring to obstruct of grass-root democracy develop. It also can say that ODA prevention for long term may be concerned to be interference into domestic affairs because its aim is over.²⁸ To condition better secure of economic and social right, which is direct goal of ODA, is not interference in domestic affairs. It is the way to stop ODA in facing recipient don't correspond donor's advise of ODA usage for using to encourage self-help economy as though between recipient and donor have common concerning on ODA that is for development of people's life or reform of human right.

²⁴ Ibid., p.150.

²⁵ Ibid., p.155.

²⁶ Tanaka, Yoshiaki.(1995), b. *Enjo toiu gaikousenryaku*. (Tokyo : Asahishinbunsha. Anaka), p.199.

²⁷ Ibid., p. 201.

²⁸ Taya (1994), p.156

Donor's require of recipient to order is not donor's compel action to recipient because of their common sense.²⁹

Governance

Here, governance is concerned in aid performance by corresponding with participatory development. The concept of governance is characterized into two categories of political factor and economical one. The former implies political system. It may bring efficient and fairness use of economical and social resource. The latter objects the means to carry out authority so as to reach the goal under political system. To be concretely, the former treats political issues, such as human right or development of democratization, and the latter treats administration system and law as to operate efficient development project. Therefore participatory development is a key factor to achieve the goal for development with above concepts.³⁰ Discussion on governance has been rose by DAC of OECD.³¹ DAC paid attention to it at the policy statement in "development cooperation in 1990s" in 1989. It stressed concepts of sustainable development, environment issues and participate development as most important concept in development cooperation. Discussion on governance backgrounds the change of world power balance and donors have changed concerns of economic development assistance to developing countries since end of cold war and historical development assistance strategy since 1950s. Then under world-wide political movement of democracy and economical freedoms and market economy, "participation" became to stay as key point. Since turning point of international situation at the end of cold war, aid concerns for strategy under cold war has no meaning and to let aid for keeping security was not reasonable to donors as ever. Adding, recipients turned to suspect foreign aid's effect because of recipients' economic stagnation contrary to aid goal and started to keep hard watch it. At donor side, donors' competing in aid giving became slow down and public opinion has rose whether aid does work useful or should put priority to another internal issues like economic and social improvement more than aid for abroad. Under these situations, donors require to make use of aid with more effective and efficient to suit goal of developing countries' development. It stressed recipient's ability to utilize aid the most and people requiring aid gets effect as much as possible. In order to utilize aid with more effective and efficient and to make people understand aid, foreign aid was concerned to effect on political reform to human right protection or encouraging

²⁹ Ibid., p.157.

³⁰ Kanna, Takahiro.(1997,). Kokuren to takakugaikou. In W. Akio(ed.), *Gendainippon no kokusaiseisaku* (Tokyo: Yuuhihaku), p.133.

³¹ Shiratori, Masaki.(1998). *Kaihatsuenjo no seijikeizaigasku.* (Tokyo: Touyoukeizaishinpousha.), p.137-138. WB introduced the term "Governance" into cooperation for development in 1989 and then it was generalized. World Bank's concept is not same as DAC's and they set restriction to the meaning, which don't tackle on political issues though DAC's defined term covers intervention to both side of governance. IDA, IFC and MIGA are same condition as WB.

democracy more. It has not seen under cold war situation because it was concerned as intervention in the domestic affairs of another country. After the end of cold war, donors began to recognize that donors should intervene recipient's policy and implementation system as an aid's precondition. Since 1990, western countries began to promote liberalism and democracy principles. They insist to reach sustainable development and social fairness require democracy of plural party system and market economy and these are concerned to be important factor of giving aid.³²

Global governance is defined as following. Governance is concept of diverse actors like individual and organization or public and private to deal common issues in the world. It works to coordinate their varied interests from opposite or different points and deal to cooperate between them. Here, it stresses importance of public organization and system so as to compel the role noted above and to control cooperation between them. Non-official frames also attract great importance, which can let people and organization take attention together or reach common consensus. Watanabe refers that following points can explain about this concept and help to guide proper understand as well. At first, though UN or modern international law take stayed to be standard for the sovereign state to tackle various issues, but to tackle world issues on human safety and sovereign state, their way are not enough to cover the issues. Sovereign state takes the priority, but it should be re-concerned. Secondly, global governance is motivated to organize various actors' participation, such as NGO, NPO, civilian organization or international company as bodies for world issues. Then it set them at center body to take responsibility and active. Third, global governance is alternative process to keep interdependent relations between diverse bodies to treat world- wide issues. It, however, should be noted that it doesn't mean the same as the world-government and the world- state. Global governance may be said to be concept that bases on principles of the subsidiary and the division of labor, because it let diverse actors bring into unit power. We can say the background that utilizes these diverse bodies at non-nation level was of development of civil society and democracy. By democracy spread, people require national and another bodies to keep the governance three basic roles, which are concession, clearness of decision-making and accountability. Development of civil society in each country pushed general people to pay attention and responsibility to world-wide issues.³³

People participate at various levels: local participation at the grassroots level in an activity of common interest; participation in groups and movements which form part of "civil society" and constitute intermediary organizations between the individual and the state; participation in the political life of the country. At the local level, participation in an aid context may range from consultation on a particular issue,

³² Shiratori (1998), p.135-137.

³³ Kanna (1997), p.202.

involvement in delivery of a service or implementation of an activity, up to full decision-making where aid is given in support of a local initiative. A variety of grassroots movements and NGO have set useful examples on how to approach participatory development.³⁴ Small scale, local, and grass-root development may be success by community approach or people approach, not country approach. It means that individual is target recipient. It works for construct closed network and correspond to people's requirement.³⁵ WB defined that participatory development is realization of good governance in grass-root level. Factors, which need for government's efficiency at nation level with keeping clearness and responsibility, are also said at same of grass-root level. And then getting participation at grass-root level reflects peoples' opinion in wide range and then leads to improve public section. At project loan, WB require recipient countries to let local people and NGO that will be affected by project to participate in project's designing and implementing as well.³⁶

2.3 Diverse actors

Nation power became limit its influence inside territory and need to seek new way to treat issues, impacted from abroad under border-less international condition, for example, security, economic conflict, population and environment issues. Then, to tackle these new common issues of the world have raised that should try to seek alternative form through NGO, international corporations, international bodies or diverse civil bodies. It means that divers actors play their role to substitute for nation bodies and started to get involve to nation.³⁷ Here, aid policy formed diplomatic policy had turned to be the means to encourage ties between individuals, nations and cultures closed with new world movement. Oshimura (1997) then mentioned that after cold war international relations made change to both the narrow and the wide sense of diplomacy supplemented each other. The narrow or traditional sense of diplomacy stressed power game between the specific countries. It should valid if only that nations' relation are tied at official mission's exchanging level and no other way are set to form international relations, or that the war control is diplomatic policy's goal. To be added, wide sense of diplomacy covers wider than the former concept because diplomatic standpoint has changed by diverse factors of new movement such as U.N. emergence, shuttle diplomacy, economic interdependence, cultural exchanges at various level, civil power's rising and concerning world-wide issues. Wide sense of diplomacy covers concepts "multiple communication" and

³⁴ OECD. (1995), *Participatory Development and Good Governance*. p.8-11

³⁵ Taya. (1994), p.67.

³⁶ Shiratori (1989), p.138-139.

³⁷ Jon, Kyoua.; Chiikishugi to kokuminkokka. In Takada, Kazuo(ed), *Kokusaikankei*.....Tokyo, p. 174.

“foreign culture connection” adding it and also various actors are existed in the concept, like diplomatic organizations, civilian bodies such as privates, university, citizens and NGO. It should be discussed on diplomatic policy making because it aims international cooperation, regime construction, environment conservation, human right protection and cultural connection in the world that economic border have changed, people’s communication became animated, exists various channels besides official missions.³⁸ After all, authority decentralization intends to raise aid project efficiency and then civil participation is set for supplement of ODA projects. In a word, it can reach effective economic assistance by mutual cooperation between government bodies and community at civil level.³⁹ Decentralization and the creation or strengthening of responsive and effective local government structures, with authority over all or part of revenue from local taxation, are increasingly seen as important elements of participation.⁴⁰

2.4 Participatory development

In the OECD and the DAC, the concept of “participatory development” has broad scope and significance, as expressed in the Policy Statement on Development Co-operation in the 1990s, and the communiqués of the 1991 OECD Ministry Council and the 1990 and 1991 DAC High Level Meetings. In particular, DAC Members stated their intention to work with their developing country partners in the areas of human resources development, with priority for programs providing affordable, effective and sustainable services for education, training and health for the masses of the people, with equal access for women; and, to take distributional factors adequately into account in structural adjustment and related policy reform efforts. John Freadman who raised concepts of empowerment and alternative development, noted that to treat poverty issue might require for the poor to access to resources and to get their power in process of decision because systematically they were deprived their power.⁴¹ In this sense, participatory development is directly linked to goal for equity.⁴² Following, they framed and stated their common consensus on “principles and approaches” and “areas for action” at statement in “development co-operation efforts

³⁸ Oshimura, Kou. ; *Rekishi/ bunmei to gaikou*. In W. Akio(ed.), *Gendainippon no kokusaiseisaku*, (Tokyo: Yuuhikaku, 1997), p.223-224.

³⁹ Urano (1997), p.190.

⁴⁰ OECD. (1995), p.8-11

⁴¹ Urano (1997), p.189.

⁴² OECD. (1995), p.8-9.

in commission in 1995".⁴³ On this framework, they stress the linkages among good governance, participatory development, human rights and democratization. Regarding participatory, or what is sometimes referred to as popular participation, may be defined as a process by which people take an active and influential hand in shaping decisions that affect their lives⁴⁴ and they consider as following. Participatory development is the essential for at least two reasons: a) it strengthens civil society and the economy by empowering groups, communities and organizations to negotiate with institutions and bureaucracies, thus influencing public policy and providing a check on the power of government; and b) it enhances the efficiency, effectiveness and sustainability of development programs. Though they have ever discussed since before, it didn't come out to public. It became new trying in the year.⁴⁵ We can say that in this context, participatory development replaced to seek time-efficiency as before. It encourages the largest number of people's participation, especially in process of decision for development project, and people's receive of economic development interest, which means realization of fair income distribution, democracy system and regard human right and then role of civil level groups is regarded. In a word, it attaches greater importance to authority decentralization principle, role of local government and civil action groups or regional society with private section and market mechanism. Top-down management system for development project turned to bottom-up type of development which needs participation at grass-root. Moreover, in 1992, UNCED stated civil participation in the global partnership for environment and development. This new movement directs international development cooperation for 21st century by the life base development.⁴⁶

Official initiative development sometimes fixes and targets actual recipient in definite social class and region at end. It brought problems that made social and economical deference in social classes, gender gap, regional gap, gap between town and local, impossible to tackle and lead them into more serious problems. It got less efficient and less sustainability in development project. Participatory development concept is to encourage regional social participation to tackle these problems.⁴⁷ It can say that participation approach required local initiative in ODA project.⁴⁸ On the donor side, procedures of project can constrain participation. Past project had obstacle to the flexible support. Concerned administrators for development projects are not always convinced about the relevance and implications of encouraging participatory approaches. "Getting things done" and funds disbursed

⁴³ Ibid.

⁴⁴ Ibid., p.5.

⁴⁵ Ibid., p.8-11

⁴⁶ Urano (1997), p.132.

⁴⁷ Shiratori (1989), p.138-139.

⁴⁸ Urano (1997), p.148.

often outweigh other considerations, and work against participatory development.⁴⁹ In an aid context, recipient governments not infrequently have reservations, which severely limit the effective impact of these approaches.⁵⁰ Shunaidar noted sales point of grass-root assistance as following. Generally, fund for development assistance are distributed into three sectors at government, industrial and civil society. It can be concluded that civil society like is most appreciate sector for encourage the human centered development project. That is why they well understand recipients' require through local activities. Strong civil society is indispensable factors for construct wholesome nation. In nation's formation process for democracy, civil participation can unite them strong and have willing of common sense. Whereas, since ever, fund of development project have been used for large scale projects like dams, facilities of high education, metropolitan and large hospital. These projects, however, tend to make limit benefit for actual recipient and flow to people at specific social status, not general people. Civil society like NGO covers variety of activities in wide range, which tackle environmental problem, family plan, human right and so on. Their voluntary acts are basically out of government administrative system and political interest and can save operational cost smaller than budget of government projects.⁵¹

It is, however, true that participatory development is in some risks attended in. The concepts underlying participatory development have been on the development co-operation agenda for many years but practice has proved difficult.⁵² It doesn't mean that grass-root assistance bring to recipients merit only. Many cases are overviewed that impacts some minus effect on, too. World Bank or international organizations' assistance marked some minus impact. In programs larger than general NGO activity, official support to NGO made them effortless as though their activity made effort to their independent and small project as usual. It may bring their development system "bottom up" to turn to "top down"⁵³ Besides, it can say that NGO or local civilian bodies are not all spokesman for actual recipients. Moreover, in many developing countries, there is a problem on the status of NGOs (human rights groups, women's unions), including formalities for their registration and obstacles to receiving external support. The latter point is of particular importance for groups in poor

⁴⁹ OECD. (1995), p. 8-9.

⁵⁰ Ibid.

⁵¹ Berutoran, Shunaida. *Kokusaienjo no genkai*. (Tasogawa, Hiroshi (tr.), Tokyo: Asahishinbunsha.1996), p.93-94.

⁵² OECD. (1995), p. 8-9.

⁵³ Sasanami, Hidehiko.; Chihoureberudeno shakaikaihatsu. (In Nishikawa Jun, *Shakaikaihatsu*, Tokyo: Yuuhikaku.1997), .P.35.

Each government surveyed ODA effect to assistance for Negros people in Philippines at sugar price slump, which targeted NGOs. It was founded that recipient of NGOs mostly are under great influence of direct control of landowner. Therefor, ODA turned to enrich landowners and the ruling classes and enlarged economic deference between poverty and rich .in some cases as conversing to goal.

countries.⁵⁴ Then it leaves problem that gets cost higher by their participate from beginning process stage at project's identification and preparation. As though there are these risks, promoting their participation in project's preparation and implementation are concerned to bring more interest than above risk participation at last.⁵⁵ Participation is no panacea and intended beneficiaries do not always participate in the way that development agencies would like them to. Reasons include the "opportunity cost" of participation, especially for the poor and women, and the perceived risk that social conflicts which are latent in many communities may come out in the open.⁵⁶

Although there are matters to be discussed, OECD supposes their ideal participation. The donor community can encourage participatory development both in the long term by working toward "education for all" and the emergence of a vigorous civil society, and in the short term, through the design and implementation of aid programs and projects. Translating participation objects into reality calls for changes in attitudes and practices concerning the way activities are conceived, designed, financed, and timed. Examples of how participatory approaches can be assisted are; Supporting intermediary organizations, such as interest and professional associations, women's organizations, consumer groups and trade unions, and encouraging governments to develop adequate mechanisms to include them in the policy-making process through representation on boards or in advisory structures.⁵⁷ Supporting grassroots organizations, such as village groups, and their networking beyond the local level; support may require special flexibility, such as having more "open" initial phases to enable intended beneficiaries to elaborate their own development activities; not earmarking all funds in advance, so as to match needs as they occur; Involving all project stake-holders in program design, implementation, monitoring and evaluation, including the self-selection of performance indicators, and taking into account from the outset appropriate forms of participation; Providing support for decentralization programs and enhance people participation at local government level; Sensitizing recipient decision-makers and aid agency staff to facilitate understanding and adoption of participatory approaches, and responsive government.⁵⁸ Participatory approaches can also be fostered in planning at the national policy and sector level to ensure greater equity in the distribution of public expenditure provisions, including basic services.⁵⁹

Participatory development, or what is sometimes referred to as popular participation, may be defined as a process by which people take an active and influential hand in shaping decisions that affect their lives. Popular participation may

⁵⁴ OECD. (1995), p. 8-11.

⁵⁵ Shiratori (1989), p.138-139.

⁵⁶ OECD. (1995), p. 8-11.

⁵⁷ Ibid.

⁵⁸ Ibid.

⁵⁹ Ibid.

involve difficult and long processes but brings many benefits: the contribution of local knowledge to activities; an increased chance of objectives and outputs being relevant to perceived needs; greater efficiency and honesty of officials and contractors because they are under public scrutiny; “ownership” of the activity by community-based organizations. Through empowerment, participation can also lead to changes in knowledge, skills and the distribution of power across individuals and communities thus improving social equity. Problems are still left what is proper civil participation and role setting.⁶⁰ DAC members will call attention to the need for creating conditions, which enable NGOs to fully play their role.⁶¹ Shunadar noted that we found much confusion of standard how accept civil participation, and what qualification should be applied. It means how select NGO in development project.⁶²

2.5 Evaluation of effectiveness

The method to evaluate foreign aid for development is divergent on various criteria. Effectiveness of foreign aid for development depend on how to evaluate it and bring different outcom. At the behavior objective or goal-based approach, the project aim is the criteria to evaluate the project. In this study, recipient’s aim in GGP application is the criteria to evaluate GGP effectiveness that how their request aim and received support are GGP conforms with and different from recipient’s demand.

Nishigaki shows measures to evaluate effectiveness of ODA by following criteria. The first would be to ascertain the current state of a particular aid project plan after its completion. The second would be to study the role aid plays in a specific environment, region, or sector of developing country, the electric power sector, for example, or the health sector. The third is to study the extent to which ODA has contributed to the economy and society of a developing country as a whole. Research might focus on such things, for example, as changes in macroeconomic indicators like the economic growth rate or the savings rate; or changes in social indicator such as living conditions and income gaps; or changes in social structure like the status of women.⁶³ The following points are considered importantly in understanding the effectiveness of a particular aid project. Because priorities may be different in each project It depends on feature of a project or the sector. The items noted as below should be considered a general check list.

⁶⁰ Urano (1997), p.191.

⁶¹ OECD. (1995), p.8-11.

⁶² Shunadar (1996), p.104.

⁶³ Nishigaki Akira and Shimomura Yasutami. *The economics of development assisrance ; Japan's ODA in a symbiotic world* LTCB International Library Foundation, Tokyo, 1999), p.224.

1) How the original plan has been realized and durability of the results: How long the project will retain its effectiveness once aid has ended.

2) Economic effects: the project's economic and financial rate of return back, calculated by comparing the benefits from the project with the costs to implement it.

3) Social effects: How changed living conditions or the role of women, etc

4) Environmental impact: methods for measuring environmental impact leave great room for improvement and there is still much that is not understood about the earth's ecosystem, it is not easy to get an overall view of the impact an aid project has on the environment.

5) The effectiveness of technology transfer, effectiveness in developing human resources, contribution to institution building, etc.⁶⁴

At present, however, getting a grasp of the total impact of aid on society presents so many difficulties. Nishigaki noted that to improve the methodology is an urgent task. Studies also need to be made as to whether or not aid reaches the poor.⁶⁵

As for the qualitative performance, there are problems with it in terms of quality to determine. The often-used yardsticks to measure aid quality are (a) grant share (the percentage of a country's total aid that is accounted for by grants that do not have to be repaid, i.e., capital grant aid, technical cooperation and contribution and subscriptions to international institutions); and (b) the grant element of all aid. These two indicators measure the terms under which ODA is given exclusively from a financial perspective- the higher figures for the these two indicators are, the more advantageous the financial terms to the developing country are considered to be. Judged by this standard, the quality of Japanese aid is the lowest of all DAC members- Japan competes with Spain for last place. The debate over the problematic quality of Japan's ODA stems from this fact. Nishigawa, for example, has observed that "improving ODA quality is no less important than expanding its quality." He specifically notes Japan's low figures for the two above-mentioned indicators. Improvement in these areas is certainly an urgent task. Since, however, the quality of aid may also be thought to derive from the advantageousness of the conditions under which it is granted, as seen from the developing country's perspective, it is not enough to measure quality simply on the basis of concessional financial terms alone. Whether or not procurement conditions are tied or untied, for example, is also an extremely important consideration for developing countries. Consequently, at least two criteria are necessary to measure the quality of aid: the financial terms and the procurement conditions.

⁶⁴ Ibid., p.226.

⁶⁵ Ibid., p.224.

For the developing countries, these two criteria involve a trade-off. To be sure, the principal donor countries other than Japan provide aid on better conditions from a financial perspective, but their rate of tied aid is relatively high. In contrast, though Japan's ODA may be inferior in terms of concessionality, it has the advantage of being less likely to be tied. From the developing country's position the choice is a perplexing one. To put it another way, deciding which country has the better aid quality- Japan or the other leading donor countries- is a very difficult question. Thus, any discussion of the quality of ODA must involve multiple criteria. Nor can Japan's aid performance be simply dismissed as qualitatively inferior-although, of course, there is still need for improvement. Furthermore, any discussion of the "quality" of aid, in the true sense of that word, must take into consideration what sort of results aid has achieved. An assessment from this perspective is a pressing need. International comparison of the effectiveness of aid is very hard to make, however.⁶⁶

As for sectoral distribution, following the DAC classification system, the principal aid-related sectors are "social infrastructure" (education, health, etc.), "economic infrastructure" (transportation, telecommunications, energy, etc), "production sector" (agriculture, mining, etc.) and "program aid" (structural adjustment aid and commodity aid). It seems slightly incongruous to us that this classification system should divide infrastructure into two separate categories, social infrastructure and economic infrastructure. To be sure, in practice, this distinction is quite extensively used, but the criteria on which it is based do not seem logical, and consequently there is no established way of defining the boundary between them. Water services, for example, are regarded as economic infrastructure by some, whereas others make a distinction between industrial water supply and water for living purpose. In the DAC classification system, water supply and drainage are included under social infrastructure. Referring economic infrastructure, critics have claimed that, in general, the focus of Japan's ODA is on "economic infrastructure". We believe, however, that some misunderstanding adheres to that term. The phrase conjures up an image of electrical power plants, huge dams, superhighways, port facilities and other mammoth projects that lend themselves to such descriptive adjectives as "large-scale", "high-tech", or "industry-related". The tendency is to think of economic infrastructure as remote from people's lives or from basic human needs (BHN). In fact, many of the economic infrastructure construction projects undertaken with Japanese ODA support are aimed at rural and regional development and are neither large in scale nor exclusively related to industry. Moreover, their BHN element is profound. Rural electrification projects, for example, are favorite aid candidates in many developing countries. When electricity comes to a village, it makes it possible for the villagers to read books at night and helps the women with their sewing and

⁶⁶ Ibid., p.201.

other handicrafts. Electricity increases the effectiveness of equipment and machinery at hospitals and health centers and lightens the load of farmers who use irrigation system. The upgrading of local roads, the building of small bridges, improvements to local fishing ports and telephone networks, and many, many other types of economic infrastructure the countryside are all included under the category of rural and regional development. The important point in ensuring that rural and regional development proceeds smoothly is to achieve a balance between social infrastructure and economic infrastructure. We would like to see a deeper appreciation of the fact that the term "economic infrastructure" encompasses quite a diverse range of projects.⁶⁷

Social sector is categorized by various way. For example, in Copenhargen summit in 1995, which focused three themes, poverty, employment and social combination, address wide concept based social development progress. These are social fairness, economic fairness, economic development, an epidemic, drug, offence, violence, food, public health, family planning, safe water, residence, education, social weak, women, child, small company, human right, freedom, social participation, gender fairness, poorest country's development and structural adjustment's negative impact. UNDP, UNFPA, UNICEF declared each nation should dispense their budget for public sector to social sector at least 20 % and also 20% of all ODA budget distribute to social sector, which is named as 20:20 contract. Social sector covers these basic education, basic health, nutrition, reproductive health, family planning, low cost water supply and sanitary. In the developing country's social development hand book, which treat social development, contents poverty, environment, residence moving, social analysis, organization strengthen, NGO, project circle management, education, health, medical, population, family planning, small industry, minority, refugee, AIDS, democracy and human right. In JICA's sectional assistance report, it covers medical, education, village product base, drinking water, population, family plan, drainage, NGO, people's participation, employment, income creation, residence, market control, small and middle scale industry, women, environment (life fuel preservation, forest preservation, depress over grazing and land conservation). In the United Nation's international population and development conference in Cairo 1994, treat social development that focus freedom, fairness, human right, human centered development, gender fairness, poverty, health (including reproductive health, family plan), family, education, child, refugee, social weak, sustainable development, environment, the aged, infection, and urbanization. ADB treat social development in the Guidelines for Incorporation of Social Dimensions in Bank Operations in 1993. It addressed concerning subject to social sector in development project for ADB's administrators and consultants. It covers human center, economic development, poverty, women status (WID, gender), human

⁶⁷ Ibid., p217.

resources, family plan, employment and income creation, water supply, participate development, social environment assessment, NGO, health, social safe net, and residence moving. But Nomura pointed out that this categorizing is still on discussing and can't help critics that are too simple.⁶⁸ And also he address the point of quality in development that discussing the development budget rate to GDP is not enough to justice degree of the development's quality. We need the criteria following. The first one is the fairness in society. The viewpoint of progress and income expanding is sure to be focused but concerning the environment and poverty especially women's participation should be focused the more in development. The other criterion to quality is the improvement of quality of life. As concrete, it is BHN like as education, health, water.⁶⁹

Robert Cassen undertook comprehensive survey of aid effectiveness. He defined the meaning of economic assistance effectiveness. It is effectiveness for developing, not for donor's and recipient's any other aim. Definition of economic assistance effectiveness is up to assistance for what. They are for macro economic development, make better poverty situation, political commitment, fund support and good support for specific aim, technical contribution. And how effect many countries' economic assistance concentrating to one recipient. Whether economic assistance promote correct market circulation.⁷⁰ Anyway, however, it is not general definition clearly that what is success for economic assistance. If it is rapid economic development or distinct reduction of poverty, economic assistance takes some role on them. But achievement of these aim are influenced by recipient's policy, world economy and various factors.⁷¹ On the other hand, as Nishigaki Robert Cassen describe, "evaluation" has recently come to be regarded as one of the most important steps in the project cycle. Yet, measuring the effectiveness of ODA and making an evaluation based upon it are, by no means, easy. And the methods adopted to do so still mainly rely on trial and error.⁷²

2.6. Review of related studies

Japan's aid policy and its implementation have been examined from various perspepts. Some studies examine Japan's purpose for aid-giving by analyzing feature of historical changes in its geographical distribution, aid budget' quantity and implement quality. And some studies invest recipient's impact by receiving Japan's

⁶⁸ Nishikawa (1994), p. 75.

⁶⁹ Ibid., p.74.

⁷⁰ Cassen, Robert.(1986). *Does aid work?* p.19.

⁷¹ Ibid., p329.

⁷² Ibid., p.224.

aid and evaluate its actual effects of receiving foreign aid. Or others examined the role of Japan's ODA as political and economical strategy or as one of world opinion makers. And besides these studies, focused objects are also various. Some reports foreign aid from the view of two sides, which divides donor and receivers. Some focused three parts, which are donor, aid negotiators and service users of recipient side. The other focused objects more detail. It means that donor's attitude to Japan's ODA can be divided to aid negotiators and observers who make critical consensus on Japan's ODA. And some studies focused all types of Japan's ODA, which includes grant aid, technical cooperation and loans. Someone picked a few special projects up from a grant aid projects. So, with various perspectives Japan's ODA has been studied and analyzed its features.

Yasutomo pointed out following. In past studies on Japan's ODA, they inclined to emphasis the mechanism on government's economical motivation in caring out Japan's ODA. Foreign aid has taken a role of a political strategy since its initiation and can be obviously recognized it in Japanese government public statement, especially since 1980s. Government started to state its concept of ODA's policy clearly that Japan's ODA is a diplomatic strategy tool on the purpose to achieve political and security interest, not only economical interest.⁷³ Actually its policy and implementation have ever been changed following political purpose under movement of international political power balance. In 1980s, diplomatic policy targeted the economical assistance policy for overseas countries as one of their main subjects. Foreign aid was officially defined its meaning as not only economical interest, as though it has been taken the role since its initiation. This political factor is one of keys to grasp Japan's ODA more important than only view of economic interest by grasp its amount, condition, ratio as like done in past studies. Resemble conclusions of studies are conducted that Japan's ODA ideology is mostly taken for only economic interesting motivation. These studies, however, seldom focus on the other side of donor's motivation such as political and security interest concealed in giving aid. They find out in their studies that economical interest is the main factor that has made up aid policy since initiating ODA in national policy, which has formed typical pattern of geographical distribution, special package, or some specific characters on them.

Besides, among some scholars, they even discuss on the key factor that furthers economical motivation in ODA action. Though various analysis reached deferent conclusions, most of them point out the mechanism that large enterprises hold the key of ODA's policy making with economical interest, and their attention focuses on Japanese government export policy in aid implementation. A few of others, whereas, stress administrators' role in conducting ODA's policy making. They concluded that administrator's interests is the clear factor that makes decision on concrete practice of economic assistance. Inada noted that regarding Japan's ODA

⁷³ Yasutomo (1986), p.33.

policy making, many actors are concerned and each actors are implicated in complex mechanism. There are four main actors'role founded: (1) role of administrators (2) Role of members of the Diet (3) concerned company (4) overseas' pressure. The main actor is an administration system as same as Japan's diplomatic policy, economic policy and others. Especially, as ODA policy making, we can find the feature that a lot of administrative offices as much as 19 government ministries and agencies are concerned.⁷⁴ Adding to that, specific members of the Diet and companies take participate in it, too. And he added that recipient actor is also important one because Japan's ODA principle stands the recipient's request principle. DAC, which belonging to OECD, is stressing factor to effort to Japan's ODA policy. It discusses development assistance policy and order a lot of request to Japan's ODA implementation. He noted that in process of making ODA policy, we can find two type of "political leading pattern" and "administrator leading pattern". The first one features top-down process of policy making, which top leaders like diplomat or specific member in the Diet play an important role. Strategic development assistance is overseas' pressure leading assistance and it is a kind of politic leading pattern. The last one features conflict for seeking each part's self interest and incremental decision between administrators. That company seeks profit from aid operation impact on policy making by connecting with specific government agencies and member of the Diet. It is patterned both of two type as their situation.(inada in watanabe p 204) Inada point out three important points for Japan's ODA study, which are (1) fairness whether ODA stands democratic and fairly decision, (2) efficiency whether implemented ODA project by corresponding to recipient request (3)diplomacy whether ODA is effect to be tool of diplomatic policy achievement.⁷⁵ Adding to it, some of them, as though it is few, focuses the other side on foreign aid feature and explains political reason that made the form of its feature such as policy of geographical distribution, amount of budget, project type. Regarding analysis of Japan's ODA, focus and discuss on its political factors afford to seek political and strategic standard behind of them. Therefore, they can make clear the reason why Japan have committed economic assistance also with no way to seek economical interests and then can explain the reason that Japan's ODA geographical distribution on Asia from the view point of non-economical interest.

In the view of aid as a political tool, economic assistance strategically fulfills its function. Aid geographical distribution, aid budgets are determined by political motivations. Japan's ODA is not an exception, too. Potter (1992) has examined Japan's aid-giving in terms of strategic interest and attempts to help stabilize friendly governments. He clearly asserted that economic assistance is not economical action but political action. In the 1970s Japanese aid strategy changed from one based

⁷⁴ Inada, Toichi ; Taigaienjo. (In W.Akio(et.al), *Kouza Kokusaiseiji 4 Nihon no gaikou* (pp.183-209), Tokyo : Tokyo daigaku shuppansha. 1989), p. 188.

⁷⁵ Ibid., p. 205.

purely economic considerations to one that considers international security and the integrity of the western alliance. Japan suspended its aid to Vietnam, in the wake of that country's intervention of Cambodia, and increased its aid to Thailand. These fell under the new policy of aid to 'Countries bordering on areas of conflict', which are considered strategically or politically important to Japan and the western alliance. The relevant ministries are not of one mind about how to formulate strategic aid policy. Since the Ohira cabinet (1978 -1980) "aid as part of comprehensive security" was accepted by all cabinets but never specifically defined. There is a great deal of ambiguity of Japanese government's position on the reasons for giving aid. While the LDP and the ministries are clear that aid giving for strategic reason, and also as a cover for defense the budget increases, the relationship between comprehensive national security and aid is ambiguous. And he described why Southeast Asia became large distributed area of Japan's ODA repeatedly and expanded its scale. And he also noted that one of reason which economical assistance is used as political tool is because of Japan's foreign policy. Japan can't use military forces to any countries, so it needs to use economical assistance as a political tool.⁷⁶

Thailand had increased its importance because of its economical, political reason due to its increase of strategically importance. Japan's ODA amount was also increased. It had aroused some public criticism on the motives of the Japanese government and the benefits from aid projects in Thailand. As a strategic tool, Japan manipulated various ODA forms which are different conditions in assistance. Suphinya (1982) asserted that Japan used a cultural grant aid as a tool for making Japanese good image to recipients. She focused Japan's grant aid and technical and cultural assistance as one of concrete forms in the foreign policy, and also did cultural exchange as one of concrete form of advertisement. She examined them historically from 1954 to 1989, and viewed them from concepts of Japanese interests in economical, political and Japanese image. East Asia Institute of Thamasaat University is studied as a case. She found out that between 1957-1972 Japan's ODA needed response to political and economical interest because of making Japan's economical success and harmony with U.S, but concurrently occurred recipients' bad image on Japan's ODA. And then, at that time Japan increased cultural grant aid so as to improve this image. It is the reason to emphasize cultural grant aid in foreign policy. She concluded Japan's grant aid and cultural exchange in the case study are also aimed for Japan's national interest.⁷⁷

⁷⁶ Potter, David Matthew. (1992). *Japan's foreign aid to Thailand and the Philippines*. Ph.D. Political Science University of California.

⁷⁷ Suphinya (สุภิญญา นิวาสวัสดิ์.) (1982) ; ความช่วยเหลือแบบให้เปล่า จากประเทศญี่ปุ่น ต่อประเทศไทย ในช่วง ค.ศ. 1954-1989 และ แนวโน้มการเพิ่มความช่วยเหลือ ทางด้านวัฒนธรรม ต่อประเทศไทย;กรณีศึกษาศูนย์

Several studies concluded similarly that Japan's aid was aimed at her own economic interests. Besides both donor and recipients' national interest are examined by Mathana. She studied loans of Japan's ODA from the end of world war II to 1980 by concept of national interest, which are national interests by both of aid giving and receiving sides. And she examined its impact on Thailand in economy, society and environment. She asserted this donor and recipients both of them got some national interests. Japan's national interests are emphasized critically. This is similar conclusion tendency of study with viewing by national interest concept. Pranee (1990) evaluated the importance of Japan's ODA to Thailand from 1969 – 1986. She found that Thailand was important to Japan because economic, social and political stability of Thailand is important to the free world countries due to her strategic location. So, Japan became the largest donor to Thailand under bilateral loans and also grant aid and technical assistance. Japan's ODA to Thailand has contributed to the country's growth and development, especially physical infrastructure, and as problems she pointed out completely tied condition of Japan's grant aid and technical assistance under completely tied. It aroused some public criticism on Japanese government motivation and the benefits from such aid projects. And it doesn't help alleviate Thailand's chronic trade deficit with Japan. And as loan condition, even the 'general untied' and 'LDC untied' conditions lead Thailand more dependent on Japan. In general, the benefits appeared to fall fully on those directly involved in projects. Substantial part of the contracts falls into the hands of Japanese corporations and yen appreciation will accentuate current account deficits. She asserts that tied condition of its aid should be reviewed due to aim of helping economic development. And aid should not only review assistance's quality but also the direction of assistance from infrastructure to quality of human resources and more equitable distribution of income.⁷⁸

Besides studies from national interest concept, other concepts, which are interdependence, or self-reliance concept, are used to invest Japan's ODA impact on Thailand's development. It can help understand roles of foreign aid assistance to recipients, which are just roles for development, but not the other interest such as political strategy. Khiyan (1987) investigated the impact of Japan's ODA on Thailand's development by examining it from various disciplines and historically with these concepts. He selected five projects, which were under Japanese technical cooperation and grant aid. Apart from gathering information from secondary sources, he interviewed with several sources including Thai administrators, Japanese experts, Thai officials who had been trained in Japan, and users. And he investigated economic impact,

ญี่ปุ่นศึกษาสถาบันเอเชียตะวันออกเฉียงใต้ศึกษา มหาวิทยาลัยธรรมศาสตร์. สารนิพนธ์ คณะรัฐศาสตร์ มหาวิทยาลัยธรรมศาสตร์.

⁷⁸ Pranee Tinakorn.; Japan's economic assistance to Thailand 1969-1986. (In Yoshihara Kunio (Ed.), *Japan in Thailand*. Kuala Lumpur: Falcon Press Sdn. 1990).

technical cooperation impact, social and cultural impacts and political impact to each interviewed groups. It helps to create better understanding of problems, which strike the right balance between the recipient country's right and the donor's control. And he asserted that Japan has increased bargaining power, therefore, Thailand is often left with no choice. In some cases, the lack of knowledge or experience about a particular project on Thai side makes it more difficult to be independent in the decision making process. In addition, Japan's aid in comparing to other bilateral assistance requires the recipient country to act with in strict guidelines. Self-reliance can hardly be achieved if the direction of aid is dictated by the donor.⁷⁹ Besides, Khiyan (1983) focused grant aid including technical assistance to agricultural project from 1958 to 1982 by the comparative study of foreign assistance from three countries. It made clear the aid feature of each countries in both advantages and disadvantages. He noted that there are unbalances between service user and administrators in implication of projects. Actually most of users don't get assistance directly. It didn't help self-reliance of users. He also noted that foreign assistance should be studied project's apriority and evaluation should be done on both recipient and donor.⁸⁰ These two studies help understand that impact and opinion of Japan's ODA are different to each people's position to receive aid, that divided the administrators of both Thai and Japan, aid direct receivers such as trainees and service users who didn't received aid directly. It is because aid negotiators in the recipient government are different from the aid users. That is to say, the formers are the planning and budgeting authorities and the latter are the implementing agencies. Their missions and perceptions of aid differ, which potentially create conflict within the recipient governments themselves.

Potter(1992) studied the aid relationships from the perspect that Japan's aid to Thailand and Philippines reflects only the priorities of the recipient governments, and focused the preference of recipient governments in the process of aid giving and examined Japan's aid program in Thailand and the Philippines from 1970 to 1989. He asserted that the kind of aid Japan gives in terms of the development priorities set by Thailand and the Philippines government. Recipient government has aid priorities, which they articulate in their relationships with Japan. This study argues that recipients get the kind of aid they request can accommodate the interests of the major actors involved. Those actors- recipient government, Japan's aid bureaucracy and the Japanese companies which play a crucial intermediary role between the first two- have potentially divergent goal in the aid program. The formulation negotiation

⁷⁹ Khiyan (เขียน ธีระวิทย์). (1987). *การช่วยเหลือญี่ปุ่น การบริหารงาน และ ผลกระทบต่อการพัฒนา*. สถาบันเอเชียศึกษา จุฬาลงกรณ์มหาวิทยาลัย.

⁸⁰ Khiyan (เขียน ธีระวิทย์). (1983). *ความร่วมมือของเดนมาร์ก เยอรมนี และ ญี่ปุ่น ในการพัฒนาการเกษตรของไทย*. สถาบันเอเชียศึกษา จุฬาลงกรณ์มหาวิทยาลัย. กรุงเทพฯ: เจ้าพระยาการพิมพ์.

and implementation of Japan's aid program in each country would be impossible without the participation of these three sets of actors. Thailand and Philippines get much, but not all, of what they want because of their development aid priorities and the way they pursue them can accommodate the interests of the major actors in the bilateral aid relationship.⁸¹

Adding to these studies, Suthiphong (1993) find out these are also divided consensus in donor side. He surveyed the Thailand cultural center project, which occurred criticize in Thailand at the point of large budget and construction's design of Japanese style. It made bad image of Japan's ODA to Thailand. He asserted that Thai people criticize Japan's ODA, but in Japan some Japanese criticize it. Japan is not all of supporters of ODA. He interviewed twenty peoples by dividing into two groups, which are a group of administrators and a group of general peoples, and surveyed documents. He asserted that there are two groups which have different opinion to Japan's ODA. Policy makers and executives are in favor of its implementation, and the other, the group which suspects it also exists. It is a group of general people and mass communication. They suggest that policy of both donor and recipient should adopt to demand of users so as to make aid project effective to development. Donor should give assist at on a base of more humanitarian than political policy and recipient should pay attention to request foreign aid assistance.⁸²

There are variable opinions to foreign aid assistance. As an issue whether foreign aid assistance does work, examined it. He studied comprehensive survey of aid effectiveness of each country, technical cooperation, project aid, multilateral assistance, and bilateral assistance from seven countries. His concept is aid's effectiveness to development as a long time perspect, but another effects such as political interests are not examined. He asserted that aid did work at most of them and had success its aim for development. Aid has helped to economic action positively and its effects were not brought without aid assistance. And as to bilateral assistance, some donor's aim is for commercial or political motivation strong, economic development is disturbed and makes bad effect to poverty. And he noted about importance of NGO. Role of NGO as a root of official aid flow is becoming as an important part, but strong relation between NGO and official assistance would bring impacts when they expand its scale and they don't make power division clearly. Then NGO becomes to be bureaucratic with increasing of receiving official assistance. His study on NGO, however, is not enough. It is obvious that there are many projects of NGO' assistance,

⁸¹ Potter, David Matthew. (1992). *Japan's foreign aid to Thailand and the Philippines*. Ph.D. Political Science University of California.

⁸² Suthiphong (สุทธิพงษ์ พรหมไพจิตร). (1993). ความช่วยเหลือของญี่ปุ่นด้านวิชาการ และการพัฒนา ในภาคใต้ของไทย ; ศึกษาตาม โครงการ Japan's ODA. ใน การสัมมนาระดับชาติ มิติใหม่ญี่ปุ่น ศึกษาในประเทศไทย. โครงการญี่ปุ่นศึกษา สถาบันเอเชียตะวันออกเฉียงใต้ศึกษา มหาวิทยาลัยธรรมศาสตร์.

which is aimed by ODA.⁸³ Because of opinion's gaps between negotiators, users and observers of both donor and recipient, NGO can play important part of assistance. Especially grass-root aid in grant aid may play effective role of aid assistance because of its system. NGO request aid to Japanese consulate and it give assistance directly as a just decision-maker, but study to describe grass-root aid is a just one. Prasert (1995) studied how Japan made ODA linked to democratization and the promotion of human rights in its aid recipient countries. First of all Japan's ODA have limit in Japanese approach to them but Japan has cooperated quite well with western donor countries in linking its ODA to them. He found it out from Japanese response to cases, that were the violations of human rights in China's Tienanmen Incident in 1989, Indonesia's East Timore Incident in 1991, Thailand's military coup in 1991 and May incident in 1992, and Myanmar's SLORC rule in 1989, through ODA policy and its implementations. And he also counted Japanese efforts in supporting NGOs, a grass-root institution, that is vital to the development of a sound democratic society, as a part of linking to democratization and the promotion of human rights in its aid recipient countries.⁸⁴

⁸³ Cassen, Robert.(1986). *Does aid work?*

⁸⁴ Prasert chittiwatanapon.(1995). *Nihon no kaigaienjo ni kansuru mondai*. In T. Shiro: (at al.), *Nippon no ODA sougouenkyuu*. Tokyo; Chuuoudaigaku shuppanbu.