

AID EFFECTIVENESS IN BASIC AND PRIMARY EDUCATION IN NEPAL

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## DECLARATION

I hereby declare that this thesis has not been submitted for candidature for any other degree.

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## DEDICATION

Children Left Behind EFA Program

## ABSTRACT

This study deals with the issue related to educational aid provided for the basic and primary education in Nepal. Aid covers one-third of the total national investment in the basic and primary education. I framed a major research question, ‘How has the aid been effective in the basic and primary education?’ Following this research question, I carried out an in-depth study focusing on the aid phenomenon in the primary education. This study reveals the aid management scenario particularly in relation to how the aid has been utilized for the development of the basic and primary education in consonance with addressing various challenges and issues that are inherent in access, equity and quality dimensions.

I followed qualitative research design with focus on its philosophical premise which encompasses ontological, epistemological, and methodological assumptions. The ontological framework for this study subscribes to the notion of multiple realities regarding the management of educational aid. My epistemological assumption dwelt on inter-subjective discourse that knowledge can be accessed through focused interactions with research participants and through intensive study of literature. However, I was aware of the fact that knowing of absolute truth is fairly not possible since what we uncover as ‘knowledge’ today does not remain the same due to the influence in the study-specific context brought about by the rapid flow of time. Despite this limitation, prolonged discourse and intensive interactions based on subjective inquiry in uncovering what research participants felt as ‘truth’ assured me to claim that the revealed knowledge is trustworthy.

I adopted interpretive paradigm in order to derive substantive meanings from the uncovered knowledge. So, following interpretive paradigm, I derived meanings with analysis and reflections on the beliefs, values, and feelings expressed by research participants about aid effectiveness. I made my study more substantive and authentic by incorporating relevant ideas that I gathered through literature study. In this study, I focused on various theories: complexity management theory, effective theory and social action theory, which were widely discussed vis-à-vis the purpose of the study that provided me with a strong foundation for critically gauging the dynamics pertaining to aid effectiveness in the basic and primary.

Major findings of my study reveal aspects for the effective management of the aid with active participation of community and simultaneous focus on the five principles, aid effectiveness is crucial. Moreover, an energized participation of community with common and consistent understanding is essential for effective allocation, management and utilization of the aid. Development partners and the government both were convinced with the quantitative progress in basic and primary however beneficiaries expected to achieve more qualitative progress on each of the four pillars of education- access, equity, quality and relevance. Hence, mutual proximity, clarity, understanding and sharing with emphasis on empowered cooperation between development partners and receiving countries should be the guiding force for generating effective meanings and results from the aid. The point worth internalizing is that development partners contribute better as facilitators than posing themselves as rescuers.

The abstract of the thesis of *Megh Raj Dangal* for the *Degree of Doctor of Philosophy in Education* was presented on November 12, 2010.

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## ABBREVIATIONS

|           |  |
|-----------|--|
| AAA       | Accra Agenda for Action                            |
| ADB       | Asian Development Bank                             |
| AFRODAD   | African Forum and Network on Debt and Development  |
| BPEP      | Basic and Primary Education Project                |
| CDDE      | Capacity Development for Development Effectiveness |
| DAC       | Development Assistance Committee                   |
| DANIDA    | Danish International Development Agency            |
| DDC       | District Development Committee                     |
| DEO       | District Education Office                          |
| DFID      | Department for International Development           |
| DOE       | Depart of Education                                |
| DTACO     | District Treasury and Accounts Office              |
| EC        | European Community                                 |
| EFA       | Education for All                                  |
| EU        | European Union                                     |
| FES-Nepal | Friedrich Ebert Stiftung Nepal                     |
| GDP       | Gross Domestic Product                             |
| GDPRD     | Global Donor Platform for Rural Development        |
| GER       | Gross Enrollment Rate                              |
| GIR       | Gross Intake Rate                                  |
| GNI       | Gross National Income                              |
| GNP       | Gross National Product                             |

|       |  |
|-------|--|
| GPI   | Gender Parity Index                                    |
| HLF   | High Level Forum                                       |
| HMG/N | His Majesty's Government Nepal                         |
| IBRD  | International Bank for Reconstruction and Development  |
| IDA   | International Development Agency                       |
| JFA   | Joint Financing Agreement                              |
| JICA  | Japan International Cooperation Agency                 |
| KU    | Kathmandu University                                   |
| MDG   | Millennium Development Goal                            |
| MOE   | Ministry of Education                                  |
| MOF   | Ministry of Finance                                    |
| NDF   | Nepal Development Forum                                |
| NER   | Net Enrollment Rate                                    |
| NGO   | Non Government Office                                  |
| NIR   | Net Intake Rate  |
| NORAD | Norwegian Agency for Development Cooperation           |
| NPC   | National Planning Commission                           |
| ODA   | Official Development Assistance                        |
| OECD  | Organization for Economic Co-operation and Development |
| PD    | Paris Declaration                                      |
| SAARC | South Asian Association for Regional Cooperation       |
| SLC   | School Leaving Certificate                             |
| SMC   | School Management Committee                            |
| SSR   | School Sector Reform                                   |

|        |  |
|--------|--|
| SWAP   | Sector Wide Approach   |
| TU     | Tribhuvan University   |
| UGC    | University Grants Commission                                 |
| UK     | United Kingdom   |
| UN     | United Nations   |
| UNDP   | United Nations Development Program                           |
| UNESCO | United Nations Educational, Social and Cultural Organization |
| UNGEI  | United Nations Girl's Education Initiative                   |
| UNICEF | United Nations Children's Fund                               |
| UNPAP  | United Nations Population Fund                               |
| US     | United States  |
| USAID  | United States Agency for International Development           |

## CHAPTER I

### INTRODUCTION

Aid is an important source of financing in basic and primary education, but the advantage of aid assistance interfaces only when it is used and managed in an effective way. When we argue the pros and cons of aid, we all have our own views about it. We might have different arguments and understanding on aid but “a closer look reveals that aid in many cases has been the key in boosting developing countries’ growth” (Powell, 2007, p. 1). Meanwhile, many researchers and practitioners have been discussing the success and failure of aid but except the essentiality of aid in Nepal as the country’s financial situation is fragile (Bhattarai, 2005).

Nepal, even though treading on the path of development, has been dealing with many obscurities to generate own national resources in the present context. The coordination and the cooperation among the development partners could be one viable alternative to achieve the goals of development. The fact cannot be ignored that Nepal has been assisted with aid for physical and social infrastructural development.

For stable socio-economic development, education plays a very crucial role. Considering the importance of education towards spurring stable development, bilateral and multilateral development partners are supporting us in educational sector. At the same time, we face the challenge of effective use of available aid. There are, however, questions and claims whether we have been using the aid effectively (Bhattarai, 2009). Donors have been supporting education in Nepal since 1952. In the initial stage, individual donors provided funds through individual projects but since EFA 2004-2009,

donor pool system which became possible by Joint Financing Agreement (JFA) was launched by mutual agreement between development partners and Nepal. The study of aid effectiveness as a whole is challenging because it includes indistinguishable and complex aspects. Thus, by delimiting my study in aid effectiveness in basic and primary education, and even focusing on one main question “How effective has been aid in basic and primary education in Nepal?” I tried to make my study more specific and concrete. Specifically, using mainly the data collected through qualitative methods and secondary source data on aid, I have explored this question with reference to EFA 2004-2009.

### **Setting the Study**

At the UN General Assembly in 1970, the donor countries made provision to spend 0.7 percent of GNP on Official Development Assistance (ODA). After the agreement, donor countries agreed at UN to provide committed aid for overall development of developing nations (Hudson, 2007; Shah, 2009; United Nations, 2003).

The United Nations General Assembly Resolution says:

Each economically advanced country will progressively increase its official development assistance to the developing countries and will exert its best efforts to reach a minimum net amount of 0.7 percent of its gross national product at market prices by the middle of the Decade. (United Nations, 1970, Agenda 43)

Many donor countries have prepared explicit commitments to scale up aid significance in due course of time. “Five of the twenty two DAC member countries have already increased ODA to the level, exceeding the UN target of 0.7 percent of GNI (Bourguignon & Leipziger, 2006, p. 3). Similarly, the EU has also promised to increase aid to developing countries from 0.35 percent of GNI in 2004 to 0.7 percent by 2015,

with an interim target of 0.56 percent by 2010. Moreover, six EU member countries announced commitments to attain the 0.7 percent (Hudson, 2007; The World Bank, 2006; United Nations, 2003).

Irrespective of whether donor countries are fulfilling their commitment to UN or not, it is the right of every developing country to receive aid as per the international development strategy for the Second United Nations Development Decade (USAID, 2004). We know, the present is the result of the past and the future is determined by our present activities. No one can escape from past facts. The developed countries are developed now as they could exploit the resources from other developing countries and make best use of them. In fact, the prosperity of developing nations means the prosperity of developed countries too because the progress, peace and prosperity of each and every country interlink with each other. For instance, in the global village, developed countries have been exploiting the resources of developing countries for industrialization which not only creates harmful effects but also obscures them from development and for this reason they paid tax or compensate through aid (Godoy, 2009).

Nevertheless, it is the responsibility of both recipients or donor countries to make the effective use of this aid. Hence, the central theme of my study is to explore how effective has the use of aid we have been getting in Nepal been with reference to aid effectiveness principles stipulated in Paris Declaration.

Birdsall (2005) argues that giving aid to developing nations by making good economic policy, financing new development-friendly technologies, and opening up labor markets could have more significant benefits for the donor countries themselves.

Hence, it is not only the receiver who is trying to make effective use of what is given but also the donor seeking to invest in the productive areas for high rate of returns.

The effectiveness of aid is the interest of both recipient and donor countries; however, to make it more efficient by fulfilling the targeted goal with available aid is a very difficult task (Larsson, 2007). In Nepal, aid is an immense part of total investment and important component in the development process. So, the success of aid utilization depends on the domestic efforts and the mutual relationship with donor countries (Copley, Wood, & Ehrhardt, 2009; Larsson, 2007).

Nepal is getting aid with the coordination of two ‘ships’- donorship and partnership (Global Donor Platform for Rural Development [GDPRD], 2009). Most of the funding for education comes through a ‘donor pool’ system. It has been working by a mutually agreed document called the Joint Financing Arrangement (JFA) and using aid for the betterment of educational sector. However, my study reveals that Nepal has been receiving aid in good amount, but the whereabouts of the investment is still a mystery. Hence the concern of effective management of the aid we receive in education is the essence of my study.

It is quite difficult to accept the reality that in “the capital-starved” (Ballard, 2003, p. 12) countries like Nepal, aid has certainly been measured variously as a significant source of financing, implementing and completing diverse socio-economic development programs like education (Bandow, 1995; United Nations, 2005). However, aid has not always been utilized for the programs with appropriate formulation and completion in effective manner (Kaunda, 2005).



Aid is attainable only when and if we are willing to have mutual understanding. While helping one another, although the aid is provided by the development partners, the priorities and agendas are to be set as per the needs and aspirations of aid receivers (Hasslberger, 2005; Munyemesha, 2003). Within this context, aid policy experts on both sides of the political walkway have recognized the importance of strong aid programs. They are also well known to the fact that the aid programs, policies and models are out of date and badly in need of modernization (Staats, 2008). Recent aid initiatives and increments in funding are a promising start by various bilateral and multilateral donors, but they fall far short of what is needed to make aid programs more effective in meeting the challenges of the 21<sup>st</sup> century. In order to measure up the total potential of any aid that is provided, a better understanding of its effective use can make a difference.

To make my findings more concrete, my study not only explains the national and international facts on aid but also derives experiences from the research participants of my study area. Most of the research participants suggested for the optimum utilization of available aid more efficiently and effectively in education. They further said that aid in education is not an act but a process, starting with a group who can identify, assess and understand the need and then only move to a planned program. They emphasized on more aid and lasting development results that can be achieved only through responsible and more ethical cooperative work from donors and recipients. In order to explore the dynamics related to aid effectiveness in Nepal, particularly in education, I studied many books, journals and research papers. I discussed with several people like school teachers, students, parents, bureaucrats, politicians, professors, donors. During these interactions, I encountered myriad of views from some research participants with thirty years and more

experiences in their field. According to them, the donor may provide aid with visible and invisible interests but simply taking it as our right seems irrational if we are unable to make effective use of that aid. However, in the present situation, it is not an easy task to manage aid efficiently. Yet, the proper utilization of available aid in proper time with proper managerial skills will obviously enhance the promising future of our children to make them good citizen for national development.

Research participants' remarks on the need for effective use of aid for (prospective future) development inspired me to have an insight into the protagonists' theory of aid. This theory argues that the internal economic structures in developing countries are unable to generate required resources for development in the preliminary stage. Protagonists claim that aid may prove helpful in pushing the growth rate, increasing literacy rate and supporting technical knowledge by removing its difficulties (Pankaj, 2005). Hence, supporting the protagonists' claim, I made my study more elaborative and authentic based on the literature and research participants' perception and also using the secondary data. The theoretical framework of my research used three main frames; namely, complexity theory, effective theory and social action theory. In management theory, effectiveness theory and complexity theory of aid management; in development theory, human capital theory and in social theory, Weber's social action theories were used (Chapter II, Theoretical Frame Section). The blend of these theories provided me with a strong foundation of critically exploring the reality in primary aid effectiveness and its management.

## Research Problems

Nepal is in the process of changing in all spheres of development, so it entails extra resources. Since there is little possibility to produce enough resources in the near future on its own, multilateral and bilateral aid are important means to accomplish the country's resource gap (Dahal, 2008; FES-Nepal, 2000, ¶ 2). Indeed, aid in itself is not the solution. It needs the effective way to be utilized and the right technique to manage it efficiently (Feenya, 2007).

Aid is very competitive and conditioned for receiving where development partners' conditions are higher level of human rights, good governance, economic liberalization and quality education by decelerating state of corruption and conflict. Unluckily, Nepal does not have capacity to argue and campaign for more aid because it bears the blame of ineffective use of aid in education because of political interventions (ADB, 2004). In Nepal, the clear vision of aid management is lacking and bureaucratic system is not functioning properly because of political pressure (Dahal, 2008).

Assessing aid - *what works, what doesn't?* Nepal's development experience with aid reconfirms the message that large aid flows in an environment of weak policy do very little to spur growth and always result in little sustainable impact on the ground (DFID, 2007; Khadka, 2008; Nepal Development Forum [NDF], 2004). Short term policy in education can cause huge problems within fractured communities and a fragile governance structure. Essence of aid is very minimal because of weak absorptive capacity, corruption and elite capture, exclusion and conflict over resources (International Alert, n.d.). Such generalizations of the effectiveness of aid often obscure a quite different reality in education (Griffin, 2008; Powell, 2007) in Nepal. Furthermore, if the

negligence in aid management continues to hold, the environment for reformed and developed education sector by generating financial source will be collapsed.

Thus, the serious doubts about the effectiveness of aid in Nepal have arisen. A casual observer of these facts can neither draw the conclusion about its effectiveness nor predict the consequences in the absence of the aid (Bhattarai, 2005; NDF, 2004). Yet, aid is the only consistent factor we have regardless of the fact that there are many other factors that contribute to economic growth.

Large numbers of development partners are assisting us in managing for results in education but government is not being able to introduce a clear vision to them. If Nepal is unable to show commitment to the development partners, obviously the flow of aid shifts to other countries (Macrae, Shepherd, Morrissey, Harmer, Anderson, Piron, McKay.....Kyegombe, 2006). So, I raised a question why receiving foreign aids on basic and primary education have largely been questionable for its effective use, management, accountability and transparency among key stakeholders to meet the intended objectives. This question engulfs a larger problem area within educational aid of poor development outcomes despite constant aid flow due to poor service delivery as well as poor realization of educational rights among stakeholders. Not only this, it becomes imperative to question who are responsible for such poor performance: is it the state or the system or the development partners or the people? Hence, I feel it is a very serious issue to make aid more effective for assuring results among Nepali people.

### **Worth of Research**

The relationship between education and development is a joint procedure; quality education guides to development and development covers the way for quality education.

In recent times, the term ‘knowledge economy’ has become currency concept and it has been developed by the strong foundation of basic and primary education (Dahlman, 2007; OECD, 2005). In Nepal, the state of education in quantitative and qualitative progress is questionable with regard to their accuracy. Recognizing the significant role that education can play, the government should invest more in education as this asset may ensure a bright future for Nepali (Bhatt, 2004).

The role of aid in Nepal has been quite high. Around 70 percent of the development budget is financed by aid which accounts for more than 10 percent of the country's GDP (Bhattarai, 2005). Aid has been involved in the development of Nepal, mainly in social sectors like health and education (The World Bank 2008; United Nations, 2004). Similarly, institutional capacities of the government and the non-governmental organizations including private sector have significantly been improved with the help of aid which helped Nepal to achieve significant development targets (Bhatt, 2004).

Therefore, the foreign assistance on education has been our reality ever since the advent of modern education. The developed countries have been contributing for educational programs to Nepal mainly for modern and technical education (The World Bank, 2008). Nepal has its own history of receiving foreign assistance for its educational programs since 1950s. Eradication of illiteracy from our society has been supported by development partners (DFID Nepal, 2007). Even though foreign assistance in Nepal is less in terms of its proportion to the Gross Domestic Product (GDP), the assistance has always been more than the annual budget allocated for education in any given year. Eventually, it has a profound impact on education. In addition to aid, the technical

support obtained from development partner countries has made a significant contribution in speeding up demographic and cultural transition of Nepal (Bhatarai, 2005; Bhatt, 2004).

So, I developed this thesis to provide a thorough understanding of aid effectiveness in education with the support of EFA program in 2004-2009. I do not claim that this study is the sole representation of the situation of aid effectiveness in Nepal but it has made a comprehensive and critical analysis of the situation. Aid is not only the determinant of education performance, thus, it is likely to be difficult in indicating a clear cause and effect relationship between aid and the performance of EFA 2004-2009. A number of scholars have been treating the aid delivery as a 'black box' in the research of aid effectiveness (Bourguignon & Sundberg, n.d.); I aim to scrutinize the contents in this 'black box' in the case of the basic and primary education in Nepal.

### **Research Purpose**

The purpose of the study was to analyze educational aid in Nepal and its effective use and management in basic and primary education.

### **Research Questions**

Illuminating the purpose of the study, I researched on 'How effective has been aid in basic and primary education in Nepal?'

The following research questions were used to support the main research question:

- R. Q. 1      How have the trends of aid been evolving in basic and primary education?
- R. Q. 2      How aid has been managed in basic and primary education?

- R. Q. 3     What policies and practices have been adopted to make aid in basic and primary education more effective?
- R. Q. 4     How has aid been contributing to achieve the specific objectives of basic and primary education under EFA 2004-2009?

### **Organization of the Study**

My thesis consists of seven chapters. The present chapter contains setting of the study, research problems, worth of the research, purpose of the study, research questions and concluding remarks. Chapter two provides a comprehensive literature review. Chapter three discusses the data, models, and methodology and research procedures in detail. Chapter four provides an overview of aid policy in education now and then. The main empirical findings are analyzed in chapter five. Chapter six contains the analysis of aid in education - its trends and practices in Nepal with theoretical link. And chapter seven provides the finding and conclusion of the study along with policy recommendations and further implications.

### **Concluding Remarks**

This chapter is indeed a reflection of my whole thesis. I focused on the overall setting of aid in Nepal and in education by claiming receiving aid as rights. This dynamic of foreign aid involves the realization of both development partner and recipient countries on the growing essentiality of aid in development with the concept of backing up aid with effective management. By taking up this realm, I focused on aid and its effectiveness in education, problems of aid management and its effective use, significance of research and its purposes with one research question; substantiated by four sub research questions.

These questions revolve around analyzing the trend of aid, its management, its contribution to basic and primary education and current policy and practices which provide a backbone to my research. Finally, I discussed the overall organization of my thesis.



## CHAPTER II

### LITERATURE REVIEW

This chapter mainly describes foreign aid effectiveness, its principles, indicators, theories and documents related to aid effectiveness of SAARC and African countries with reference to education sector. To begin with, I reviewed documents related to aid effectiveness in education sector. Next, I discussed the documents with indicators and principles of aid effectiveness from Paris Declaration (PD) to Accra Agenda for Action (AAA). Then, I examined the research documents of aid effectiveness in education sector in selected SAARC countries which have similar economic, political and other situations as in Nepal. Afterwards, I discussed major three theories; complexity theory, effectiveness theory, and social action theory. These theories provided me a strong theoretical base while analyzing and interpreting findings on aid effectiveness in education in Nepal. Finally, I expressed my view on aid effectiveness in education through EFA 2004-2009 in the recent context of Nepal.

In this chapter, I present my ideas thematically, critically and diagrammatically. I claim such kind of review as ‘the atomic review’ because it provides a powerful technique to understand required field.

#### **Foreign Aid: Who Gives Foreign Aid to Whom and Why?**

Before going into the in-depth inquiry of this question “who gives foreign aid to whom and why?” it is a must that I present a brief history of the origin of the concept of foreign aid.

Formally, the concept of foreign aid was introduced in 1947 by US General of the Army George Catlett Marshall. His ideas resulted in his famous speech given as the commencement address at Harvard, June 5, 1947. Marshall stated that without help, Europe faced grave "economic, social, and political deterioration" (European Center for Security Studies, 2009, ¶ 2). The key concept of the foreign aid was that the initiative for reconstruction had to come from the participating countries. The Marshall Plan created a new spirit of cooperation, mutual help, and support between Western Europe and the United States. Thereby, the foreign aid concept flourished throughout the world with the achievement of the Marshall Plan.

Along with it came several ways to explain foreign aid. It is often defined as the financial, technical and human power to support developing countries by developed countries. According to Radelet (2006), "The standard definition of foreign aid comes from the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD), which defines foreign aid as financial flows, technical assistance, and commodities that are designed to promote economic development and welfare as their main objectives" (p. 4).

From the above traditional definition, foreign aid can be pictured as an essential assistance for the developing countries to move ahead in the development parameter. The concept of foreign aid was initially understood as the assistance from developed countries to developing countries for meeting their economic goals but now, there is a big debate on why foreign aid is given to developing countries. Alesina and Dollar (1998) examines this phenomenon from two perspectives: antagonist and protagonist. In antagonist perspective, aid increases dependency and turns into collegiality and it is for cultural

domination whereas the protagonist perspective is to see foreign aid as a tool to end poverty, illiteracy and political instability for progress, freedom, mission, and national self-interest, thereby generating a positive rationale (Dutta & Leeson, n.d.; Klope, 1986).

These two contradictory perspectives provide me with a chance to explore the reality behind the “why” of aid.

Aid giving, if compared to a stage performance, incorporates two players, one a strong protagonist – the “who” and a subordinate “whom” where the “why” lies behind the curtains and is not visible to the audience. The stage plot is already determined by a “developed who” and “underdeveloped whom”. The act of giving here becomes a noble one, as the protagonist theory states. However, the reality has various dynamics. It majorly comes along with the issue of dependency and independent initiatives that can be tackled if aid is viewed and implemented from the lense of protagonists.

The answer to the questions leads us to another question – how effective aid is for a recipient country? The “effectiveness” condition has somehow been surpassed by the “amount” of aid. Let me delve into this issue further more.

### **Foreign Aid Effectiveness in Education**

Let me start with an illustration. I am gifted a branded watch but I do not know how to tell time . Will the watch be effective in fulfilling its objectives of giving me time? Likewise, the effectiveness of foreign aid in education is a must when we talk about it otherwise it will become like the useless watch.

Foreign aid effectiveness examines what works and what does not in foreign aid (Katayama, 2007). Aid effectiveness is must to increase significant support of partner countries and their efforts to strengthen governance and improve development

performance (OECD, 2008a) on aggregate manner. Improvement in economic performance leads effective means to achieve an objective (Ehrenfeld, n.d.; Morrissey, 2002; OECD, 2010). In fact, aid effectiveness means the extent to which aid resources succeed in producing sustainable development results for developing countries (AG, 2007 as cited in Global Donor Platform for Rural Development [GDPRD], 2008).

The “ineffectiveness” of aid seems heavily influenced by the extent of sustainability induced by significant progress in the sector. Nevertheless, this criterion has been shadowed down by the concept of “efficiency” – making aid a matter of ‘speed’ rather than ‘success’.

Bashir (2009) provides a more in-depth examination of aid effectiveness. The aid effectiveness in education has been generally understood from the overall effectiveness of aid in which for the last 50 years, aid effectiveness in improving the livelihoods of people in poor countries has been examined to show a positive relation of aid with development whereas Boone (1996) as cited in Michaelowa and Weber (2008) and Easterly (2001, 2002, 2003, 2006) as cited in Michaelowa and Weber (2008) present conflicting ideas.

Birdsall (2005) does not make such strong comments on the relation between aid and development but does imply that aid might work if the political and institutional conditions of the recipient countries are favorable. But it is still not clear as to what kind of relation the aid has on development education (Griffin, 2008).

This certainly questions the relevance of aid in development of a recipient country which was the main idea of providing aid. The debate of its relevance provides me with

an area to question where the effectiveness of aid is directly proportional to the relevance of the need of aid.

The debate between the two distinct ideas is that whether aid is effective in promoting economic growth or it leads government towards corruption and rent seeking behaviors. The concerns on corruption and rent seeking practices resulted into the formation of Paris Declaration. This declaration focuses on measures to ensure effective aid delivery, in broad terms, the aid effectiveness debate responds to criticism between what and how of development aid impacts in developing nations for achieving overall economic and sustainable development (Bermingham, Christen & Mahn, 2009, p. 131).

This raised a serious concern on the reactions of foreign aid and if those were the reactions that were expected or not.

To address this query, Monterrey Consensus of 2002 and the Paris Declaration of 2005 have taken significant initiatives in the past decade like establishing foundation for “dialogue on financing of development” (Acedo, 2009, p. 107) and bringing together the major stakeholders of aid to make a pledge to improve the aid effectiveness. For productive aid, both development partners and recipients initiate equal and parallel financial dialogue without any conditions.

Our general criterion of ineffectiveness of aid surely is limited to the surface level where we fail to identify the above mentioned issues of effectiveness. So far, we have taken the effectiveness of aid for granted, believing that the flow measures up for the effectiveness. However, this is not the case with foreign aid.

There are a lot of waves ebbing and in need of identification. Only when these waves are identified aid effectiveness in education can be improved, especially in a country like Nepal.

### **Improving Aid Effectiveness**

The relationship that the aid in education has with different factors like development, student enrolment, governance variables, and prioritization of aid, education investment, political freedom and civil liberties is found in recipient countries and this can affect the effectiveness of aid delivery. Talking about the recipient countries, it is necessary to understand the dynamics involved in making it a recipient countries.

Berry (2009) argues the particular relevance of aid to the education sector and relates it to coordination, state building and do no harm policy by rising following questions:

- a. To what extent can key stakeholders be brought together in support of a joint framework for the education sector?
- b. To what extent can state capacity and governance be developed to enable teachers to be paid, trained and deployed across the school system?
- c. To what extent can the state be supported to promote equitable access to education services and to implement policies that tackle exclusion at school level?" (p. 3)

Acedo (2009) believes that one of the approaches to deliver effective aid is through sector budget support which is more convenient for the fragile states to

implement since it does not require coordinating with the overall structure of the governance.

Michaelowa and Weber (2007) traces out the different approaches like sector wide approach, randomized evaluation techniques, direct budget support and so on which have been widely used by development partner countries because it helps decrease fragmentation of development systems and deliver aid by shifting the balance of power.

It becomes clear that sector wise approach in aid is preferable to other modality of aid in a country like Nepal where the governance is a big issue. Therefore, I agree with the concept of tailor-fitting an aid package according to the governance level of the country. In this way, the software and the hardware of foreign aid will match with the recipient country.

Currently, one of the most talked about concepts of mainstreaming the marginalized comes into the picture when we start talking about approaches in improving aid effectiveness.

Particularly, aid in education is based on: equity issues, solid information base to monitor progress, understanding relationship between education and fragility (Berry, 2009; Kelegama, 2005).

Roger (2008) also suggests some steps to be taken by the recipient countries to tackle this problem; firstly, “protect the most vulnerable and disadvantaged”, “consider carefully where to prioritize efforts, using evidence on returns to education” and “redouble the focus on results and effectiveness” (p. 5). Rogers (2008) believes that aid is not effective in increasing growth while some like Easterly (2003) think otherwise. Even so, the increase is not large.

When aid encompasses all the stakeholders without leaving behind “a girl child”, “a marginalized boy” or a “scheduled class woman”; only then can the effectiveness be improved because only then will the effectiveness be holistic.

Although the issue of governance of recipient country has already somehow come in the initial portion, specific relationship of aid effectiveness improvement and governance is yet to be dealt with.

Michaelowa and Weber (2008) and Wright (2008) study the relationship between the aid and governance of recipient nation. However, Wright (2008) emphasizes that there are two kinds of arguments on the relationship of aid and governance of the recipient state; where the optimists believe that increase in aid can help decrease poverty and there is no whatsoever need of the governance; however the realists strongly believe that if the governance is not proper then the aid will be ineffective and can instead be directly given to the needy people.

Jandhyala (2004) sheds a different light on this debate where more than this argument, the political process plays a crucial role in aid effectiveness which is able to address the question of governance. Wright (2008) points out three types of setting which are “formal institutional constraints, incentives provided by informal institutions and time horizon” (p. 972). In this way, Wright (2008) provides arguments where the governance of recipient country largely affects the aid effectiveness. Nevertheless, Kelegama (2005) believes that the development partner countries play vital role in the effectiveness of aid and works on the idea of techniques to be used by the development partner countries to overcome these governance problems.



When governance of a recipient country is taken into account, another very crucial aspect of the country also comes along; economy of the country and its relationship with improving aid effectiveness.

Berry (2009) tries to analyze how aid can be made more effective if the DAC principals are followed properly. The other dynamics involved in the effectiveness of aid in education understands the relationship of development partner country's economic condition with the aid flow. "Preliminary calculations by the World Bank Education sector team (HDNED), based on panel data of development partner countries over 1970–2006, suggest that an increase of 1 percent in development partner-country GDP per capita is associated with an increase of aid per capita of 1 to 2 percent" (Roger, 2008, p. 4). This shows that there is indeed a relationship between development partner country's economies with the aid flow.

Likewise, Kelegama (2005) provides a comprehensive understanding of the challenges faced by the development partner as well as recipient countries when the economy is in crisis.

Kelegama (2005) gives an example of the academic study conducted by Burnside and Dollar where they had investigated the relationship between foreign aid, economic policy and growth of per capita GDP (Burnside & Dollar, 2005 as cited in Easterly, 2003). Their study found out that the aid has a positive impact if the recipient nation has good fiscal, monetary and trade policies whereas becomes ineffective in case the policies are poor.

Easterly (2003) argues that since this paper had further testing, it gave general outlay only which were cited by many aid agencies, including the World Bank and the

Canadian International Development Agency. The end result was that 16 indicators of a country's performances were set, from which three were versions from Burnside and Dollar's study to select the eligible ones to receive aid.

Along with this, another important issue that needs to be dealt with besides these dynamics is how the aid effectiveness researches and reports need to be holistic in nature otherwise as Easterly (2003) points sometimes the economic researches done on the aid effectiveness and economic growth can be misinterpreted.

Most of the times, numbers do not tell the reality, they are not able to represent the performance, setbacks and progress.

Chowdhury and Garonna (2007) suggest that ODA can help uplift the economic condition of the developing countries since it provides an alternative to promote and support economic reforms and policies by linking different levels of governance institutions and policies. Similarly, Knack (2004) dwells on finding ways to incorporate global and local economies and find alternatives to strengthen them.

For a country like Nepal where both governance and economy pose various problems within the structure itself, the relationship between aid effectiveness and such big words become vague.

According to Acedo (2009), the link between aid and growth is vague but between aid and enrollment is much more promising and clearer which is helpful in making aid effective in achieving education goals. Other recent studies have also found positive effects on enrollment, although sometimes smaller in magnitude (Michaelowa & Weber, 2007), and "There is evidence that aid may have greater effects when it is

targeted at the schooling levels appropriate for a recipient country's level of development" (Asiedu & Nandwa, 2007 as cited in Michaelowa & Weber, 2007, p. 7).

Roger (2008) gives some measures to address this problem as follows:

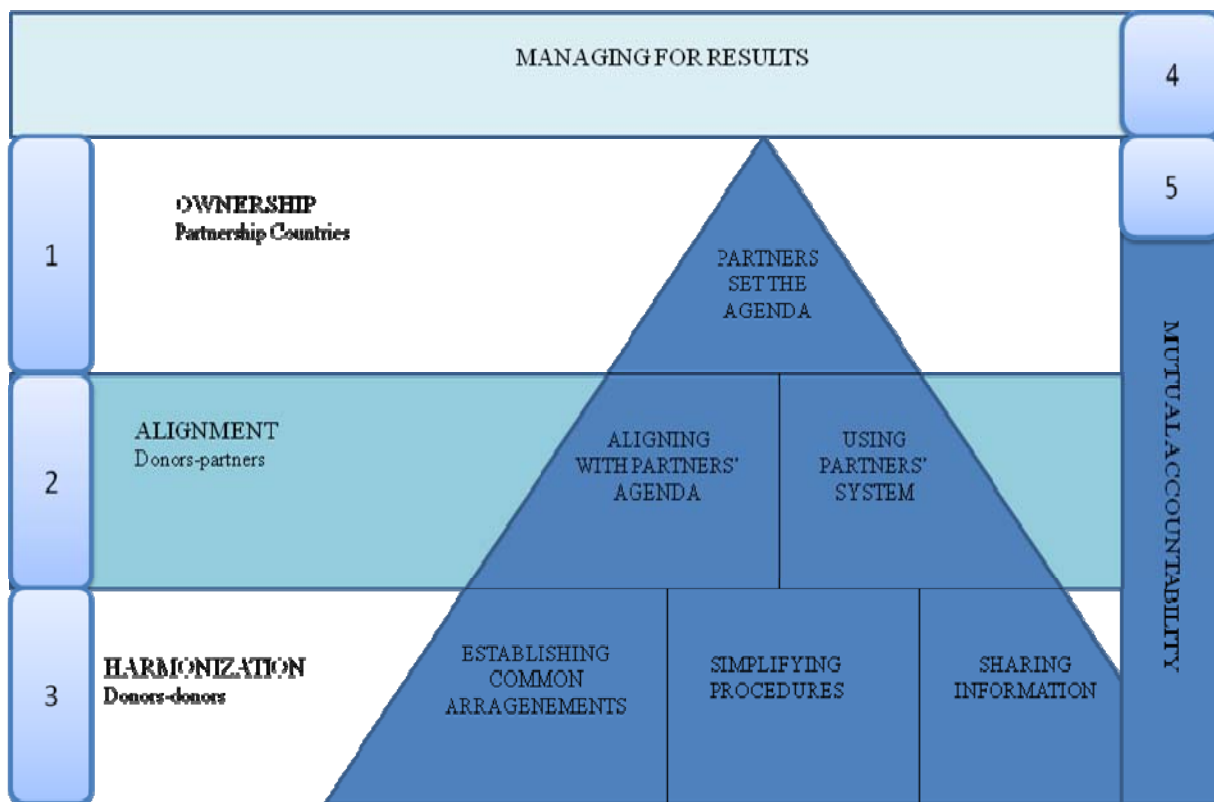
- a. Focus on education results
- b. Improve the overall management of public expenditures
- c. Maintain their own efforts

Lehmil (2008) points out some efforts like The Monterrey Conference on financing for development (2002), the Rome Declaration on Harmonization (2003), the Paris Declaration on Aid effectiveness (2005) and High-Level Forum on Aid Effectiveness in Ghana (2008) in improving aid effectiveness. For Lehmil (2008), "Aid effectiveness is clearly linked with a better allocation and delivery of aid on the part of the development partners and an improvement in management of the funds received from the part of the recipients" (p. 3).

Taking these points into consideration, the arrows point out towards management of aid and dependency of improvement of aid effectiveness completely lies in this matter. The allocation and delivery of aid is certainly one criterion however prioritizing sector and maintaining efforts from both development partner and recipient country comes along with it.

Lehmil (2008) believes that the Paris Declaration plays an important role in aid effectiveness by focusing on "ownership", "mutual alignment", "harmonization of development partners", "mutual accountability" and "managing for results".

Figure 1. Aid Effectiveness Pyramid



(Adopted from Lehmil, 2008, p. 3; Sida, 2006, p. 5)

Roger (2008) says that “The development partners need to continue to strengthen their harmonization efforts” in order to prevent another barrier of aid fragmentation (p. 8). Roger (2008) suggests lack of monitoring and evaluation to ensure improvement in education goals; thus it is important to weave in monitoring and evaluation process in both development partner and recipient countries’ programs.

This effort consists of forming common agreements among the development partner countries, making it simple and creating an open channel to share information. When these blocks are firmly placed so that the “who” becomes clear, the pyramid moves on to the “who” and “whom” of aid where a proper placement is induced by collaborating

with the partner country's system and agenda. Only then will this block be completed and able to move on to another one. The role of "whom" changes from a side actor to the main actor once the country starts taking ownership of the aid and its management.

These blocks are kept intact by managing for results and maintaining mutual accountability so that every country becomes liable to the one it is helping or vice versa.

In addition, Easterly (2003) points out the strategies adopted by the Paris Declaration like surveys focusing through aid effectiveness pyramid on assessing, monitoring and evaluation and other activities to ensure aid effectiveness.

The Human Development Report (2005) as cited in Lehmil (2008) underlines that the recipients' countries' capacity of absorption and deployment of aid can be enhanced:

- a. By collaborating and harmonizing their efforts following the lead of the proposed International Finance Facility in making pledges legally binding,
- b. By providing support for basic social services other than through governments (mainly through civil society organizations),
- c. By establishing a common framework for the continued analysis and debate on aid effectiveness, and thus for more effective contributions to the achievement of the MDGs" (p. 8).

It means that the aid effectiveness is susceptible to these characteristics and improvement becomes dependent on these factors.

To sum up, the improvement of aid effectiveness in education, Chowdhury and Garonna (2007) highlights three points of ODA; firstly it can encourage the flow of development assistance as well as integrate the national and local economies of a

developing country into the international economy both in global and local arena, secondly, it focuses on adapting institutional reforms and sound economic policies to create good governance in global, regional, national and local level, and thirdly, gives space to the private sector to carry out their fundamental role (Kelegama, 2005; Michaelowa & Weber, 2007).

It is indeed a tough job to set the standards for improvement of aid effectiveness; firstly, effectiveness itself is not measurable in simple terms and secondly, improvement itself is a relative term. How much will we call improvement; for a developed country and a developing country? Therefore, aid in education starts becoming ineffective when we fail to understand this.

### **Reasons for Ineffectiveness in Aid**

Without discussing the reasons for ineffectiveness in aid in education, it is impossible to grasp the crux of effectiveness of aid in education. There are certainly various reasons for ineffectiveness of aid, among which lack of prioritization of aid sector is one.

Michaelowa and Weber (2008) basically studies about the aid and its relations with other governance variables in order to support government education development system. It can be said that the effect of aid on basic and primary education is positive however the statistical support is not huge in number. One of the reasons why aid is ineffective can be credited to the lack of prioritizing aid in basic and primary education and giving more than needed focus to secondary and tertiary level.

Berry (2009) analyzes the data from OECD/DAC noted that the aid in education sector is decreasing significantly from forty four per cent in late 1970s and early 1980s

and thirty five percent thereafter. This data shows that there is an inclination to decrease in prioritization of aid on basic education.

Lack of prioritization is like shifting our attention from the main target, where we miss the spot and the target becomes ineffective. Among the various reasons, another reason is absence of any kind of incentive to further up the importance of aid and its management.

Another high level forum, “The Accra Agenda for Action identified the lack of institutional incentives within bilateral development partners and multilateral agencies as a critical impediment to the successful implementation of aid effectiveness reforms” (Bermingham, Christen & Mahn, 2009, p. 137). The general perception that the development partner funds are misused and do not reach the needy ones not only creates liability in political support of aid in developed countries but also causes problems in aid effectiveness itself. “As aid is, in most cases, only a small fraction of the resources in any sector (and particularly in education) the project approach provides only little possibility for a real impact on sector management” (Bermingham, Christen & Mahn, 2009, p. 138).

Again for aid effectiveness, Booth (2008) suggests that there is an interdependence between aid and recipient countries’ general political and institutional background. The provided aid can be fungible in case the recipient government has bad governance so that the use of aid will be for other ulterior purpose rather than the intended one (Berry, 2009).

Likewise, Feyzioglu, Swaroop and Shu (1998) and Swaroop and Devarajan (1999) as cited in Roger (2008) point out that fungibility can be one of those barriers

where if the recipient nation gets the aid, it can use its own revenues in other sectors otherwise used for the one where they got the aid for.

When we talk about fungibility of aid, it is like if I am given ten rupees to buy a note copy but I use it to buy a bar of chocolate, the aid becomes fungible in the sense that it is not used for the prioritized need; which could be one of the gaps in providing aids and its implementation.

Easterly (2003) argues that since the development partners were not able to allocate aid in proper sector of education, this has hindered the achievement of MDG goals and talking about the governance indicators, the economic governance does affect the education largely but the political governance has larger impact. It also points out that the lack of specific “efficiency gap” of foreign aid (Michaelowa & Weber, 2008, p. 15) can cause ineffectiveness in aid.

From the previous sections, it has become clear that governance of a recipient country plays a major role in aid effectiveness and thus also becomes a crucial part of the web of reasons for the failure of aid utilization.

Mel (2009) says that when the recipient nation’s education investment itself has not much of an effective impact in upgrading education, then the aid can be ineffective. It is also necessary to reform some “structural parameters” of education which may not go hand in hand with the international goals and emphasizes the co-relation between education and other social policies as well. It shows that if the recipient country itself has given less importance to education sector then the aid in education sector can be ineffective; which is why it becomes imperative to firstly analyze the recipient country’s status with the issue.



In addition, Booth (2008) suggests that the national policies do not matter in the education sector alone. “Lack of political freedom and civil liberties is quite consistently negatively related to education enrolment, at least in the longer time-series considered here” (Michaelowa & Weber, 2008, p. 15).

The first principle of Paris Declaration on “harmonization” points out that if the coordination and working relationship between the international actors themselves fail to be strong; like “weak host leadership and failure in creating accountability structure (Berry, 2009, p. 2), then the aid can be ineffective.

The second principle on “alignment” emphasizes that the government policies of the recipient nation should be strong for effective aid otherwise they will not be able to have long-term benefits of aid.

The third principle on “ownership” gives importance to respecting the recipient nations’ ‘institution building’ and avoiding crossing that line (Berry, 2009).

These reasons credit to creating a weak base for any aid to work effectively since the foundations where these principles lie are not so strong.

Rogers (2008) points out the challenges that have to be faced by the development partner countries and the recipient countries in the current global economic condition understanding this very relationship. Paxton and Knack (2008, as cited in Rogers 2008) believe that the development partner countries are going to have to face a lot of problems regarding getting voter's support to fund other developing countries when their own economy is in crisis; however they have the responsibility to remain loyal to the recipient countries. Roger (2008) says that in order to tackle this problem, the effectiveness of aid must be prioritized more and they should double their efforts in this priority.

This indicates that one of the reasons for aid ineffectiveness is the declining trust of development partners to provide aid which is further induced by the economy of the development partner country.

Booth (2008) also believes that the volatility of the aid and expenditure can create a lot of hindrances for the recipient country's government to invest for a long-term plan in education. Roger (2008) suggests that "Development partners should make aid as countercyclical as possible" (p. 8). Chaudhury et al. (2006); Pritchett and Filmer (1999); Reinikka and Svensson (2005) and the World Bank (2003) as cited in Roger (2008) point out problems such as "leakages of fund, high levels of teacher absenteeism, ineffective pedagogy or too little expenditure on important non-salary inputs" (p. 8) which Roger (2008) believes to be another barrier since it means poor quality of service in education sector.

Here, it can be seen that the minutes of the actual activity also creates impediments in the process of aid effectiveness. For example, the high level of teacher absenteeism, although not the main focus of aid, topples down the main process because the teachers are one of the main stakeholders of providing education and if they are not available then the aid that is provided for providing that education becomes ineffective.

A different and macro angle to study the ineffectiveness of aid is shown by Chowdhury and Garonna (2007) who talk about the growing polarization which increases the gap between the rich and the poor countries. This has led the developed countries to waver from their responsibility of supporting the developing countries. Integration and subsidiary are the two measures suggested to be taken to resolve this problem (Morrissey, 2002).

This wider angle view into the web of reasons shows that the cycle of development partner-recipient country in itself becomes an obstacle in the effectiveness of the aid because it encourages the gap to remain or even foster while the aid only becomes an obligation but not a mutual act. Undertaking all these features of the development partner as well as recipient countries that has become major reasons in causing aid ineffectiveness, certain principles and indicators were formulated to address these issues.

### **Aid Effectiveness Principles and Indicators**

“An indicator is a single number, a ratio or another observed fact that serves to assess a situation or a development” (De Vries, 2001 as cited in Crawford, Perryman, & Petocz, 2004, p. 177). Certain indicators are set in order to trace the progress and effectiveness of aid provided by the development partner countries to the developing countries. “The search for appropriate development indicators and ways to apply them has been ongoing for almost five decades” (Marsden et al., 1994 as cited in Crawford, Perryman, & Petocz, 2004, p. 177)

The Paris Declaration introduced indicators of progress and moreover, targets of good practice for its five key tenets of aid effectiveness: ownership, harmonization, alignment, results, and mutual accountability (Garnett, Nayar, & Polen, 2009) for the equal benefits of development partners and recipients countries and for reducing the bitter truth about foreign aid (Cockburn, 2009).

In the present context, to measure effectiveness of aid is a great challenge and to make it effective even harder. The flip mantra of foreign aid effectiveness suggests that the concerned stakeholders should emphasize on the favorable environment to formulate

five key principles of Paris declaration (Riddell, 2007). However, some recipient countries still blame that the aid effectiveness principles are being utilized in favor of the development partners as they always have their upper hand in developing the principles.

The major five principles deal with erasing this very complaint by creating a “system” on which foreign aid can be based. Harmonizing the development partner efforts will increase the effectiveness of aid since their efforts change from random to concentrated one. In addition, aligning their efforts with that of the recipient countries will be able to define the working area of both the countries and provide with a parallel space for both to invest in the education sector. This becomes possible only when the recipient country is able to ‘own’ this process and realize their capacity to govern it.

Ensuring that these principles are fulfilled, the development partner and the recipient countries are bound in a common agreement to be mutually accountable to each other and its stakeholders which is supported by the proper management of the results.

These principles became the foundation for further indicators of aid effectiveness. The OECD (2008a) defines indicators of aid effectiveness of which I have described twelve indicators.

Table 1

Twelve Indicators of Paris Declaration of Aid effectiveness

| INDICATORS    |   |  |
|---------------|---|--|
| Ownership     | 1 | National development strategies              |
| Alignment     | 2 | Quality of country systems                   |
|               | 3 | Alignment: aid is on budget                  |
| Harmonisation | 4 | Coordinated support for capacity development |

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|                       |    |                                |
|-----------------------|----|--------------------------------|
|                       | 5  | Use of country systems         |
|                       | 6  | Parallel PIUs                  |
|                       | 7  | In-year predictability of aid  |
|                       | 8  | Aid is untied                  |
|                       | 9  | Programme-based approaches     |
|                       | 10 | Joint missions & analytic work |
| Managing for Results  | 11 | Results-oriented frameworks    |
| Mutual Accountability | 12 | Reviews of mutual performance  |

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(OECD, 2008a)

According to the OECD (2008a) and the World Bank (2005, as cited in Lensink and White, 1999), ownership is one of the primary indicators of effectiveness of aid where the effective leadership of the partner countries over the development policies and strategies, termed as “ownership” yielding medium-term expenditure frameworks and annual budgets based on “prioritized results-oriented operational programs”. Similarly, OECD (2008a) accentuates the second indicator which emphasizes the “reliable assessments of performance, transparency and accountability of country system” (p. 17) of both partner and development partner countries.

The third indicator by OECD (2008a) and New Zealand International Aid and Development Agency [nzaid] (2008) highlights how only if the development partner’s country strategy, policy dialogues and development co-operation programs are aligned with that of the recipient countries’ can aid be effective. This is further supported by

World Bank (2005) as cited in Lensink and White (2008) where they talk about close coordination of the development partner countries.

Fourth indicator as mentioned by OECD (2008b) emphasizes the “commitment of partner countries in aligning” their analytic and financial support with partner’s capacity development objectives and strategies, effective use of existing capacities and harmonization of the support towards it accordingly. Nzaid (2008) also talks about the concept of harmonization for effective aid.

According to OECD (2008b), fifth indicator focuses on a transparent partner government budget and accounting mechanisms where the country system is strengthened by establishment of additional safeguards and measures. This indicator also includes the commitment of the development partner to trust the system of the partner country and respect it. Likewise, Lensink and White (1999) talks about “strong administrative and institutional capacity” (p. 13) which is also about strengthening partner government. Sixth indicator talks about the commitment of development partners in order to “avoid creating dedicated structures for day-to-day management and implementation of aid-financed projects and programs” (OECD, 2008b, p. 11).

According to OECD (2008b), the seventh indicator centers on the “reliability” of a long term, multi-year aid commitment and disbursement of aid in a “timely and predictable” manner as agreed. In addition to this indicator, White (1999) talks about “improvements in aid agencies’ own business practices” (p. 19) which is necessary for the former indicator to work.

Another important indicator given by OECD (2008b) accentuates the reduction of transaction costs that a partner country has to bear to get the aid so that the aid gets untied

and becomes effective. OEDC (2008b) suggests a ninth indicator that revolves around the theme of the “increased use of program based aid modalities” (p. 6) which means that the aid now becomes specific.

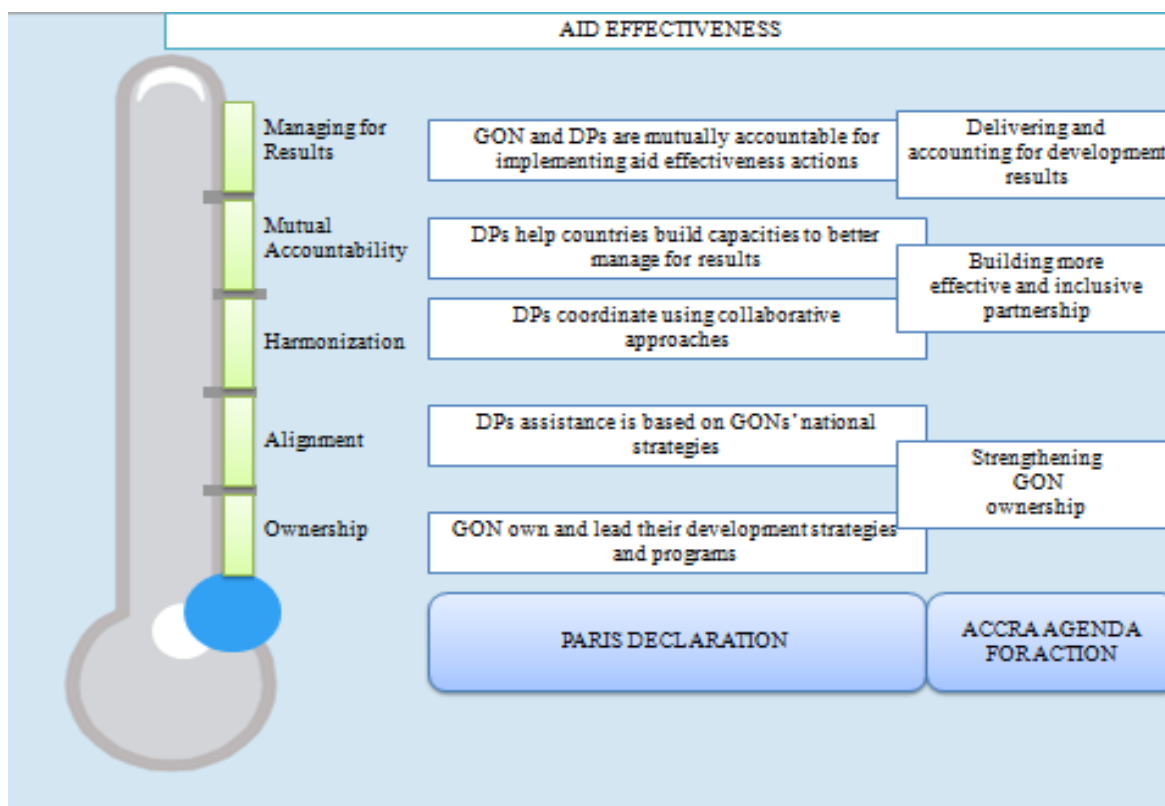
The tenth indicator by OECD (2008b) of aid effectiveness stresses on the reduction of any kind of separate or overlapping (duplicating) program and “diagnostic reviews” so that the development partner and partner country do not have to go through unnecessary costs. OECD (2008b) recommends eleventh indicator as a “results-oriented reporting and assessment framework” (p. 10) which is used to monitor the progress of aid in relation to the national and sector development strategies.

The twelfth indicator highlights the commitment of the development partner and partner countries to “jointly assess through existing and increasingly objective country level mechanisms mutual progress in implementing agreed commitments on aid effectiveness, including the Partner Commitments” (OECD, 2008b, p. 8).

These indicators pillar issues of development partner and recipient countries; and stress on how to reduce the imbalances and induce a proper environment where effective aid is possible.

Moreover, Lensink and White (1999) believe that one of the most important indicators is the domestic institutional capacity and the commitment to this. Similarly, Nzaid (2008) considers “legitimate, effective and resilient state institutions” (p. 6) as an indicator of aid effectiveness. Wangwe (2006) and Lensink and White (1999) also emphasizes that the proper policies and management of public sector by the partner country signifies aid effectiveness to certain extent.

Figure 2. Aid Effectiveness Principles from Paris to Accra



The combination of the PD principles into AAA gives a much stronger version of the same principles.

Apart from this, Lehmil (2008) talks about “social indicators”, and Crawford, Perryman and Petocz (2004) provide some statistical indicators to aid effectiveness. They believe that the nature of the discourse has “shifted from an emphasis on ‘scientific’ or ‘technical’ measures to more politically or socially oriented measures” (p. 177). According to De Vries (2001) as cited in Crawford, Perryman and Petocz (2004), the indicators to be used to judge the effectiveness are “technically sound”, “understandable”, “relevant” and “cost-effective”.

In this way, different authors have given differently named indicators; however



the essence of all the indicators are fairly similar in saying that only if there is a strong development partner-partner relationship in developing the spheres of aid implementation, monitoring and evaluation can the aid be effective.

### **Aid Effectiveness Cases in Different Countries**

The effectiveness of foreign aid in education of any state cannot be rightly measured unless similar cases of other states are not studied. Nepal is one of the developing countries receiving foreign aid. The country suffers from political instability, corruption, poverty, illiteracy and more. So, I sought out the situation of aid management system and its effectiveness in other countries whose economic, social and political features are similar to Nepal.

I have taken the case of Bangladesh and Pakistan as they are not different than that of Nepal in terms of development. They are also developing countries. The study of these countries would certainly make my research more elaborative and authentic for exploring the facts for Nepal.

#### **Bangladesh**

Foreign aid in Bangladesh has often become an agendum of discussion. Khan (2008) says “A lot of foreign aid flows from developed to underdeveloped countries but it is being wasted for bureaucratic complexities, corruption and unproductive public consumption, poor institutional development” (p. 145). Khan (2008) states that “the developing country fails to utilize their aid resources properly and thus concludes that the failure countries do not have their healthy economic climate to implement aid resources effectively” (p. 145). A case studied in Zaire while studying the case of Bangladesh also reveals the similar fate. Bangladesh is receiving aid from bilateral and multilateral

development partners but not being able to make it effective due to poor social and political situation of the country. It hardly needs to be said, but in poorly managed countries aid crowds out private investment. More evidences on the relationships among aid, management, and development come from analysis of the success and failure of public. It points out a loophole in foreign aid-“failure to utilize the aid” which adds on to the ineffectiveness of aid. Until and unless the recipient countries are not capable to handle responsibility, failures are sure to recur. The “economic” aspect of aid may be direct but the “social” and “cultural” aspect has indirect yet strong influences.

One cannot disagree with the statement that “Aid works, aid did not fail, if it fails both development partner and recipient are responsible” (Khan, 2008, p. 151). This study reflects that foreign aid in Bangladesh has been granted based on variables like: trade openness, democracy, civil liberties aid, Foreign Direct Investment, Colonial status, Initial income and Population (Lehmil, 2008). More importantly, aid effectiveness largely depends on the economic management of recipient countries and how foreign aid can transform entire sectors; the agricultural innovations, investments, and policies.

According to Khan (2008), it doesn’t matter who gave you and what you were given but how you took it and utilized it makes a big difference. Development partners believe that weaknesses in government institutions reduce Bangladesh’s capacity to absorb aid and utilize it effectively (Parnini, 2009).

Besides, the ineffectiveness of foreign aid can be related to privatizing state –own enterprises. Parnini (2009) focuses “The private sector and NGOs are noted for their corruption and lack of accountability and transparency, concepts that have yet to develop deep roots in Bangladesh” (p. 562).

It can be seen that there are many common links from the economy to the governance and the capacity between Bangladesh and Nepal. Similar to Bangladesh the utilization of the aid in Nepal has a huge setback.

In the Paris Declaration, a growing number of national and multilateral agencies emphasized ‘ownership, harmonization, and alignment, results and mutual accountability’ and made their pledges based on this credo. But the issue of country ‘ownership’ has become the empty rhetoric of development partners around the world. One more factor concerned with donor-driven public sector reform is decentralization. Decentralization is a fantastic idea for Bangladesh and elsewhere (Parnini, 2009).

We cannot deny the fact that public sector reform is a priority task for Bangladesh, and good governance in the public sector is an urgent necessity, too. However, the top–down approach of development partners’ so-called ‘good governance’ conditionality as a ‘new approach’ to development aid can hardly improve the quality of governance in reality. In order to understand the immense diversity of corruption and its origins, we need to focus on the roles of both the ‘internal stakeholders’ (such as politicians, business cliques and corrupt bureaucrats), as well as external actors (international financial institutions, western multinational companies) and their conspiracies (Quibria, & Ahmad, 2007).

### **Pakistan**

The case study of Pakistan would be essential reference to understand my study on Effectiveness of Foreign aid in education. Since my study is focused on EFA program (2004-2009) in Nepal, my focus is more on the foreign aid on basic and primary

education and “The constitution of Pakistan treats basic and primary education as a right conditioned by the availability of resources” (Malik, 2007, p. 3).

In Pakistan “The provision and financing of education, especially basic and primary education, is a responsibility of the public sector” (Malik, 2007, p. 2) as we are going through a very fragile situation. We neither have political stability nor any economic stability. “As a result, education at the primary level around the world is government funded” (Malik, 2007, p. 2). Similarly, international literature on education financing justifies support over and above private individual’s judgment to be necessary for themselves or their children.

Adequacy of resource allocation is one criterion for judging systems of educational finance. A recent study by the Ministry of Education, Pakistan has acknowledged that if EFA goals were to be met, budgetary allocation to the education sector would need to be raised to 4 percent of GDP (Malik, 2007).

Effectiveness of foreign aid depends on its efficiency that is judged in terms of cost effectiveness. In fact, “Cost effectiveness refers to the yield of educational outputs relative to consumption of real resources by educational institutions” (Malik, 2007, p. 4). Examine cost effectiveness of the basic and primary education sector in Pakistan and conclude that the increasing trends in costs are explained by recurring teacher costs, school construction costs and a cost ineffective utilization of existing resources (human and infrastructure). Malik (2007) argues that “given that the number of teachers is substantially below the optimal level, a shift in allocation of funds from construction to teacher employment will increase cost effectiveness” (p. 4).

It is often noted that Pakistan receives significant amount of grant funds.

However, there is another opinion that India gets more aid than Pakistan (Wright, 2008).

Malik (2007) has similar idea and says “It is interesting to note however that though India receives more aid than Pakistan for its education sector, Pakistan is the more aid dependent country” (p. 5). In addition, the reports of bilateral and multilateral development partners suggest that Pakistan has been receiving good amount of aid.

Malik (2007) claims the development partners important for better aid and says:

The Asian Development Bank (ADB) is currently the largest development partner in education in Pakistan, followed by the World Bank and USAID. Although UNESCO’s financial contribution is comparatively little, the organization is a significant player in the areas of vocational and technical training, teacher training and building partnerships with NGOs for service delivery including primary, secondary, technical and vocational training. (p. 8)

Wright (2008) and Morrissey (2001) state the fact that local governments require guidance from development partners as a panacea for ailing basic and primary education sector in Pakistan. It increases flexibility and accountability. Thus the aid effectiveness can be seen from the impact development partners have had in reducing the resource gap in recipient countries and in influencing policy formulation. “Development partner interventions in financing and policy formulation in developing countries are driven by a desire to improve educational outcomes and, as a means to this end, to introduce best practices from other countries” (Malik, 2007, p. 23).

Development partner intervention can be seen more in the above two countries.

But “What is important in this context is that good governance conditionality

acknowledges an unequal power relationship: development partners have the money; recipient countries want it, so recipients better behave as the development partner desires” (Parnini, 2009, p. 560). According to Parnini (2009), Policy development and formulation is the other area of involvement for international development partners. Therefore, developing countries needed extensive policy reform not only in the education sector but in all related sectors also.

The rich nations do not only provide financial assistance to the recipient countries but also impose their ideologies, be it political or economical agendas on them. Thus, the recipient countries should not spread their hands all the time for aid as “International best practices in education policy are not the only influence. Financial assistance is linked to broader political and economic agendas” (Malik, 2007, p. 11). Similarly, the financial assistance packages given to the developed countries are packed up with their policies to influence the policies of recipient countries

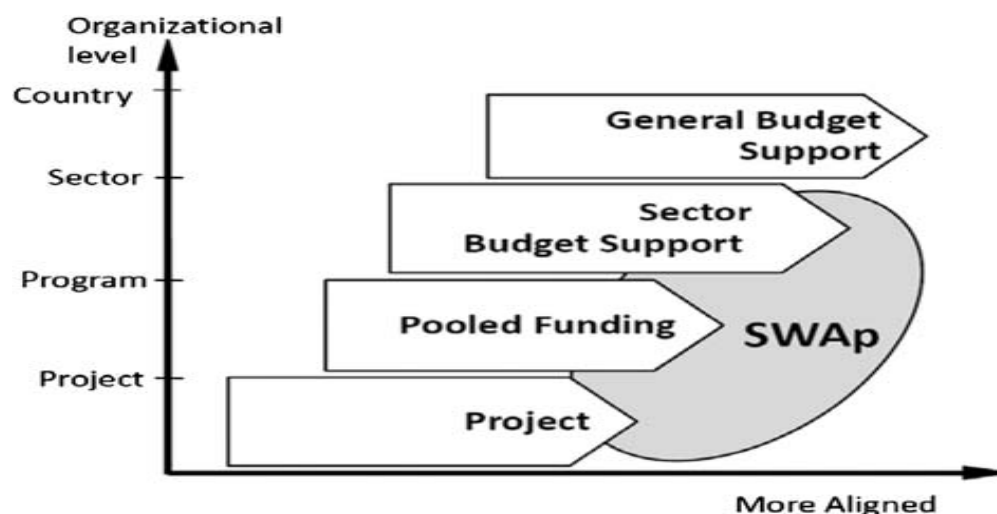
The truth is unveiled about financial assistance with the sector specific assistance discourse in recipient countries (Morrissey, 2001). And “The primary reason for involvement of development partners in education sectors in developing countries is a concern with disappointing outcomes” (Malik, 2007, p. 11). The reviewed literatures show the recipient countries are losing their interest in looking for financial assistance as they are being able to make it effective.

Taking into account the case studies, there are various similar elements of development partner and recipient country relationship among these countries and Nepal. I would like to take the preface one step further by getting into the effectiveness of aid in Nepal.

### Educational Aid Effectiveness in Nepal

Nepal is an aid dependent country but very few attempts have been made for addressing aid effectiveness issues empirically in education (Bhattarai, 2005). Nepal's development agenda, including educational development, has been poorly ordered due to lack of resources. As a result, Nepal has been facing the challenge over its national aid effectiveness agenda. Government of Nepal has initiated the annual Nepal Donor Consultation Meeting to strengthen coordination for introducing more support. There have been some success in strengthening country systems, but the fiduciary risk remains high (CDDE, 2009).

Figure 3. Continuum of Modalities



(Adopted from Bermingham, Christen & Mahn, 2009, p. 135).

Similarly, Acedo (2009) also talks about the different programs introduced to make aid in education effective. According to Acedo (2009), improving aid effectiveness is imperative at this time of global financial crisis and points out certain events like worsening public health and drop out in schooling as the impacts of such crisis. More

aligned aid through SWAP in basic and primary education in developing countries like Nepal can be used for the correction of such difficulties.

It can be seen that in SWAP, the modality is basically sector based, that is the needed sector will get prioritized aid for specific area only. Usually, in SWAP, the foreign aid comes in a pooled format where everyone contributes and the aid goes to general budget from where it gets divided to sector and further into projects.

Parallel and frequent financial dialogue is a must and “the goal is to transform aid into a working partnership between government and development partners by harmonizing, aligning, and managing objectives, agendas, systems, and procedures” (Acedo, p. 107). In order to assist the low-income countries to achieve the Millennium Development Goals, EFA is an important step in improving aid effectiveness in education by generating support for a single national education sector plan (Bashir, 2009) in Nepal.

Nepal so far has been focusing its policy work on aid effectiveness in basic and basic and primary education on the following key issues (UNDP, 2007):

- a. Democratic ownership
- b. Social inclusion
- c. Gender equality
- d. Conditionality
- e. Transparency and openness of aid
- f. Predictability of aid
- g. Untied of aid
- h. Technical assistance



In Nepal, aid effectiveness is a burning issue important for national development. We find the essentiality of aid in Nepal from Interim Plan 2007-2009, 27.5 percent expenditure is estimated to cover by foreign aid which is very big percentage but as like the volume of aid no importance is given in this field for research and study. Throughout my thesis writing period, I didn't find many research and journal articles regarding aid and its effectiveness.

When I compare and contrast the situation of Bangladesh, Pakistan and Nepal, I am able to find some common links among these three countries.

First and foremost is the issue of governance where in all three cases, the aid ineffectiveness has been credited to the weak governance of the countries. Another important link in this chain is the cultural factor. All three countries are located in eastern region and the development partner countries are from the west; the huge gap in the culture creates a crevasse for the aid to match with the culture of the recipient country.

The amounts of aid that these countries are receiving are paramount but apparently lack of ownership in these countries affect the effectiveness of aid adversely. Not only this, the lack of proper prioritization of education sector for aid credits to ineffective use of aid.

The poor social and political conditions have also adversely affected the way that these countries are managing the aid and its use. It can be analyzed that a culture of dependence towards aid has already been established in these countries and the scenario of aid effectiveness looks bleak.

## **Theoretical Review**

Theory is the forum for intellectual exchanges of great quality knowledge among scholars. It is the process of bringing knowledge together by cognitive, emotional, and environmental influences and ideas for gaining, enhancing, or promoting people's knowledge, skills, values, and world views (Burbules, n.d.). It is also a part of study in academic research for the exploration of new knowledge. So, I made it a part of study of my thesis from the beginning to end.

### **Complexity Theory for Aid Management**

In this complex world, there are “multiple transformations in environment, economy, society, polity, and technology throws up fundamental challenges to linear conceptualizations” (Serrat, 2009, p. 1) and human beings are trying to capture this complex physical world and want to utilize them for their desire. We also do not stand outside the systems and therefore as we start facing complex situations in our lives, our perceptions grow complexly.

According to Williams as cited in Valle (2000), “A complex system is one in which numerous independent elements continuously interact and spontaneously organize and reorganize themselves into more and more elaborate structures over time” (p. 5). It is the science of complex systems and able to identify that those complex elements are dependent on the initial conditions and can have a huge impact on the later on process (Serrat, 2009) and originated from biology, ecology, and evolution as a development of chaos theory.

Chaos theory looks at how simple things generate the very complex outcomes in our life that we are not able to predict just by looking at the parts by themselves

anywhere (MacGill, 2007). Complexity theory is allied to chaos theory. Both theories are new sciences which developed after the realization of being “able to undertake the massive computations necessary to uncover the mysteries of complexity” (MacGill, 2007, ¶ 4).

There have been many debates on the proper definition of the complexity theory. However, according to Dann and Barclay (2006), we believe that our Complexity Application Model as a knowledge, learning and organizational development domain offers real insights into management at all levels. It forms the basis of the “ideal” management, one that self-organizes, learns, adapts and evolves with its environment. Theoretically, this type of system is self-governing.

In spite of the complexities that exist, the complexity theory acknowledges those complexities and tries to unravel those complex systems in order to understand the process involved. We have responsibility to “use complexity thinking in aid and development, for instance, where it might collectively and individually help organizations promote the Paris Declaration on Aid Effectiveness” (Serrat, 2009, p. 2). So, complexity thinking approaches may be one of the best paths in the management practices in aid effectiveness which embodied out bureaucratic system (Murphy & Murphy, 2003). When we face “volatile, uncertain, complex, and ambiguous environments” (Serrat, 2009, p. 2), it promotes unwanted elements like corruption, malpractices, ineffectual and inefficiency. So, this is the right time to think about complex managerial skill and move away from traditional and ordinary managerial skill.

As can be detected, the complexity theory is able to take into consideration the dynamic complex mechanisms of the development partner as well as recipient country.

According to Checkland (1991) and Bertalanffy (1968), Chaos theory relates to the systems behaving in a non-linear fashion particularly that small changes in initial conditions can have a large impact on outcomes.

Even though the ‘mysteries of complexity’ keep on deepening and changing according to the country, this theory values those complexities and how they play a major role in aid effectiveness; how to tackle or avoid those complex elements that cause ineffectiveness of aid.

When we are taking in account an objective that needs to be fulfilled, it is basically influenced by the need and relevance of that objective. While inputs are induced to meet the objective, certain activities are carried out to achieve some outputs. However, the input and output are governed by many complex elements, basically efficiency and impact respectively which become a crucial part of the process and has to be taken into consideration because the process is no longer “linear” and becomes “non-linear”.

Valle (2000) characterizes complexity as:

a) a large number of similar but independent agents; b) persistent movement and responses by these elements to other agents; c) adaptiveness so that the system adjusts to new situations to ensure survival; d) self-organization, in which order in the system forms spontaneously; e) local rules that apply to each agent; and f) progression in complexity so that over time the system becomes larger and more sophisticated (p, 4).

Complexity theory is 'theory of everything' which is capable of explaining consciousness, revolutions, social change, and the strategic management (Coveney &

Highfield, 1995; Waldrop, 1992 as cited in Day & Letts, n.d.). In recent days, complexity theory has also been started to apply in social sciences for the study of organizations, information and technology. So, in this study, I used this theory which helps to lead aid effectiveness in education by focusing the complexity strategic management in bureaucratic sectors.

### **Effective Theory for Aid Effectiveness**

Effective theory provides the critical link between strategy and execution, essentially translating strategy into reality. Effectiveness measures in amount to cognitive shortcuts in the face of an overpowering complex reality of aid use (Gartner, 1997; Melnyk, 2004 as cited in Bullock, 2006). It influences how decision makers evaluate the impact of purposeful actions and affects critical issues such as resource allocation of aid as well as whether to maintain or change existing strategy in simpler form for better result. Pennings and Goodman (1977) prescribe a framework for organizational effectiveness where the organization comprised of constituencies and effectiveness is a matter of coordination of these subunits.

Likewise, in aid, coordination of the subunits like the development partner countries' economy or the recipient country's governance, community and so on is done to ensure effectiveness. Aid is a scarce resource which is directly linked with people's wants. We know, in real world, resources are scarce but people's wants are unlimited. effective management is needed for survival where we are trying to fulfill unlimited wants within limited resources. The purpose of this theory is to replicate reality in a specific domain, but to provide a coherent, organized approach to understanding complex, real events in general.

Sundstrom, DeMeuse & Futtrell (1990) provide an ecological point of view to the effectiveness theory where they emphasize on “task design & technology, clarity of mission, timely performance feedback, rewards & recognition tied to team performance, design compatible with objectives and so on”. Here, it can be seen that effectiveness theory is able to grasp the idea of the elements involved in making aid effective. For instance, design compatible with objectives becomes need-specific and thus is able to match with a community where the aid becomes practical.

Such a theory based on theorems, axioms and assumptions providing a basis for simplifying and organizing reality by delineating the exact conditions and area where the theory holds, and the effects when the conditions are violated. Such axioms and theorems help the analyst discriminate critical phenomenon from incidental phenomenon, providing a basis for simplifying a complex reality without twisting its crucial characteristics for nations’ betterment (De Mesquita, 1981; Gartner, 1997 as cited Bullock, 2006)).

According to Kaplan & Norton (1996) in their balanced scorecard version of the effectiveness theory, they provide a management tool where mission and values are translated into strategy, that is then translated into specific, quantifiable task objectives in each category, with targets. Nominally, this translates strategy into a management tool, with an exclusive focus on operational objectives. It means that when an aid is given to a recipient country, the aid needs to be translated into a specific strategy otherwise it will fail to internalize the objectives of the aid giving.

Effective theory represents the belief system that governs nominal responses to situations that may or may not correspond to theory-in-use. For example, an organization

is concerned about the importance of life-work balance, yet holds mandatory team get-togethers early in the morning, or evening or on weekends.

Effective theory deals with a question - how to walk and talk? It means thoughts and actions used to protect individuals, groups', and organizations' usual way of dealing with reality (Smith, 2009). The individual and organization act to buffer from threats or embarrassment for exploring reality. It is very helpful when exploring questions around professional and organizational practice of aid effectiveness (Smith, 2009). It is link with environmental perception for giving allegiance of responsible authority in terms of stakeholder's feedback and feed-forward of the use of aid.

Effective theory actually talks about the implication of the aid in action; where in an idealized version and in real version, the same elements create different responses or results. Likewise, aid becomes this theory which when brought to action leads on to various outcomes that are not the way it was supposed to be. This theory is able to identify this and thus I have used this theory in my research in order to provide an in depth understanding as how the effectiveness theory analyzes the aid ineffectiveness as well as effectiveness in the context of Nepal.

### **Social Action Theory**

Social action theory is a community-oriented model that is used to increase the problem-solving ability of entire communities through achieving concrete changes towards social justice (Kaspersen, 2000; Minkler, Wallerstein & Wilson, 2008). This theory enables the individual, groups or communities to overcome the challenges through a process of empowerment, critical consciousness, community capacity, social capital, issue selection, and participation and relevance (Best, 2003; Ewart, 1991). From the

perspective of action theory, then, evolution involves- increasing differentiation of the personality, social, cultural and organismic systems from each other, emergence of new integrative structures and upgrading of the survival capacity of each action subsystem, as well as of the overall action system and its environment (Kaspersen, 2000; Turner, 2003)

Empowerment is an integral part in aid management by the local stakeholders where “empowerment aims to transform power relations between communities, institutions, and governmental agencies” (Harrington, 2005; Minkler, Wallerstein & Wilson, 2008; Turner, 2003). So that the local stakeholders can not only claim the ownership of aid but also collaborate with other stakeholders to work together. Social theory also talks about community capacity, a theme similar to “domestic capacity” and strengthening this capacity through “leadership, participation, skills, sense of community and so on” (Minkler, Wallerstein & Wilson, 2008).

This theory mainly engulfs the essence of action oriented process where the school, committees or the community works towards gaining competency in bringing about change; in the case of this study, regarding aid management and its effectiveness.

Therefore, these management, development and social theoretical concepts are able to help be conceptualize the aid effectiveness or ineffectiveness for that matter. This process is complex indeed and to make it effective, these theories provide an in depth awareness of the existing barriers and solutions for them.

### **Research Gap**

We accept the reality that Nepal is aid receiving country. The share of development partners in basic and primary education is around 35.47% (MOF, 2005). But, during my study, I found very few literatures and research in aid related matters in



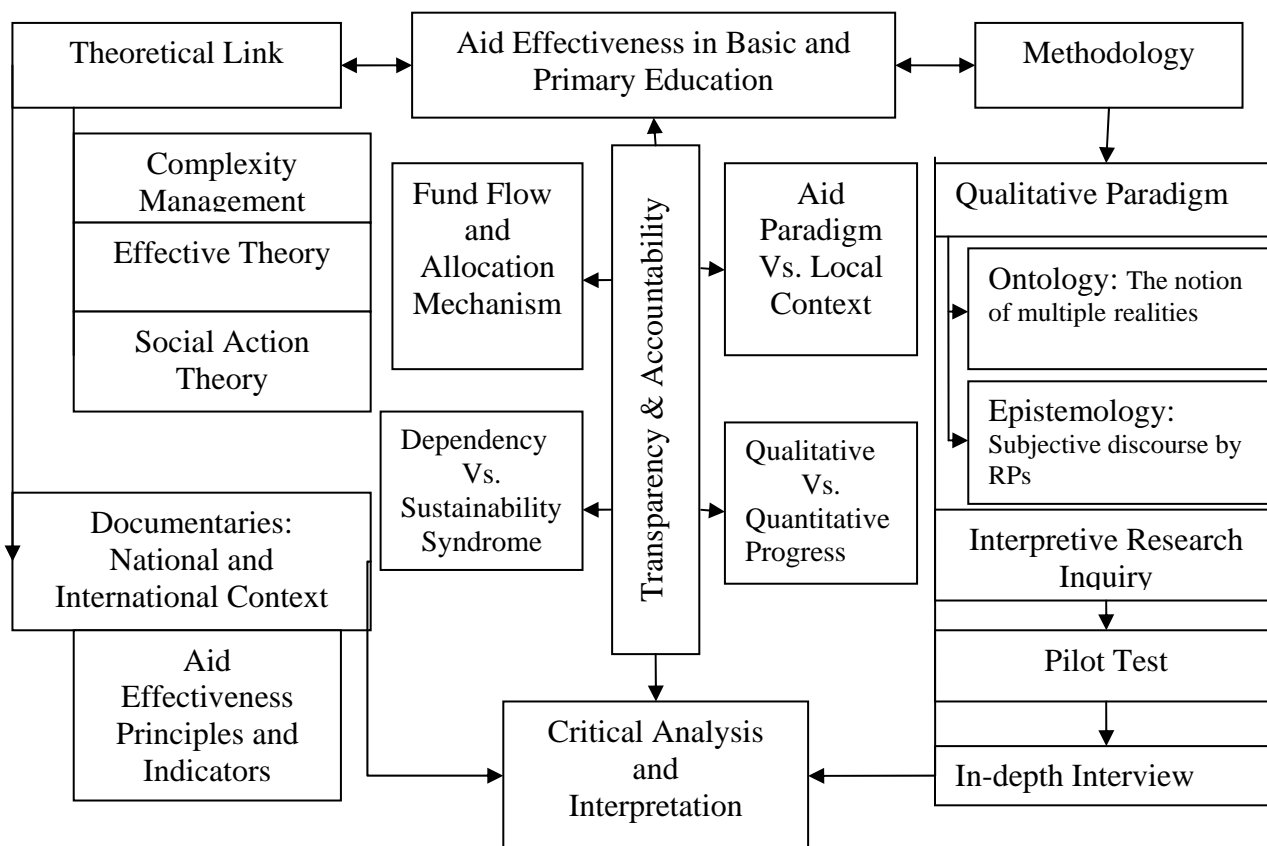
basic and primary education. In fact, aid effectiveness seems quantitative measurement but it is essential to find the reality of aid effectiveness in terms of qualitative measurement by local stakeholders, development partners and aid managers' perception and experiences. We know that there are multiple realities of the measurement of aid effectiveness by qualitative manner but now it is pertinent to find the best way of its proper use and management. So, my research opens the door to conduct more research and make more literature in this field for reducing the research gap for optimum use and management of aid in basic and primary education.

### **Conceptual Framework**

The whole concept of my thesis is to study aid effectiveness in education, especially focusing on primary through EFA program 2004-2009. This framework revolves around how effective the aid has become, based on the major factors of accountability and transparency. These major factors are further supported by use of different indicators (Aid Effectiveness Principle, Chapter II). The main four pillars of education – access, quality, equity and relevancy have been posed to see whether the aid has been effective and properly manageable or not. Within this framework, I had applied the use of various documents, empirical study and theoretical frames as well as aid effectiveness principles declared by Paris Declaration and ACCRA Agenda for Action linked with the perceptions of different research participants; emphasizing development partners and local stakeholders. Basically, Paris Declaration principles and ACCRA Agenda for Action were viewed from the perspective of national and local concern; highlighting the importance of recognizing and uncovering those perspectives.

This conceptual framework is encircled with inter-linking relationships of perceptions, theories, documents and principles which have been viewed from protagonist's theory of foreign aid in order to signify the prominence of all these intertwined relationships.

Figure 4. Foreign Aid Effectiveness in Basic and primary education



### Concluding Remarks

Foreign aid concept was introduced by US government to European countries through Marshall Plan. Considering good experience of this initiation, foreign aid gained rapid popularity and spread throughout the world. UN also declared and requested the developed countries to provide financial support to the economically disadvantaged countries. During this process, debates on the positive and negative impact of aid started

to surface. Because of such discourse, it became pertinent to establish a mechanism to make aid more effective. It resulted into formulation of high level forum on aid effectiveness which declared aid effectiveness principles. On the basis of these principles, guiding indicators were also developed for yielding aid effectiveness.

Basing on the study of these principles, certain cases of aid receiving countries were illustrated which were able to provide similar elements of aid effectiveness and ineffectiveness of the received aid in education. Furthermore, the theoretical reviews validated those similar elements and linked them in the context of aid management in Nepal. So, I reviewed effective theory, complexity management theory and social action theory to develop a bridge between the “idea” and “reality” of aid effectiveness in Nepali context.

## CHAPTER III

### RESEARCH METHODOLOGY

In this chapter, the research methodology used in the study is described. The specific area where the study was conducted and data collection procedures are described. The instruments used to collect the data including methods to maintain trustworthiness of the instruments are also described. Mainly, this chapter highlights the implementation process of research methodology which generates primary and secondary data and its analysis for the findings in research.

#### **Research Philosophy**

Research methodology in education refers to the philosophical framework, view of being human, truth value, epistemological perspective and assumptions that are associated with a specific research method (Best & Kahn, 2007; Dooley, 2007; Johnson & Onwuegbuzie, 2004). Educational research methods outline investigative journeys of human civilization and modes of inquiry used in the quest of knowledge in existing world for beneficial aims and results (Hostetler, 2005; Scarbrough & Tanenbaum, 1998).

The important principle is that, the exclusive demands of the problem should indicate the method to be followed, rather than a pre-selected method which limits the kind of problem to be explored and “establishes a cause and effect relationship between variables with the purposes of explaining and predicting phenomena” (Best & Kahn, 2007, p. 9; Camp, 2001). However, we must keep in mind that any exact method is not the end (Creswell, 2003; Johnson & Onwuegbuzie, 2004; Singh, 2007; Tashakkori & Teddle, 1998). Freimuth (2009) contends that the knowing of absolute truth is

impossible since what we see as ‘truth or knowledge’ is inherently flawed by our own social constructions. So, ultimate reality behind the model is meaningless (Haylighen, 1993). We should explore model as the study of the nature and extent of knowledge and truth on the effective management of which is my epistemological concern. An explicit specification of a conceptualization with multiple constructed realities (Gurber, 1992) of educational aid and its effective management is ontological framework.

I believed that ontology in my research can be defined “as the study of what we know or rather what we think we know and epistemology in my research as the study of how we achieve knowledge or rather how we think we achieve knowledge” (Freimuth, 2009, p. 2) of educational aid effectiveness in primary.

Somekh and Lewin (2005) argue that epistemology and ontology have to do with the essence of knowledge, truth and being. As a researcher, in my research, it was needed “to recognize that we are part of the social worlds we are studying and researchers’ own interpretative processes and authorial position need to be taken account of” (Somekh & Lewin, 2005, p. 17 as cited in Freimuth, 2009, pp. 1-2).

Interpretive inquiry wrestles with maintaining the opposition of subjectivity, celebrate the permanance and priority of the real world of first person subjective experience (Crossan, n.d.). It synthesises between social realism and contructivism and assumes that human behavior can best be understood by determining the pushes and pulls of structural forces. Interpretive research is essentially concerned with implication and it seeks to understand social members' definition of a situation (Crossan, n.d., Guba, 1990 as cited in Denzin & Lincoln, 2005). So, interpretive inquiry was my research approach

because my research study was guided by a set of beliefs and feeling of research participants about the aid effectiveness and how it should be understood and studied.

### **Journey of Research**

I set out on an adventurous journey to explore the reality on the aid and its effectiveness particularly in education based on EFA 2004-2009. Initially, I identified the effectiveness themes pertaining to aid through literature review as a part of my study. While reviewing literature, I collected national and international reports, journals, books, and various publications. After thorough study of effectiveness indicators and cases of different countries, I designed a concept of my research to show the effectiveness of aid of multilateral development partners by taking aid flow system and effectiveness in education of the World Bank. Then, I designed a thematic concept and conducted pre-study assessment for the ensuring the relevance of research topic and research questions.

For asserting the efficacy of research, I purposively chose representatives of Finance Ministry, National Planning Commission, Ministry of Education, Save the Children, including educationists and economists. All of them appreciated the idea and concept too but they criticized me for being one sided on the World Bank. Some of them even had a doubt if I was 'working as agent of the World Bank'? They advised me to take the matter into more depth and make it broader with real effectiveness of aid in education considering all development partners.

I internalized their suggestions and developed my research proposal into something new as per their suggestion and my own vision. Therefore, I did give up the idea of aid effectiveness of World Bank and submitted proposal to research committee. I presented my proposal to research committee which was accepted with some comments.

Fortunately, one day I explained my corrected proposal to Dean, Head of Departments and Supervisors. They advised me to research on aid effectiveness in basic and primary education by taking all development partners. I took that as well for granted and then set myself to research on aid effectiveness in basic and primary education covering the period of BPEP I and II and EFA. So, I redesigned my proposal. meanwhile, I was short listed for fresh graduate fellowship of 'Second Higher Education Project (SHEP): A grant support of International Bank for Reconstruction and Development (IBRD)/ International Development Association (IDA) to the Government of Nepal' through University Grants Commission (UGC). I presented the proposal among the experts in UGC. They as well provided me with fruitful suggestions. According to them my research should limit on aid effectiveness in education during EFA 2004-2009. Finally, I was also given a consent by my supervisors to work on what I was suggested by the experts of UGC.

### **Selection of Qualitative Research Paradigm**

I found topic selection to be a very difficult task in PhD thesis but the more difficult part was the selection of research paradigm. At the beginning of proposal development, I chose mixed methodology. After visiting my supervisors and conducting pre-study assessment, I changed my approach. And I realized qualitative method more applicable than mixed method as qualitative method was more into engaging research that "probes for deeper understanding rather than examining surface features" (Hoepfl, 1997, ¶ 2).

I used qualitative approach for answering the research questions in my thesis regarding aid effectiveness in education during EFA program period. Qualitative approach was more relevant because I tried to clarify the defined indicators through

stakeholders' perceptions treated as a black box by using a number of studies. Hoepfl (1997) argues the multiple strength of qualitative research in education and says there are compelling reasons for the selection of qualitative methodologies within the educational research arena, yet many people remain unfamiliar with these methods. Researchers trained in the use of quantitative designs face real challenges when called upon to use or teach qualitative research (Stallings, 1995, ¶ 2). Therefore, there is, however, a growing body of literature devoted to qualitative research in education.

According to Hoepfl (1997) several qualitative researchers have identified what they believe to be the prominent characteristics of qualitative, or naturalistic, research. The list that follows represents a synthesis of these authors' descriptions of qualitative research (Hoepfl, 1997, ¶ 13):

- a. It uses the natural setting and attempts to observe, describe and setting the empathic neutrality.
- b. It predominantly use inductive data analysis.
- c. Reports are descriptive, incorporating expressive language and converts voice in text.
- d. It has an interpretive character, aimed at discovering the meaning by realism.
- e. It pays attention to the idiosyncratic as well as the pervasive and seeking uniqueness.
- f. It has an emergent design and focus on emerging process of outcomes
- g. It judges using special criteria for trustworthiness



### Characteristics of Qualitative Research Paradigm

| Point of Highlights    | Qualitative Research                                       |
|------------------------|--|
| Focus of research      | Quality (nature, essence)                                  |
| Goal of investigation  | Understanding, description, discovery                      |
| Design characteristics | Flexible, evolving, emergent                               |
| Setting                | Natural, familiar  |
| Sample                 | Small, criteria-based, theoretical                         |
| Data collection        | Researcher as primary instrument, interviews, observations |
| Mode of analysis       | Inductive (by researcher)                                  |
| Findings               | Comprehensive, holistic, expansive                         |

(Merriam, 1988, p. 18 as cited in Key, 1997, ¶ 14)

I found a lot of strength in qualitative method in educational research. After studying research articles and supervisors suggestions for qualitative research, I changed my mind and dived into it with all enthusiasm. I was also given the opportunities to attend various lectures in qualitative research that encouraged me to use qualitative research paradigm identifying multiple reality of aid effectiveness in education during EFA 2004-2009. After the study of different approaches of data collection, I found in-depth interview more reliable for data collection. It is one of the most common qualitative methods. “One reason for its popularity is that it is very effective in giving a human face to research problems” (FHI, n.d.¶ 1).

## **Research Design**

Research design simply means measures of collecting, organizing, analyzing, interpreting and reporting data in research (Best & Kahn, 2007; Creswell, 2003).

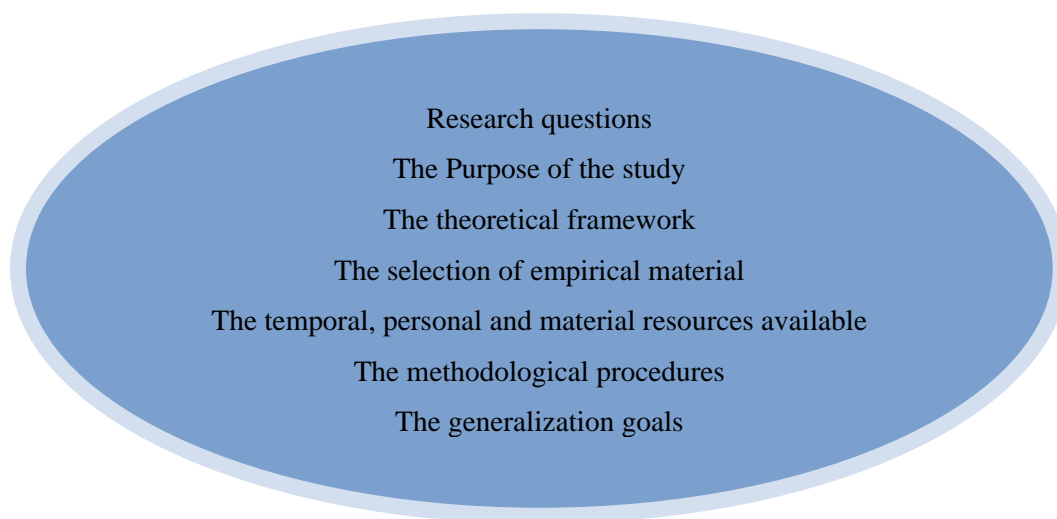
Creswell (2006) states that it represents different models of researching having distinct means and procedures. Research design in educational research is “a specific strength of qualitative work with its focus on located meanings is that it facilitates the development of substantive areas and research questions in the ongoing development” ( Reay, 1996 as cited in Haywood & MacAn, Ghaill, 1998, p. 133).

Rigorous research designs are important because they guide the methods decisions that researchers must make during their studies and set the logic by which they make interpretations at the end of studies. Once a researcher has selected a qualitative methods approach for a study, the next step is to decide on the specific design that best addresses the research problem (Creswell, 2006, p. 58).

A high-quality design means the “one in which the components effort pleasantly together, promotes efficient and successful functioning in research work; a flawed design leads to poor operation or failure” (Maxwell, 2004, p. 2). So most essential part in education research is research design. How we design our work, it reflects in reality of “novice researcher” (Barbour, 2008, p. 35). Thus, it is important to have appropriate research design in educational research.

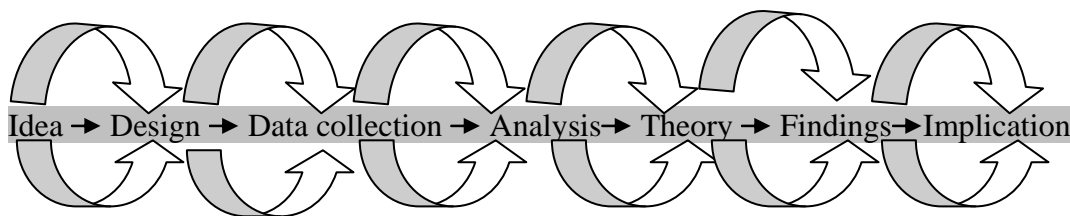
When I constructed a research design for my study, I considered the components from which a research design was put together (Flick, 2006). According to Flick (2006) the following are the components for research design:

Figure 5. Components for Research Design



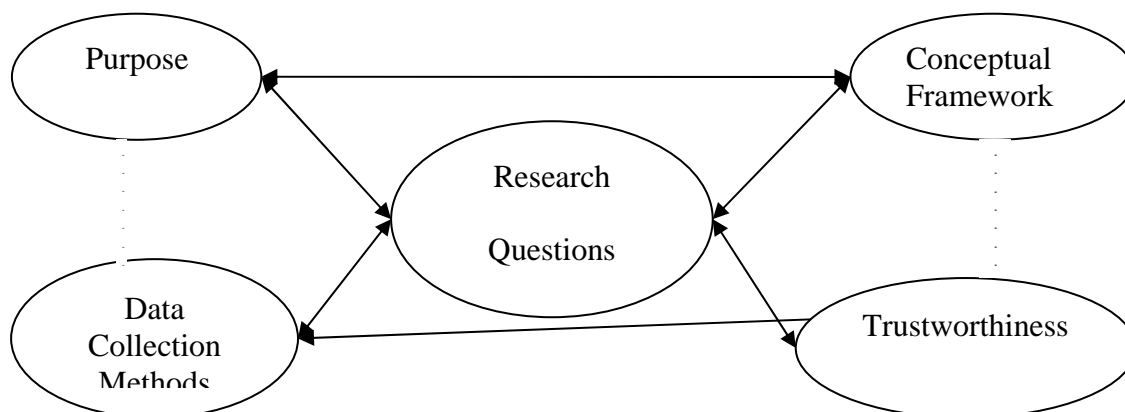
My research method was designed by using “the research-before-theory” (Berg, 2006, p. 23) model:

Figure 6. The Research-Before-Theory Model



According to Malterud (1993), the qualitative research process is presented and discussed as a model; emphasizing matters frequently experienced as unique matter by the educational research. The model which I presented below is a methodology implying fundamental values for the creation of scientific knowledge sharing understanding- inter-subjectivity as essential in aid effectiveness and at the same time the principles and procedures for de- contextualizing and re-contextualizing (Andrews, 2003; Malterud, 1993). The qualitative model which I mentioned is clear about the questions raised in my research. There are some steps in this research process as shown in figure given below.

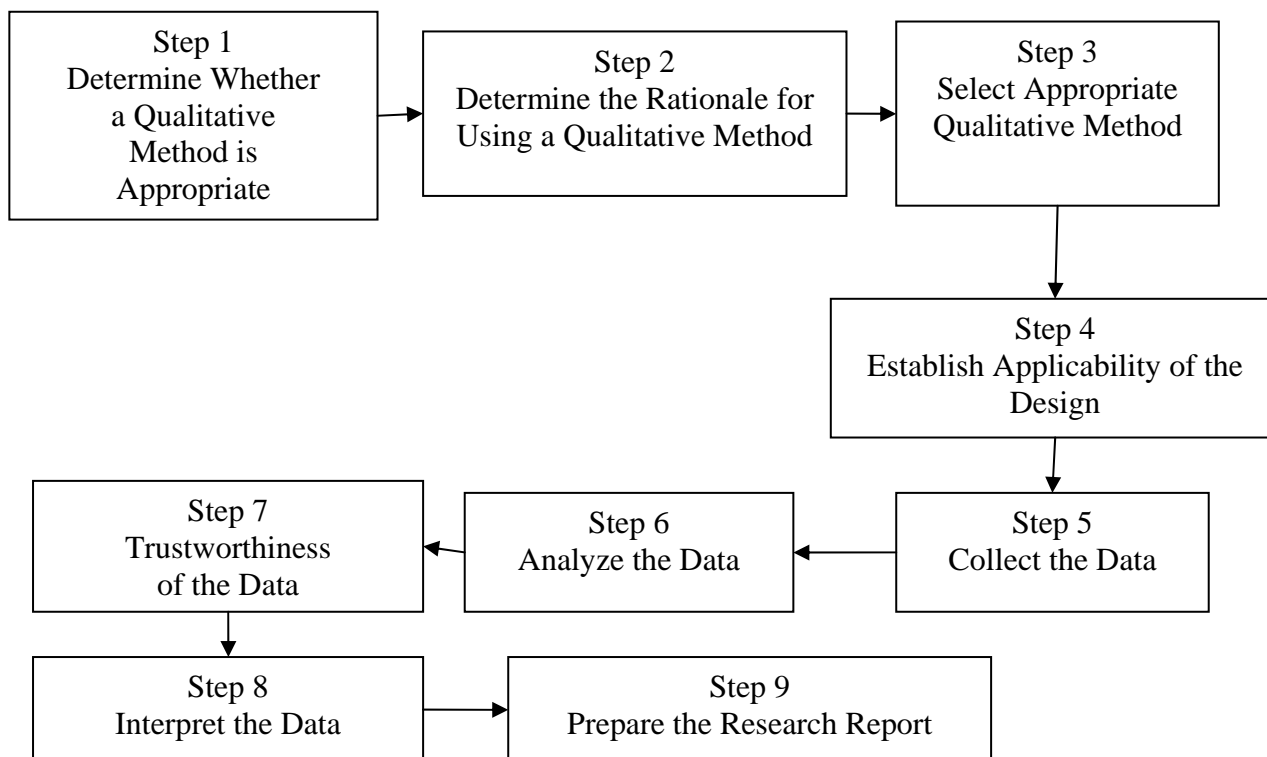
Figure 7. Model of Qualitative Research Method



(Adopted from: Maxwell, 2004; Ryder, 2010)

Qualitative approach is linked with methods, trustworthiness, goals and conceptual framework making research questions the heart of all. This is clearly shown in above figure. To make it clearer, it is presented in figure below:

Figure 8. Important Steps in Qualitative Research Design



(Adopted from: Johnson, & Christensen, n.d.; Johnson & Onwuegbuzie, 2004)

## Sample Selection and Criteria

A qualitative method study requires identifying sources of information of research participants. Curtis, Geslerb, Smitha, and Washburnb (2000) state that the aim of identifying information is to select people who could provide rich information as per the objective of the study and descriptions of the related areas.

This study sets a number of criteria for underlying research participants. According to Tashakkori & Teddle (1998) the general inclusion criteria focus on some general and specific requirements for individuals or groups to participate in qualitative method research,

- a. Eager to act as a facilitator during the interview period.
- b. Efficiency to share experiences and works.
- c. Enthusiastic to participate in interviews.
- d. Ready to be open and share thoughts and emotions, experiences/knowledge
- e. Keen to reflect on the reality of related field.

In my research, I chose purposive sampling. Trochim (2006) simply defines, researcher's sample with a purpose in mind is purposive sampling. Furthermore, it also targets a particular group having efficiency to contact a targeted sample on time (Trochim, 2006; WADSWORTH, 2005; Whelan, Marshall, & Humphreys, 2009). Meanwhile, I adapted heterogeneity sampling as I wanted to include all opinions from different levels representing views proportionately.

After long brainstorming, I explored myself and my study area which of course is not only limited in identifying the “average” or “modal instance” but in getting broad spectrum of ideas. I purposively chose this sampling as another term for this is sampling

for diversity. No one can ignore the fact that there is universe of all possible ideas relevant to my topic. Hence, to accumulate all those ideas, particularly the outlier or unusual ones; I included a broad and diverse range of research participants in my research.

I implemented snowball sampling too. I began by identifying someone who meets the criteria for inclusion in my study. Then the next step was the reference round that I found out from the first research participant about the second one as the eligible resource person having in-depth knowledge. It is indeed a useful tool for developing a research in the case like mine when members were not selected from a sampling frame (Salganik & Heckathorn, 2004; Trochim, 2006).

### **Information Document**

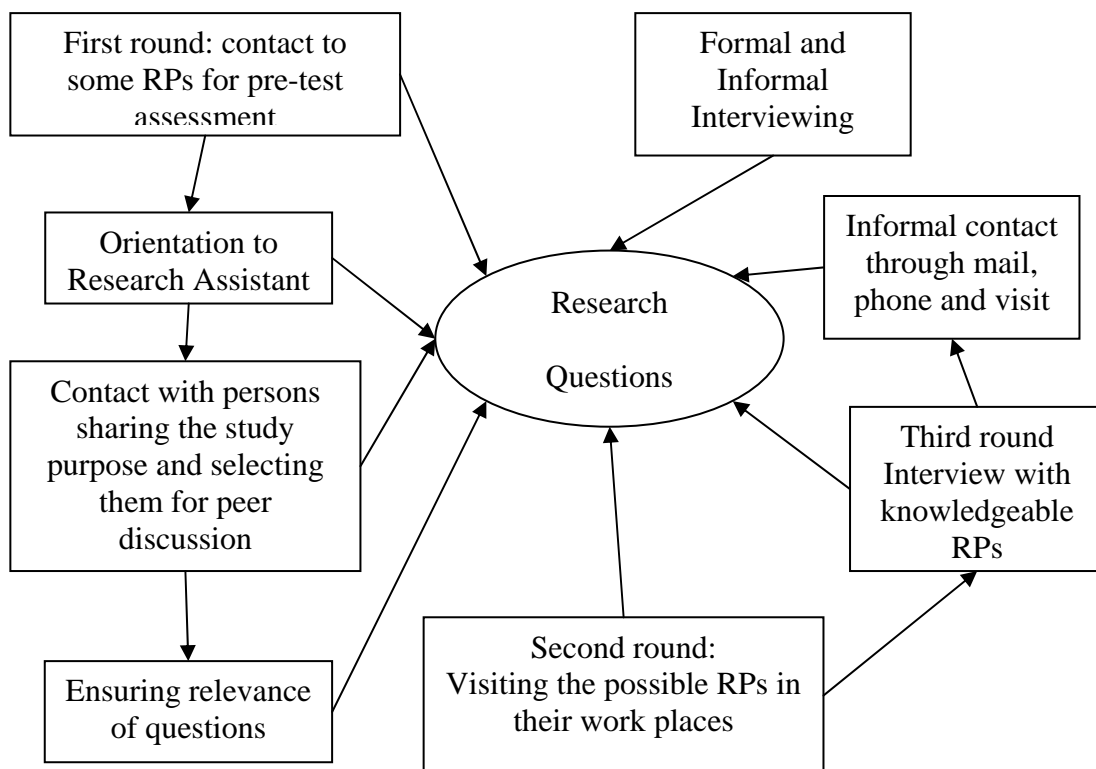
I found it irrational to obtain the information from the research participants without informing them about my study area, objectives and of course my research questions, thus, the first thing I did was to handover the information document to all interested research participants during the interview containing various information as per guide line developed which was as follows:

- a. Nature of the Study, Statement of the Problem, purpose and research questions.
- b. The themes to be discussed with them.
- c. Ethical principles: Psychological support, moral support, voluntary participation, confidentiality, anonymity and feedback, respect, liberty, democratic discussion, time flexibility etc.
- d. Suggestions for the identification of underlying fact in terms of the interview, patchwork creation, time etc.

## Data Collection

The data of educational research can broadly be described as human experiences and works that are expressed and recorded in various forms, on the basis of the nature of study and time constraint. The process of data collection is an act performed by the educational researcher that provides a deeper understanding and exploration of live experiences and reality from the research participants (Strauss & Corbin, 1998). The aim and purpose of data collection is to gather real descriptions of related field in order to produce clear and accurate descriptions of a particular aspect of human experiences (Creswell, 2003; Singh, 2007; Tashakkori & Teddle, 1998).

Figure 9. The Diagrammatic Presentation of Primary Data Collection Process



Finally, I discovered the technique of data collection that was indeed a convenient tool for my study. The experience of walking through and playing with a research design was also allowing me to bring more self-confidence to succeeding research work (Schooley, 1995).

As a researcher, I was also adventurous and efficient to undertake the journey I began. Research is never possible only with the willingness or with mere study; it requires sufficient inputs for the productive output: technology, time, investment and skills.

The essential feature in qualitative research interview is its theme orientation. It aims to explore the personal sense, understanding and central themes with reflection on the research participants' views. To achieve this, the approach of interviews subscribes to an informal, non-directive, interactive procedure (Creswell, 2003; Wengraf, 2004).

The face to face, personal, in-depth interview was used as the interview mode in this study. The advantage of such interview is that it empowers the researcher with the freedom of questioning (Babbie, 1986; Gravetter & Forzano, 2006; Schall, Ospina, Godsoe, & Dodge, n.d.). In-depth interviews was considered an appropriate procedure given the goal of obtaining richness in data through a detailed and frank discussion with both the decision makers and consumers (Breatty, 2004; FHI, n.d.; O'Donnell & Cummins, 1999; Palmerino, 1999; Tuten & Urban, 2001 as cited in Alam, 2005).

Some interviews were audio recorded with the research participants' consent. The interviews were conducted in Nepali and English both. The interviews were transcribed later according to time convenience. Direct quotations of interviewee were accounted in version in analysis part.



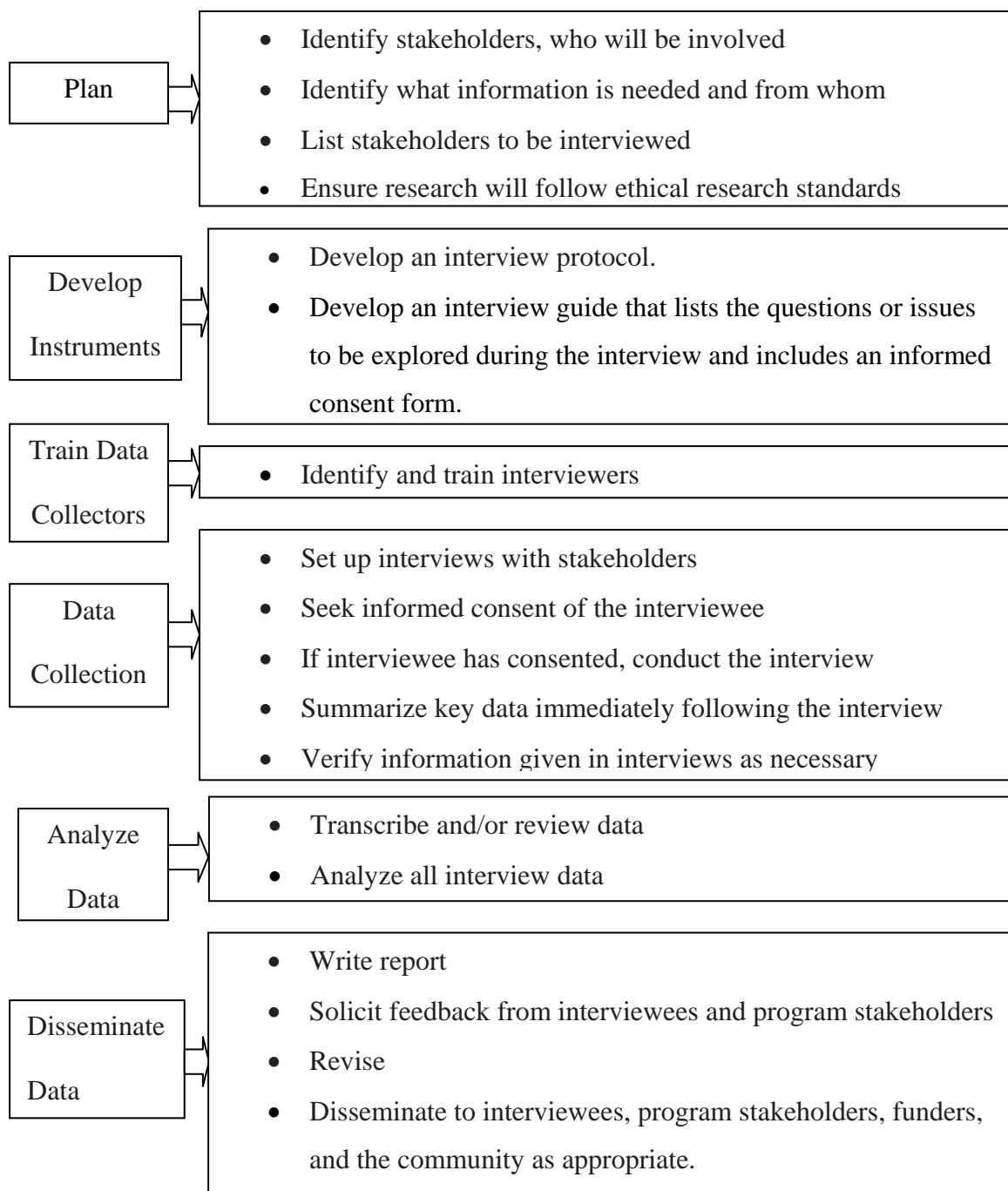
The process of conducting in-depth interviews in my research was essential for exploring multi dimensional views of aid effectiveness. In-depth interviews are excellent tools to use in educational research. In my research, in order to administrative in-depth interview curst eliciting that was well suited for uncovering reality and perceptions of the research participants. The main goal of the interview was to explore the informant's point of view, feelings and their perspectives.

According to Guion (2009), there are key characteristics that differentiate an in-depth, qualitative research interview from a regular interview. So, I used thematic question guide shaped in the form of open ended questions. In essence, in-depth interviews involve not only asking questions, but the systematic recording and documenting of responses coupled with intense probing for deeper meaning and understanding of the responses. Thus, in-depth interviewing often requires repeated interview sessions with the target audience under study (Boyce & Neale, 2006; Guion, 2009). According to Guion (2009) "the important skills and attributes for the interviewer are a skilled qualitative interviewer who is: a good listener, able to notice and react to nonverbal clues, flexible, open minded, and willing to release power and control"(p. 2). So far, I applied all these skills during my interviewing with the research participants until the saturation point of the research participant's experience sharing and terminated the interview when I was convinced of the quality and richness of the information obtained.

The following matrix shows the processes that I followed while conducting in-depth interview.

Table 3

## Process of Conducting In-depth Interview



(Adopted from Boyce &amp; Neale, 2006; Guion, 2009)

## **Journey in Data Collection**

I presented my thesis proposal in November 13, 2008 and appeared in qualifying exam in November 26 and 27, 2008. After the result of qualifying test, I was permitted to go to field for data collection. I spent full time in KU library frequently being in touch with my supervisors.

My consistent discussion with supervisors encouraged me to shape my research in right appearance. In addition, they also inquired about the progress of my study and further suggested to collect information from related persons. I did not hesitate to ask them even very basic questions as a researcher like about data collection and even about field visiting. As per their suggestions, I selected research participants based on various criterions. Hence, I started generating themes and interview guidelines which I later submitted. I did re-writing thrice after each correction and finally got approved.

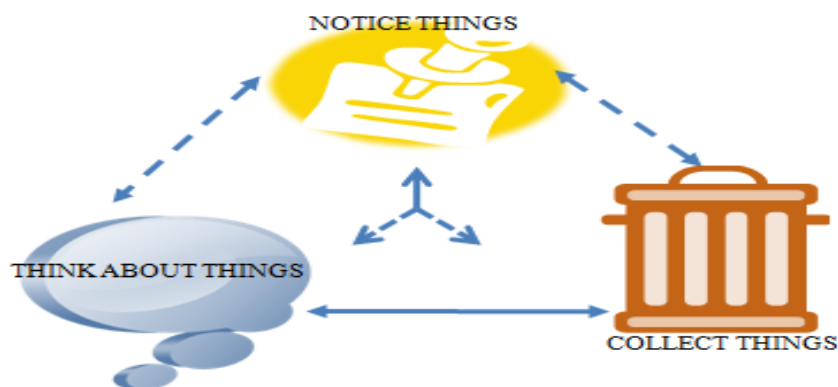
After finalizing themes and guidelines, I divided it according to research questions and made a matrix for data collection. Then, I selected representatives of MOE, MOF, DOE, DEO, NPC, development partners, educationist/economist, SMC members, head teachers/ teachers and parents/students and member of civil society.

I started data collection from June 6, 2009 which continued till February 29, 2010. I formally conducted in-depth interview with eighteen research participants out of them three were foreigners. And, informally, I visited more than three dozen people. At the time of data collection, I contacted one dozen and more national and international aid experts through email. Most of them welcomed me and responded quickly. And they accepted my request and sat for interview. Few research participants however postponed the agreed interview dates delaying data collection.

I collected primary data with the help of my research assistant. I appointed her for data processing during data collection time. I collected information by in-depth interview formal and informal conversations. Some information was collected through emails and phones too. While collecting information, I used my laptop, recorder, dairy, field notes. I transcribed all the documented information and put it into one individual file in my laptop. I also created code numbers for safety and privacy.

I carefully collected and transcribed the primary data. The noticing, collecting and thinking model proved very effective in data collection for me. The noticing, thinking and collecting method that I used in my study indeed helped me in data collection. The following figure clarified the noticing, collecting and thinking process while collecting primary data for my research.

Figure 10. Noticing, Collecting and Thinking Model



(Adopted from Lewins, Taylor, & Gibbs, 2005)

Above figure shows the process of data collection. While collecting primary data from field, all data may not be useful. So, this model gives the idea for collecting data without missing required information as per the nature of study.

## Secondary Data

The most commonly used secondary data are documents, physical data, and archived research data (Johnson, & Christensen, n.d.). It is different from primary data as it involves the utilization of existing data collected for the purposes of a prior study. The secondary analysis of the primary data enhances trustworthiness of the original work. The essence of secondary data again lies in the essence of primary data in real practice (Heaton, 1998).

Figure 11. R3 Model in Using Secondary Data



(Adopted from: Law, 2005)

I collected secondary data from various sources like Ministry of Education, Ministry of Finance, National Planning commission, Department of Education, KU library, Central library, Kirtipur, The World Bank, Asian Development Bank and various websites and archives which I read first and reduced and then reused and finally, refused the unwanted data . The R3 model is applicable in my study as an essential approach to show my understanding of the sources and my efficiency to make existing source applicable in the required field.

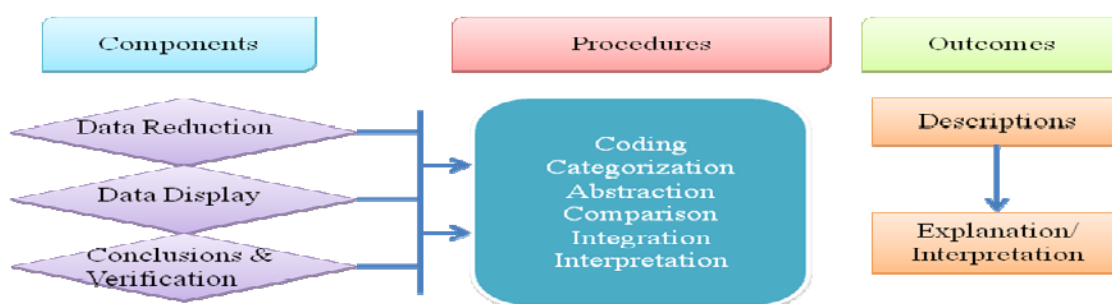
## Data Analysis

This section presents the processes and the methods of data analysis enhancing the intellectual and analytical meanings of individuals. It is a way of utilizing

descriptions and a reflection in arriving at an understanding of what it is (Creswell, 2003; Scarbrough & Tanenbaum, 1998).

It strengthened the authenticity of my study and at the same time made my study field more valid by giving space for open-endedness of research participants' knowledge and experiences and development of hunches and ideas (Bazeley & Richards, 2000; Babbie, 1986; Creswell, 2003; Wengraf, 2004). Hence, "the real mystique of qualitative inquiry lies in the process of using data rather than in the processes of gathering data" (Cassell & Symon, 1998, p. 6)

Figure 12. The Qualitative Analytical Process



(Adopted from: Brennan, 2005)

I noticed the valuable information through literature control. I thought about the available data and gathered them in my storage files and time and again I repeated the same things even after final work. In qualitative research, data collection is undoubtedly an important task but more important is data analysis. "A little bit of data and lots of right brain" (Seidel, 1998, p. 7) is an inspiring mantra for me as a researcher in analyzing qualitative method.

In data analysis, I followed some steps which were followed in various qualitative researches by researcher. These were the processes in qualitative data analysis in my research:

Table 4

## The Processes in Qualitative Data Analysis

| Steps of Data Analysis                     | My Concern and Way Out  |
|--|---|
| Reading / Data Immersion                   | <ul style="list-style-type: none"> <li>- Thematized and developed tentative explanations.</li> <li>- Explored rich and deep responses.</li> <li>- Found how vivid and detailed were the descriptions of observations</li> </ul>   |
| Coding/ Identifying Emerging Themes        | <ul style="list-style-type: none"> <li>-Identified sub-themes and explored them in greater depth processes.</li> <li>-Closely matched the language and ideas in the textual data</li> <li>-Inserted explanatory notes during the coding process</li> <li>-Captured meaning and lead to explanations flexible coding scheme</li> </ul> |
| Displaying Data                            | <ul style="list-style-type: none"> <li>-Took an inventory of what data had been related.</li> <li>-Captured the variation or richness of each theme</li> <li>-Noted intensity and identified different phenomenon</li> </ul>  |
| Using Theory, Questioning and Verification | <ul style="list-style-type: none"> <li>- Categorized and developed sense</li> <li>-Explored emerging ideas and found missing or underdeveloped ideas.</li> </ul>  |
| Data Reduction                             | <ul style="list-style-type: none"> <li>-Made information visible and most essential</li> <li>-Got an overall sense of the data</li> <li>-Separated essential from non-essential data</li> </ul>   |
| Interpretation                             | <ul style="list-style-type: none"> <li>-Identified the core meaning of the data based on faithful to the perspectives with wider social and theoretical relevance</li> </ul>  |
| Intuition                                  | <ul style="list-style-type: none"> <li>-Used ability for producing concrete judgments</li> <li>-Regarded as the starting place in deriving knowledge of human experiences</li> </ul>  |
| Interim Analysis                           | <ul style="list-style-type: none"> <li>-Used to describe existing reality for better result.</li> <li>-Continued until the researcher is interested.</li> </ul>   |
| Memoing                                    | <ul style="list-style-type: none"> <li>-Throughout research, engaged in memoing.</li> <li>-Presented insights ideas as additional data to be analyzed.</li> </ul>   |
| Data Entry and Storage                     | <ul style="list-style-type: none"> <li>-Transcribed all collected data in my laptop which was supported by my research assistant.</li> </ul>  |
| Empathy                                    | <ul style="list-style-type: none"> <li>- presented myself in the simplest and most understandable level to get the same from the research participants.</li> </ul>  |
| Reflection                                 | <ul style="list-style-type: none"> <li>- Involved a careful reading of an expression</li> <li>-Described thoughts, feelings, examples, ideas and situations that reveal the essence of reality.</li> </ul>  |

**Verification**

Research is a task undertaken by a researcher officially with a definite objective for a desired purpose. There are always limitations both for research and researcher.

Denzin and Lincoln (2005) states that while all research must have truth value, applicability, consistency, and neutrality in order to be considered worthwhile. On the other hand, these criteria were quickly refined to credibility, transferability, dependability, and conformability (Lincoln & Guba, 1985). Also important were characteristics of the investigator, who must be responsive and adaptable to changing circumstances, holistic, having processional immediacy, sensitivity, and ability for clarification and summarization (Creswell, 2003; Gravetter & Forzano, 2006; Guba & Lincoln, 1981 as cited in Morse, Barrett, Mayan, Olson, & Spiers, 2002; Seale, 2000; Strauss & Corbin, 1998). Hence, I claim to have all these characteristics in my research and as a researcher.

However, some rule for reviewing the worth and efforts of research mentioned by Gravetter and Forzano (2006) are as followed:

- a. Verity: Is the result true? Is the researcher mentally prepared?
- b. Integrity: Is the research structurally sound with philosophical approach?
- c. Rigor: Is the research sufficient in academic depth?
- d. Utility: Is the research useful and relevant in future?
- e. Aesthetics: Is the result inspiring for coming generation?
- f. Ethics: Has the privacy and self-esteem of research participants been maintained?

### **Reflexivity**

Reflexivity manifests in an open clarification of the researcher's philosophical situation, moral values, theoretical perspectives, beliefs, knowledge and biases or assumptions that may impact on the study (Ferber, 2007). My each and every work while collecting data was unique and ultimately it was up to my research participants to



determine what worked best. My research was “the primary instrument of data collection and analysis, reflexivity was deemed essential” (Glesne, 1999; Merriam, 1998; Russell & Kelly, 2002; Stake, 1995 as cited in Watt, 2007, p. 82). As a researcher, I believe that reflexivity helps simplify the process of research. Therefore, due to reflexivity, the research process was relatively easy for the research participants as well as me.

### **Interview Technique**

The reliability of this study was increased by employing suitable interview skills, such as; open-ended, non-directive and empathic relation of interviewer with interviewee. It requires that a researcher exhibits the following personal characteristics:

- a. A strong attention in ideological-theoretical knowledge;
- b. A cognitive skill to conceptualize information
- c. An ability to engage in a multidisciplinary approach and good investigative skills and interview techniques (Belasen & Frank, 2008).

### **Applicability**

Applicability involves the degree to which the research findings can be applied to other contexts or with other groups outside the study situation (Hererley, n.d.).

Assessment of applicability is to a large extent the responsibility of the individual who wants to move the findings of one study to a situation or group other than that of the innovative study (Hererley, n.d.). Thus, the usefulness of the research is determined by the readers and users of the research to secure data of high ecological validity (Brock-Utne, 1996). In my study, the best efforts had been made to relate the theories for the contextual validity.

## Quality Standards

According to Denzin and Lincoln (2005), recently developed qualitative research is the infusion of a post structural perspective. It confronts uncertainty, fragmentation, diversity and plurality. There are many truths and all generalizations, typologies are contrasted, troubled or challenged (Denzin & Lincoln, 2005; Freitas, 2007; Onwuegbuzie & Leech, 2004). Postmodern research thus challenges the form and categories of traditional system of qualitative research. In my research study, I didn't follow specific format, each had own rhythm and structure. So, it had created what Denzin and Lincoln (2005) named a 'triple crisis' - crisis of representation, crisis of praxis and crisis of legitimacy.

The first crisis of representation, viewing writing as a method of inquiry that moves through successive stages of self-reflection (Onwuegbuzie & Leech, 2004). As a series of written representations, the field worker's texts flow from field experience, through intermediate works, to later work, and finally research text. I captured the experience and knowledge by giving equal priority to all research participants' voices as per the purpose of my research.

The second crisis of praxis under consideration through typically material means where "the wisdom of practical decision-making comes together with collectively shaped knowledge about those material and technique matters" (Freitas, 2007, p. 4). So, I will address such crisis by making all key stakeholders aware about effective management of aid through various publication on the basis of research participant's knowledge and experiences.

The third crisis of legitimacy, focuses on what makes a study valid and reliable if traditional criteria are inadequate (Freitas, 2007)? Infact postmodern research is so experimental and each study unique and emphasizes on how to assess its trustworthiness. So, I addressed truthworthiness with four general criteria for evaluation of research (See table below) (Groenewald, 2004).

Table 5

Strategies with Which to Establish Trustworthiness in Qualitative Research

| Strategy        | Criteria                              | My Trustworthiness  |
|-----------------|---------------------------------------|---|
| Credibility     | Prolonged and varied field experience | -Sincerely, I fulfilled criteria in my research.                              |
|                 | Member checking                       |   |
|                 | Interview technique                   |   |
|                 | Establishing authority of researcher  |   |
|                 | Structural coherence                  |   |
|                 | Referential adequacy                  |   |
| Transferability | Time sample                           | -Conducted pre-study assessment; discussed national and international experts |
|                 | Dense description                     |   |
| Conformability  | Conformability audit                  | - Used primary and secondary data by supporting literature review             |
|                 | Triangulation                         |   |
|                 | Reflexivity                           |   |
| Dependability   | Dependability audit                   | -With full of my enthusiasm, I collected required information                 |
|                 | Dense description                     |   |
|                 | Stepwise replication                  |   |
|                 | Peer examination                      |   |
|                 | Code-recode procedure                 |   |

(Krefting, 1991 as cited in Key, 1997, ¶ 14)

### Ethical Principles

All ethical principles are based on esteem for human beings and their experiences which reduce harmful research (Hostetler, 2005). It serves to keep the pride, rights, wellbeing and safety of every research informant (Stephen, 2002). Also, it shows the behavior of high quality research that offers benefits and advantages to the research participants and the wider area (Creswell, 2003). I selected few ethical issues in my study like moral permission, recruitment of research participants, informed assent and duty for respect (Creswell, 2003; Stephen, 2002).

The five key ethical principles are common across the board. Typically associated with these principles and guidelines are detailed procedures which the researchers were expected to follow and provide evidence of to the review committee (Halai, 2006). I conducted research under five principles which I mention below.

Table 6

#### Ethical Principles

|                    |   |
|--------------------|---|
| Ethical Principles | My follow up and way out  |
| Ethical Clearance  | -Formal research protocol was agreed by Kathmandu University, School of Education.  |
| Informed Consent   | -Options to feel the consent sheet<br>-Some precise moral aspects of the informed consent were addressed which were emotional force of input, voluntary contribution, privacy and secrecy, researcher consistency |
| Deception          | -Freedom to say anything even false information also, but during primary data collection I didn't notice any dishonesty from my research participants.  |

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|                               |   |
|-------------------------------|---|
| Freedom to Withdraw           | <ul style="list-style-type: none"> <li>-They were free to remove from the study at any time without punishment.</li> <li>- No power relationship with the research participants so that they really did feel free to remove and had freedom to quit any time from my interviewing time.</li> </ul>                                |
| Confidentiality and Anonymity | <ul style="list-style-type: none"> <li>-Strongly followed researcher's confidentiality ethics.</li> <li>-The self of the research participant is not known by everyone in the study, counting the researcher.</li> <li>-But my research is academic and there was no harm to anyone as I openly presented my identity.</li> </ul> |

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### **Concluding Remarks**

This chapter demanded very technical role in my study. So, I discussed it with terms and terminologies used in qualitative research. I explained my research journey, sample for data collection, research design, data analysis and ethical principles. The dominant research philosophy revolves around the qualitative paradigm taking into consideration the epistemology and ontology of my research. This view provides grounds for various data collection and analysis methods to be used in the research process. A comprehensive discussion on representation and legitimacy of the research is also addressed in this chapter which evolved through the triangulation of the primary and secondary data.

## CHAPTER IV

### POLICY CONTEXT IN NEPAL IN EDUCATIONAL AID

Policy is a plan or a course of action, of a government, political party, or business, designed to influence and determine decisions, actions and other matters. It changes according to national priorities and needs. In the national policy, it is the dynamic and value laden process through which a political system handles a public problem. It includes a government's expressed intentions and official enactments as well as its consistent patterns of activity and inactivity. Universal norm of policy of a nation or agency is to ensure consistent and transparent decision making process. Hence, policy of a nation or agency is formulated to fulfill certain obligations and responsibilities under regional or international arrangements and form the basis of legal and institutional arrangements and reforms. Policy is formulated for enabling cooperation with stakeholders to assist to resolve crisis and prevent systematic failure in an organization. In this chapter, I discuss global policy concerns in aid and link them with Nepali context.

Regarding aid policy, it is a broad guideline followed by bilateral and multilateral development partners for facilitating collaboration with developing countries with the aim to enable them to prosper financially and technologically. Aid policy was introduced first to address the national financial fragility of poor countries by rich countries. Later, the United Nations formalized aid policy in 1970. After the formalization of aid policy by UN, various countries and international agencies developed their own policy on aid. Meanwhile, bilateral and multilateral development partners also formalized their broader

aid policy including on education in order to help developing countries to gain more achievements in their educational endeavors.

### **Development Partners' Aid Policy in Education**

The western world seems to have maintained their traditional poverty- orientated aid policy as an overall goal of their assistance (Buchert, 1995). The heads of multilateral and bilateral development institutions and representatives of the IMF, forty six other multilateral and bilateral financial institutions, and twenty four partner countries gathered in Rome in 2003 to review their “policies with focus on confirming their commitment to eradicate poverty, achieving sustained economic growth, and promoting sustainable development (WHO, 2003).

In other words, developed nations took interest to assist developing nations in their efforts at national development through poverty reduction focus. In this context, prioritizing education was also felt crucial with the realization that education has tremendous potentials to reduce poverty. To this end, many bilateral and multilateral development partners emphasized the need for prioritizing education as a strategy for poverty reduction in their aid policy. Development partners seem to have felt that increased aid priority in education would not only reduce global poverty but also help minimizing humanitarian crisis. Eventually, the drive for educational advancement is likely to forge harmonization and coherence among people leading them to achieve greater freedom and develop self-esteem.

Subsequently, new educational fronts have also been identified for providing assistance. By the late 1990s, bilateral and multilateral agencies laid their aid priority in sector-wide approach in education (Riddell, 2007). After that, all development partners

became actively involved in providing support to developing nations within the defined framework for policy on educational aid.

Meanwhile, global aid effectiveness policy was formulated with 'Paris Declaration of Aid Effectiveness' which was endorsed by 107 countries and 26 international agencies in 2005. In this framework, indicators of progress were identified along with targets of good practice related to its five key tenets of aid effectiveness: ownership, harmonization, alignment, results, and mutual accountability.

On the basis of these five aid effectiveness principles, development partners streamlined their aid policy on education and clarified strategies for maintaining congenial partnership between development partners and recipients. Despite this stance, development partners while approving aid seem to pass their own judgment labeling aid recipient countries as fragile and unstable and failing basically with the intent to impose their own prescriptions governing the use of aid (Riddell, 2007).

Thus, on the one hand, development partners have shown their commitment to supporting developing countries, on the other hand, they deduce prejudiced judgments regarding recipient countries' status and governance which essentially facilitates them to impose their own terms and conditions on the use of aid.

As we turn to aid protagonists, they view that a favorable aid policy becomes instrumental in materializing development efforts initiated by developing nations. Whereas aid-antagonists view that aid entails up dependency syndrome hindering spontaneous development process. Despite development partners' claim that they are providing aid with accelerated force, aid analysts on the other hand see little substance in the provided aid because development partners stay dominant in determining aid-related



terms and conditions. Sometimes, it is heard that development partners bring aid along with their modalities, concepts and designs which they put into experiment in the recipient countries.

Bilateral or multilateral aid is a device for the distribution and sharing of resources. Bilateral aid policy on education covers the educationally disadvantaged of sub-Saharan African and south Asian countries. Development partners allocate aid to those needy countries in order to excel their educational progress. Basically they put emphasis on infrastructural development so that basic education does not get affected due to infrastructural deficit. They channel aid through various modalities like SWAp, Budget support, earmarked support and direct funding. Moreover, the policy focus lies in crucial of education, essentially primary and basic education (Riddell, 2007).

In this context, multilateral development partners' aid policy adopts country assistance strategy that encompasses improvement of the economic situation, good governance, environmental/natural resource management, and poverty reduction and social transformation. For the animation of these sectors education is crucial and therefore, they provided increased priority to education as well (Riddell, 2007). Their aid policy on education also focuses the need for infrastructure development in order to excel the expansion of basic and primary education.

### **Aid Policy in Education in Nepal**

Nepal's economic development has yet to gain momentum. Therefore, Nepal deserves aid for the national development purpose. But aid is provided with motives that are adverse in the receiving country's interests can never be healthy. Besides, aid providing agencies or countries should not make the recipient countries obliged towards

them because it is a natural phenomenon to support and share with others and also because the world could survive only on mutual cooperation.

In this context, the government has emphasized the need to mobilize international aid-bilateral and multilateral both for the acceleration of development impetus.

Education, being the axis of all development endeavors deserves greater priority for expansion and development for which international aid is unarguable because national financial resources alone are not sufficient for desired educational development (Sharma, 1990, 2003). Therefore, the government has made a drive in soliciting international support in education.

Since 1952 different development partners have been providing support to the development of education in Nepal. In their aid framework they included primary as a main priority because primary education is the main for support (Sharma, 2003). It is the universal assumption that the investment in basic and primary education gives more economic and social returns. Moreover, investment in basic and primary education directly benefits marginalized people as well.

For six decades now Nepal has got foreign support in education. One third of educational budget directly and indirectly comes from foreign support and it covers about sixty percent development budget in education. Hence, the role of foreign assistant in education in Nepal is very significant. After the restoration of democracy in 1990, the government provided more emphasis on educational development with emphasis on the need for universalizing basic and primary education which essentially needed huge investment.

At present, more than one dozen bilateral and multilateral development partners are providing support to education directly. In the international arena the major development partners include ADB, AusAid, Denmark, European Union, DFID, Finland, Norway, UNICEF and World Bank, JICA, USAid are actively supported in education Nepal. And various other development partner agencies such as WFP, UNFPA, and ILO and others are in the pipeline to support education at present. Though, development partners' contributions seem to be increasing in size, I found that there is lack of a coherent and systematized national aid policy to tap aid potentials in education.

However, national aid policy was introduced by the Nepal government in 2002 for the first time in Nepal as "Foreign Aid Policy, 2002". But within the frame of this national aid policy the education front does not appear clearly.

In Foreign Aid Policy 2002, MOF (2002) states that:

Foreign aid has to be channeled to those sectors and subsectors, which have been identified by the government as national priority areas. In broad terms, these include infrastructure development education... to specific activities focusing on poverty alleviation, employment promotion and development of backward regions.... and basic and technical education. (p. 19)

Specific emphasis on education does not seem to have been expressed in government of Nepal's aid policy. Likewise; government of Nepal introduced "A Working Draft of the Revised Foreign Aid Policy, 2002" in 2008 and 2009. Both revised aid policy documents gave limited space to education. Thus, the development partners' support to education has been coming in absence of a coherent and comprehensive aid policy.

However, it can be said that EFA 2004-2009 was based on “Foreign Aid Policy 2002” and informed by the Rome Declaration on Donor Harmonization. It was designed by government to ensure the highest possible degree of consistent financial management, implementation, monitoring and evaluation (MOE, 2004). Under this policy, the program was conducted with the support of development partners. The government advanced implementation process with the help of past experiences of working together with development partners.

Education policy of government had focused on “expanding and developing quality education and producing an internationally competitive human resource for supporting the national economy, enhancing social development, and contributing to poverty reduction” (MOE, 2003, p. 18).

But there was a big challenge for the government to visualize such policy in reality. So, Ministry of Education worked among nine major development partners with such policy. And all development partners supported to government by pooled funding, direct funding and earmarked funding in EFA program.

Within education itself government had a simple policy objective of receiving development partner’s fund during EFA program however the effectiveness of the policy was affected by political intervention and bureaucratic inefficiency in education sectors. Experiences gained by EFA shows that there are high potentiality to get development partners support in education. But government’s policy plays foremost role. If government can’t introduce own holistic aid policy on education and implement it powerfully, the development partners’ intervention will increase gradually. In fact, our aim is not to depend on others support; we just want to open the bottlenecks after short

time. So, it is necessary to make separate national aid policy on education within aid effectiveness principles for optimum aid flow and its effectiveness, utilization and management.

Development partners have requested the Government to ensure the full alignment of these funds in place at first. In addition, the statutory regulatory systems should make sure about the commitments on expenditure incorporating into the Annual Strategic Implementation Plan, the Annual Work Plan and the Budget (ASIP/AWAP) thereby making the Government fully accountable for demonstrating results. (MOE, 2009a, p. 63)

SSR documents overlooked robust aid policy on education. It means a holistic aid policy was not in place. BPEP and EFA have witnessed of massive development partners' support and SSRP also seems to be in the same line. Maximizing positive results from the support would require a policy framework. Such framework would follow an appropriate process for the effective mobilization and utilization of international aid. Therefore, it is the need of today in education sector to make separate education aid policy to strengthen and regulate the sustainable financing in education in Nepal.

Government documents have noted development partners will be encouraged to work through a Nepal Action Plan on Aid Effectiveness to be developed and implemented on joint consultation investing sufficiently in social sectors like health, education and skills development (MOF, 2008, 2009). But, the space given to education in national aid policy clearly reflects inadequacy. It is important to make separate aid policy on education to meet the goals of different strategic programs within the

framework of the National Plan of Action for Education for All 2015 and now SSRP within the framework.

After the completion of BPEP, the government introduced EFA and then SSR. For such a long journey of educational program government's role has been inevitable. There still are many issues to be resolved. The concerns of access, equity, participation, quality, all are still there and the country will need external support for many years to come. This is more important in the context of continued resource constraints. So, within national aid policy framework, government should make aid policy on education. Thus, the holistic aid policy of government on education makes it easy to deal with government partners for alignment, coordination and harmonization.

Development partners subsequently subscribed to Nepal government's call. The problem however lies in the inability of the government to optimally mobilize the aid and effectively utilize it because of several weaknesses in aid management due to poor visioning and lack of comprehensive educational policies. Therefore, it is high time to introduce separate education aid policy by the government of Nepal so that development partners' contributions can be effectively consolidated and efficiently consumed in education.

The whole problem of lack of definite policy in educational aid condenses down to the political instability where in the absence of a stable government, the policies and planning are sidetracked and personal interests of the leaders are only pursued. This situation spurs stagnancy in policy formulation while the issues to be dealt keep on pending, especially in the sector of health and education in development countries because these sectors directly affect the living condition of the ordinary people.

Similarly, despite the need of policy in Nepal, we still lack any major steps in formulating one.

### **Concluding Remarks**

Nepal has been an aid recipient country since 1952. Multilateral and bilateral development partners have been continuously supporting education, particularly basic and primary. Initially, Nepal did not have a clear policy framework to manage this turnout of foreign aid. Gradually, along with the introduction of various education programs like BPEP, EFA and SSR aligned with various aid modalities called for a realization of the need of foreign aid policy in education. Despite the formulation of foreign aid policy, it is unable to give a clear vision on aid policy in education that is required for its management.

It clearly emits the development partner's support in education with different aid modalities. Development partners are only willing to support with conditions but in this situation the government's policy is crucial to address such conditions. I analyzed that a clear educational aid policy among development partners can provide provision to curb the increasing foreign aid scenario in education in Nepal and mould it into a right direction.

## CHAPTER V

### AID EFFECTIVENESS IN EDUCATION: EXPLORING REALITY

The main purpose of this chapter is to analyze the aid effectiveness in education in Nepal considering volume of aid, aid modalities, and funds flow mechanisms of EFA program. This analysis is enhanced by my research participants' perceptions on these same themes. After a thorough study of the literature and in-depth interviews with the research participants, I consolidated all the information into selected themes that either reoccurred prominently or were emphasized during this process.

Before exploring the reality of aid effectiveness, it is essential to know the targets and achievements in terms of the indicators set in EFA program 2004-2009.

Education for All 2004-2009 was designed as a five year strategic program within the framework of the National Plan of Action for Education for All by 2015 and financed by both the government and development partners through pooled funding. In this program, development partners were Asian Development Bank, Aus Aid, Denmark, Finland, Norway, United Kingdom, the World Bank, UNICEF and European Union. They channeled their funds directly through the Government system. Similarly, JICA and UNICEF supported government in the form of earmarked support (His Majesty Government of Nepal [HMGN], 2005).

The three objectives identified in EFA 2004-2009 were: ensuring access and equity in basic and primary education focusing on girls and children from economically poor background or children from disadvantaged communities, enhancing quality and



relevance of basic and primary education, and improving efficiency and institutional capacity (HMGN, 2005; MOEb, 2009).

Foreign aid is not simply something which a development partner decides but is decided with a mutual understanding of both development partners and recipient countries to achieve the agreed objectives, for instance stimulating economic growth, building social and physical infrastructure, bringing new ideas and technologies in practice, strengthening social sectors with the quintessence of aid effectiveness principles (OECD, 2008c). Concerning aid effectiveness in education, generally, effectiveness of aid is observed through the rapidity in development pace of the country. How has aid contributed to enhancing the quality of development rather than how bigger is the size of aid matters most in assessing aid effectiveness. However, determining quality of aid is an intricate task and it is more difficult to measure the quality concern in aid in terms of facts and figures (Sullivan, 2008).

Maslak (2002) has observed that although aid has undoubtedly been contributing in the growth in Nepali education, influence of national political interests as well as development partners' hidden interests is highly pervasive. To minimize such influence, aid should be determined on the basis of real needs and with focus on practicality concern for implementation. Actually the quality of aid happens to be of greater worth if aligned intimately with the needs of the recipient country.

### **Aid Volume, Trends and Modalities**

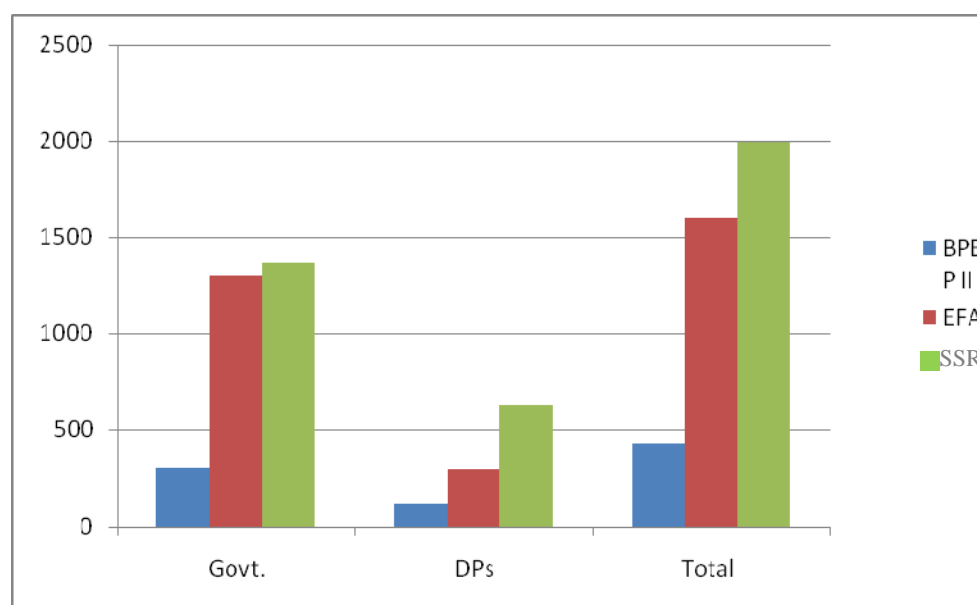
The volume of aid, trends and modalities are other important aspects of aid effectiveness. These elements are linked with the alignment principle of aid effectiveness where the volume, trend and modality of aid become effective when aligned between the

development partners and government. Similarly, sound institutions, environment and policies are needed for the effective use of aid.

### Aid Volumes and Trends

It is rather complicated to trace out the history of aid in education in Nepal. However, modern education was indeed the result of the aid in Nepal. A good number of schools for the basic and primary education were established in 1980s with the commencement of Basic and Primary Education Project which was largely supported by development partners. But here my concern is to focus on EFA covering five years' duration (2004-2009) for analyzing trends in flow of aid in education. While providing the trends for EFA, it may be interesting to see the nature of trends concerning BPEP and SSRP as well. Development partners' support can be seen in the form of basket funding and direct funding in various educational programs (MOE, 2003; Udenrigsministeriet, 2003).

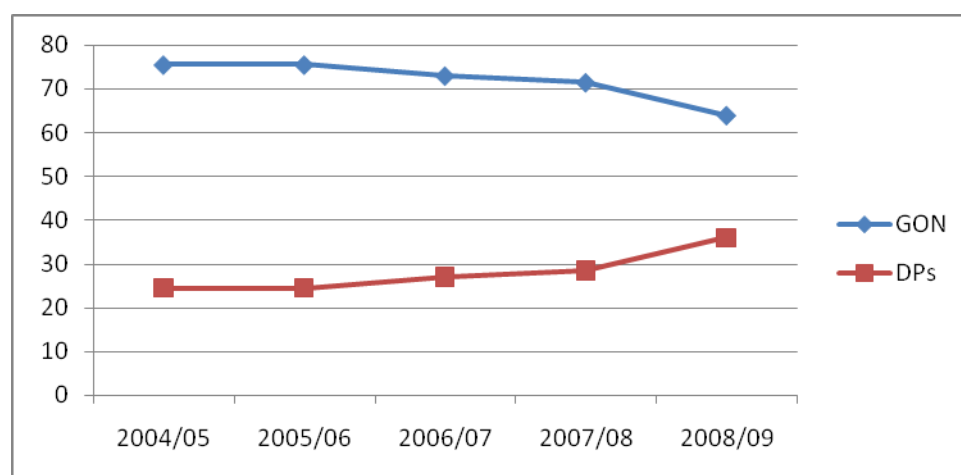
Figure 13. Funding Shared by Government and DPs in BPEP II, EFA and SSR (In million US\$)



BPEP II, EFA and SSR each began as a five years project. In BPEP II, the total expenses were US\$ 427 million and development partners' support was US\$121 million (28 percent). Regarding EFA, the total expenses was US\$ 1016 million and development partners' support was US\$ 299 million (29.5 percent). Similarly, School Sector Reform (SSR) is being initiated as a five years program and a total expected expense is US\$ 2626 and development partners' have pledged to support US\$ 624 million (24 percent). It shows that the trend of the flow of aid seems to have been increasing from BPEP to EFA and to SSR.

The five years long EFA program was funded by government and development partners; where the government's share was 70.5 percent whereas the development partners' share was 29.5 percent. This five-year long fund flow was divided into year wise and presented in a graph below:

Figure 14. Total Funding for EFA (in percentage)



Year wise fund flow by the government and development partners reflected that gradually development partners' support was increased. In 2004/05, development partners' support was 25 percent but in 2008/09, the development partners' support was

36 percent. As we look at the increasing trend in aid, we also motive increment in the volume (size) of aid.

According to a development partner representative, one of research participants confirms the increasing trend of aid with the observation, “*the aid flow from BPEP to EFA and to SSR is significantly increasing and this is good in the context of Nepal*” (Field Note, December 13, 2009).

A senior government official agreed that in context like Nepal’s where massive efforts are undertaken for rapid acceleration of primary and basic education, increased volume of aid is a necessity. It is satisfactory that the volume of aid seems to be on the increasing trend. However to substantiate the “increase” in the trend of educational aid especially in primary, it must be supported by “how” it increases where the respondent also observed, “*not only the volume of the aid is significant but how the aid managed into a package and presented matters a lot*” (Field Note, August 25, 2009). Actually, complexity management perspective in the speedily changing context accredits to the need for adopting holistic approach in the sense that it is not only the relationship between aid and program objectives but the whole lot that is involved in the entire process of aid utilization (Dann & Barclay, 2006; Juarrero 2006; Serrat, 2009).

Increasing volume in aid and increasing trend of such aid in Nepal is in some terms good for the development of the country but at the same time, this phenomena is viewed as catalyzing dependency by dependency theory where a wholly negative condition which offers no possibility of sustained and autonomous economic activity in a dependent state is created due to the growing dependency towards receiving aid (Ferraro,

1996). This problem can be tackled if protagonist view of aid is applied for managing results.

Along with the volume of aid, aid modality is also an important aspect which, I am discussing in the educational context of Nepal.

### **Aid Modalities**

In Nepal, different aid modalities have been chosen. This includes budget support, program based approaches and Sector Wide Approach (Riddell, 2007). The present Sector Wide Approach, under the Joint Financing Agreement for education, is a model that is in operation through pooled funding. Aid modalities may differ as per the context and mutual understanding between development partners and recipient countries. There is no fixed modality that has to be adopted (MOEb, 2009). Therefore, research participants from development partners' side observed *"it doesnot make any difference which modalities is chosen to use but how to make aid more effective matters a lot."*

A government official however informed that *"aid modality adopted for EFA include basket funding, direct funding and so on. This is a normal practice in the third world country. The same modality is being applied in Bangladesh"* (Field Note, June 2). The modality that is chosen should help for the effective use of aid (Dann & Barclay, 2006; Serrat, 2009). Actually, the concern for aid modality extends to focus on aid effectiveness. Adoption of a certain modality should ensure effective use of aid.

While reflecting on aid effectiveness, its principles include ownership, harmonization, alignment, managing for results and mutual accountability. In fact, aid modality necessarily attends to the real meanings of these principles. If aid modality provides open space for development partners; maneuvering with aid, then the issue of

aid effectiveness necessarily arises. In this context, a government official stated, *“development partners’ imposition on determining terms and conditions regarding aid would result into negligible significance for recipient country. Therefore, aid receiving countries should liberate them from the domination of aid providing countries.* (Field Note, August 25, 2009). OECD (2008b) statement appears somehow relevant that aid receiving countries take the lead in “co-coordinating aid at all levels in conjunction with other development resources in dialogue with development partners, meanwhile encouraging the participation of civil society and the private sector” (p. 3).

It becomes apparent here that the aid modality is played out by the complexities involved in it, as pointed out by complexity theory; where a large number of similar yet independent elements or agents exist. The act of organizing these elements is spontaneously self-organizing. Along with it, all these agents have local rules to be followed by each of them and along with the complexity spreading its wings, the system itself became larger and more sophisticated (Valle, 2000).

Thus, the nature and form of aid modality contributes to the effective management of aid. Therefore, contextualizing aid modality is pertinent for the effective use of aid.

### **Donor Driven vs. Needs Driven**

Whether aid should be donor-driven or needs driven is a critical issue. Research participants expressed their views on this issue.

A civil society member started his views blaming the development partners for adopting double standard. According to him *“they present themselves reasonable in documents and in media but impose unassuming conditions and terms in implicit manner.*

*It shows the development partners' mind set leaning towards serving their own interests more than the needs of the recipient countries* (Field Note, January 2, 2010).

A similar notion can be observed in Ikejiaku (2008) argument that dominance of development partners over the recipients places them in a dependent position thereby not allowing them to stand at par with development partners on the development partner-recipient relationship platform. This phenomenon contradicts with the aid alignment principles which call for providing assistance in consonance with the national strategies of aid receiving countries (The World Bank, 2008c). Hence, the argument is that domination or controlling over the recipient countries would least serve the needs of these countries which would result into the betrayal of mutual accountability and defeat on the gains expected from aid by recipient countries. With this reality on hindsight, a development partner representative felt the need for changing aid modality from donor driven model to need driven one. He further added, *“programs driven more by development partners design are most likely to be seen indifferently by the beneficiaries”* (Field Note, December 13, 2009).

However, a government official argued that donor-driven trend has not gone slim even in the EFA context:

*“In EFA, instead of ensuring equal participation in aid management, the role of development partners appeared stronger than that of the government* (Field Note, June 27, 2009).

In this situation, such assumed imposition of development partner support can prove to be grim towards actual need of the people. Therefore, giving more priority to local community involvement can enhance the local ownership and leads to more

effective community prioritization capacity as like Weber's social action theory talks about (Tuomela, 1984).

A senior government official seemed disappointed while talking about the foreign aid in Nepal. According to him, *“foreign aid is determined by development partners’ choice. To this end, he observed, last year, we proposed forty two sectors but could get support from only twenty five sectors. It means aid flow in Nepal depends on development partners’ choice”* (Field Note, June 28, 2009).

It may be relevant here to associate this reality with what Clementi (2006) argues that how people with power override the powerless and drive them to the direction as desired by the powerful which is essentially a glaring characteristics of hegemony where the dominant makes the choice. In similar context, the dependency theory also emphasizes the prevalent core and periphery where the developed countries are the core and the developing countries are the periphery. The core-periphery power relation automatically creates dependency of periphery towards the core. While an illusion of “aid” gets created, in actuality, resources are extracted by the core from the periphery to sustain their economic growth and wealth (Klink, 1990).

Another research participant, a senior government official, expressed similar views. He also stated:

*“In fact, we have scarcity of resources and depend on development partners. But it is high time to think of proper utilization of our own resources and strive for self-reliance by taking such initiatives like that of Mahatma Gandhi’s Charkha Aandolan. If we are strongly committed from all levels especially from political party’s side, we can make fundamental change in aid practices. With such stance, we can get all*



*international support based on our own choice and not on development partner's choice”*

(Field Note, August 25, 2009). Hence, political commitment and support is very essential in order to achieve this goal?.

To sum up, it is high time that we make fundamental changes in aid practices which secure our strong position in determining the strategies for aid acquisition and utilization. For that matter, the change process in aid management should start with internal analysis and adjustment of our administrative system (Valenzuela & Valenzuela, 1978).

### **Aid Paradigm vs. Local Context**

In general, the aid paradigm engulfs the global context of aid effectiveness criteria set in accord to the global scenario which fails to undertake the elements influencing the local contexts of the recipient countries like Nepal. This blanket-concept paradigm thus may not be able to fit into the aid paradigm required for the local context of Nepal.

This concept of local-centric aid paradigm falls under the principle of alignment of aid effectiveness which stresses that “development partners base their overall support on partner countries’ national development strategies, institutions and procedures” (HLF, 2005, p. 4); making aid a joint effort from both development partners and recipient countries in addressing their priorities.

Delivery of aid in education in Nepal has raised a major question in terms of the use of aid by using a proper modality. This demands developing a “local” aid management framework. But there is no such framework in case of Nepal. Strategic decisions about aid to Nepal are often made in Washington, New York, Brussels, London, Tokyo, and so on, reflecting a weak localization of strategies that would respond

to context needs and dynamics. Today, the MDGs pose a similar risk. While no one can disagree with their common goals, under current aid management frameworks, targets will never be met by 2015 (International Alert, n.d.) because we are enveloped with development partners' designs and techniques concerning aid approval. No efforts have ever been made to make these appropriate for Nepal.

For the development of a relevant aid modality, local participation is necessary. On this, an educationist made a strong point regarding this matter and said “*we know our land and environment. We have love and affection for our country. So, we know what we want, not the development partners. Development partners are just our guest and observer so they should not prevail dominantly over our business*” (Field Note, August 9, 2009). However, their harmonization for targeted results is really essential (The World Bank, 2008c).

A development partner representative concurred to this remark, who said “*yes! It is true that we do not know the reality and the problems faced by Nepali people. We just know Nepal is a developing country and is in financially fragile situation. Our supports are meant for generating enabling results which creates a strong foundation for sustainable development. One-size-fits-all is the mentality associated with global aid politics that is most likely to undermine the potential benefits that aid can bring about*” (Field Note, February 24, 2010). But managing the resources for good results depends on local stakeholder's support.

Education aid in primary sub sector is increasing gradually along with the increasing trend of aid flow which is paralleled with modalities of aid adopted for its management and effectiveness. Since trends and modalities are basic elements of

managing any form of aid, these elements are addressed in currently used aid modality in education.

### **Fund Flow and Allocation Mechanisms**

Collection of fund is important but it is more important to use it effectively. Development partners provide fund in basket but utilizing it timely and properly ensures its effectiveness. Fund is perishable after certain time, its value certainly depreciates. The timely release of fund from authorized body is more meaningful for needy areas for returning high rates (MOEb, 2009).

In order to take these elements into consideration, this mechanism can be rooted back to the principle of managing for results of aid effectiveness. According to this, fund flow and allocation mechanism are the tools to managing the resource, in this case, aid, in a balanced manner. The decision to employ a certain fund flow and allocation mechanism has to go along with a “participatory approach by both development partners and the recipient countries” (HLF, 2005, p. 7).

### **Decentralization of Aid Flow and Allocation Mechanism**

Decentralization brings the government closer to the stakeholders. This will contribute to increase people’s participation in the governance process which engenders people’s strong position in the decision making process. Once people take center stage in the decision making process, this provides the local officials with the opportunity to be better informed on the local needs, and are thus more capable to provide the optimal mix of local policies (Lessmann & Markwardt, 2009). As discussed below, the fund flow mechanism in Nepal lacks this sort of approach.

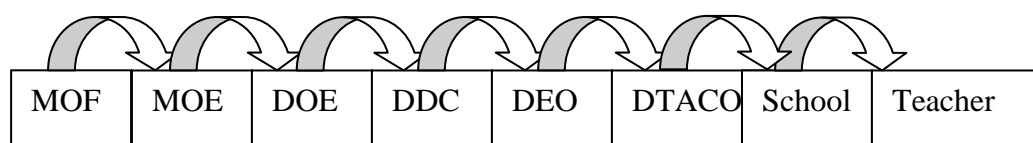
The fund flow mechanism in education is depicted in the following diagram. In the diagram, a long and painstaking process is seen regarding the flow of funds reaching down to the school level. This is what the government has put in place.

Figure 15. The Funds Flow System

Apart from this fund flow modality, teachers' salary is processed through a specific channel. In principle, teachers' salary is to be processed through the following approach:



However, in practice, there are seven steps to be followed as shown in the following diagram.



Fund flow for other program expenses purposes is shown in the following diagram.



Looking at these fund flow approaches, they seem to be highly centralized. A centralized mechanism induces difficulties in running activities because the long process takes a long chunk of time and cost efficiency. Concerning this issue, most of the research participants suggested the need for decentralizing fund flow for better efficiency and increased effectiveness. In principle, it is found that the fund flow approaches are easy, systematic and scientific but according to the local authority, the designed fund flow mechanism is highly ideal and not implementable in a simplified way so the local stakeholders suggested building a more practical and community-friendly mechanism for

effective and efficient fund flow and use. They observed that a decentralized funds-flow mechanism ensures coherent, organized interaction between central authority and local authority to minimize a long complex process for the funds-flow which, again, is an indicator of organizational effectiveness (Smith, 2009; SERP, n.d.).

According to the complexity theory, this long process entails formation of a more elaborate process undergoing gradual expansion every time since it contains a huge number of independent but similar units responding to other agents while working under set of local rules. This structure becomes more complex, chaotic and sophisticated which becomes inaccessible and inconvenient for the local people to channelize through. (Valle, 2000)

Research participants provided supporting statements to this argument. A government official noted,

*“Yes, we agree, there is again complex bureaucratic channel to flow the fund in schools. We should make fund flow mechanism easier and accessible to local authorities* (Field Note, November 4, 2009).

This statement pointed out the need for decentralized approach to funds-flow which provides the school with a smooth pathway in receiving the aid in time.

A primary teacher made a strong point regarding this issue in the interview, saying:

*“There are certain rural places in Nepal which are deprived of basic necessities of food, shelter and clothing; education is a far away dream”* (Field Note, January 14, 2010).

The identification of the needy area is a must to make aid effective. Sometimes, people working in these issues choose the area according to their own comforts and this way the needs of the people in rural areas are compromised. She argued that *“the foreign aid is not feasible to invest in developed area and moreover going to rural area is risky due to many reasons, they just choose an area in the outskirts of the Kathmandu Valley”* (Field Note, January 14, 2010). So, in some places there is overflow of aid and in some places they are not getting any at all. The nature of the fund flow is centralized and based on officials’ convenience. This is further supported by a student who said:

*“There are so many rural places in Nepal where the access to education is very much limited or non-existent. There are not even schools in those areas so instead of funding in central areas like Kathmandu; the focus should be more on the rural areas”* (Field Note, November 27, 2009).

Decentralization of fund has become one of the pressing needs of today where the centered nature of aid distribution can create aid ineffectiveness. Providing a solution to this issue, a primary head teacher said:

*“It can be done by balancing the benefits among the beneficiaries”* (Field Note, January 14, 2010). Heavy flow of aid to a relatively well off area can be reduced so that the flow can be disseminated to a relatively not so well off area to balance the benefits of aid. So, the balance of the foreign aid is essential. Thus, locally accessible fund flow mechanism which means that “local” has got hold of the key to the door along with the “center” in education that helps to enhance the working efficiency of key stakeholders and justifies the spirit of aid effectiveness principles of managing for results and mutual accountability (CARE International, n.d.).

From the narratives of the research participants, it becomes clear that it is crucial to devolve the epicenter of fund flow and decentralize it for the benefits of the school system. The approach should recognize providing mutual funds flow and allocation mechanism of funds, importantly, providing funds to meet the academic professional needs of the school and salary of the personnel in time.

### **Purpose-Based Funds-Flow within School System**

Purpose-based funds-flow within school system with mutual consensus among the school stakeholders is a reliance that pools the available resources from government to all key stakeholders who share a common financial goal. By doing this, the beneficiary groups also become the “owner” and thus get involved in appropriate management of fund. With this approach in place, each and every member acts as a watch dog in the utilization of funds.

A primary head teacher shared the example of the allocation of funds in this way, *“the allocation of scholarship funds for girls is very fair because girls who are eligible for scholarships are chosen by our lady teachers”* (Field Note, January 14, 2010). For this matter, they form a group of teachers to identify the needy students on the basis of identified criteria such as students’ discipline, study efforts and parent’s financial status, etc. He appreciated this approach and remarked *“I like it very much. No one can blame us because of fair judgment. I appreciate it personally”* (Field Note, January 14, 2010).

This capacity to select issues is also highlighted by Weber’s social action theory which talks about one of the key concepts, that is, issue selection capacity whereby the female teachers are able to identify winnable, specific goals that unify and build their

critical capacity to work together in this problem solving process they feel are relevant for improving education quality in their school (Ewart, 1991).

This process can also be internalized by the development partners and government where prominent issues are identified and selected with the collective support of teachers and community as mentioned in social action theory, which spurs critical consciousness amongst the stakeholders for recognizing elements for social change for the effective use of educational aid (Turner, 2003).

The allocation of fund in a proper manner is possible if it is given to the deserving student. The local stakeholders may also contribute to identifying who are deserving students. Once channeled to the deserving students, the intents of scholarships materialize.

A primary teacher observed, *“we are a group of five female teachers. We observe student’s and parent’s activities and their status and eventually identify those who deserve the scholarship”* (Field Note, January 19, 2010). They asserted that the names recommended for scholarships do not differ since they follow the follow the same criteria. Finally, the finalists to receive scholarships are submitted to the head teacher who officially announces the recipients of scholarships. The teacher made a note by saying *“this modus operandi would also be appropriate for proper utilization of funds”* (Field Note, January 19, 2010).

Participatory decision making for purpose-base-fund flow at the local level provides a fair chance of the effective use of resources because it assesses and prioritizes the need of the beneficiaries. The chances of favoritism, nepotism and partiality would lie low. In this context, Juarrero (2006) argues that the resource management with the



involvement of multiple minds results into positive end. Since resource management is more than a linear process, the need for accommodating the ideas of complexity theory which essentially recognizes that management affairs need to focus on multiple connectivities among various elements of management.

### **Transparency and Accountability**

Transparency and accountability are very essential for the promotion of organizational integrity and winning public faith which necessarily lead organizations to get public recognition and support (UNPAP, 2010).

Transparency and accountability are equally crucial in the context of foreign aid whether the aid money has been utilized as per the mutually agreed terms and conditions or raises the issue of accountability. Transparency is concerned with the clarity of approaches adopted for aid utilization. Therefore, transparency and accountability are one of the most crucial components of the aid effectiveness principles; where mutual accountability held some criterion and elements of transparency and accountability; in simple words – “development partners and partners are accountable for the development results” (HLF, 2005, p. 8).

Under this principle, the development partners are responsible to “provide timely, transparent and comprehensive information on aid flows” which further enables the partner country to “present comprehensive budget reports to their legislatures and citizens” (HLF, 2005, p. 8) where both development partners and partner are committed towards aid effectiveness. According to an SMC member, “*transparency is a see-through window that provides a clear view of what is happening with the aid that we get*

*while accountability is seeing that the authorities are being answerable and genuine to the beneficiaries”* (Field Note, August 4, 2010).

The same voice was raised by a primary teacher who further added, *“If there is accountability, there will be no hesitation to make things more transparent”* (Field Note, February 20, 2010).

The research participants viewed transparency as a mechanism to provide a clear and open forum for information while accountability as a mechanism to make those stakeholders responsible and abide by the rules and regulation so that transparency can be maintained.

A government official commented regarding the transparency and accountability of the foreign aid in education in Nepal.

*“We do have a mechanism for the use of foreign aid in education. Development partners provide aid through donor pool system. The aid is collected in a basket and allocated for specified programs. The allocation process is clear and looks into the accountability concern. However, there might be something missing in the process”* (Field Note, August 26, 2009). In this respect, he added *“we have tried our best to make everything transparent. We also provide all the information in internet. And moreover, we have information desk about educational aid including EFA program”* (Field Note, August 26, 2009).

Supporting this statement, on the one hand, one of research participants, a development partner’s representative, claimed transparency in the fund flow mechanism however, on the other hand, an SMC chairperson contradicted this view and observed:

*“Aid in education is not transparent to all. We do not know where it comes from and to whom it is given”* (Field Note, January 19, 2010). The headmaster and some SMC members have the information about the size of funds and its allocation process. Other stakeholders have no idea where the aid comes from, how much aid amounts and how it is being used in the school. An SMC member added *“I do not feel aid is accountable at all since few lead figures reserve the right to make decisions about the use of aid”* (Field Note, August 4, 2010).

A student added that, *“Students are quite unaware about the sources of aid and its management. We actually do not know how it is allocated”* (Field Note, November 27, 2009). The public do not know that they are provided with aid information. They are not sure whether someone is really accountable or not.

These statements stand contrary to the views of concerned authorities. It puts a question mark on whether the aid is actually transparent and accountable or not.

Transparency and accountability can be assured through a proper monitoring and evaluation mechanism. Such mechanism would help to ensure aid effectiveness with focus on aid utilization (Smith, 2009). True aid effectiveness becomes possible only when transparency and accountability concerns are well attended.

### **Monitoring Mechanism**

Monitoring mechanisms are indispensable measures for proper allocation of resources which is pertinent in the education sector as well. They address accountability and transparency by gathering issues and processing the information on different aspects of the functioning of aid and also identifying strategies for further improvement in the

allocation of resources. Regarding why educational aid demonstrates deficiency, a primary head teacher stated:

Regarding the cause of ineffective aid, a primary head teacher criticized:

*“This is all due to ineffective monitoring of how the aid is being used. So monitoring is very important for assessing effectiveness of aid”* (Field Note, January 14, 2010).

A primary head teacher again emphasized and continued to say,

*“It is also important to have the monitoring work carried out in regular intervals of time. Based on which mischievous act was counterproductive to aid effectiveness, provision of punishment should be in place. On the other hand, provision of incentives for the sincere role performers creates a favorable situation to ensuring aid effectiveness”* (Field Note, January 14, 2010).

An SMC chairperson agreed with the views of the primary head teacher and said:

*“Provision of incentive or reward to those who carry out rigorous monitoring will not only ensure fair monitoring system but also deter corrupt practices”* (Field Note, January 19, 2010).

The primary head teacher also suggested along:

*“The evaluation done by the development partners should not be limited to the paper works only. They should rather reach out to the aid beneficiaries, get their views and observations and then work out strategy for activating check and balance for the flow and use of aid mainly provided by development partners.”* (Field Note, January 14, 2010).

This suggests the need of participatory modality in the monitoring of aid where all the stakeholders take responsibility of managing the system of check and balance.

An SMC chairperson suggested for enacting effective monitoring system:

*“The monitoring becomes effective only if the system supports and recognizes its contributions”* (Field Note, January 19, 2010).

In cognizance of the significance of monitoring, a primary head teacher suggested:

*“After you finish your thesis, please do mention about a recommendation to establish a high level monitoring mechanism so that the responsible people in high position cannot go corrupted”* (Field Note, January 14, 2010).

Hence, these statements indicate that the monitoring mechanisms in Nepal regarding aid utilization is still ineffective which eventually may turn out to be a betrayal factor in achieving positive results of aid. In addition, the process of auditing that is required for effective and transparent monitoring also needs to be accounted.

### **Auditing**

Financial auditing is an official procedure of financial monitoring for the purpose of maintaining financial discipline as well as for financial transparency and accountability. But financial audit alone is not sufficient for transparency and accountability. Role of social and performance audits is high in achieving transparency and accountability standards and aid effectiveness too. Although these audits are done, they are not effectively executed.

Auditing can be considered as one of the most important mechanisms of monitoring. A civil society member, noted, *“the best way of measuring effectiveness of*

*aid either in qualitative or in quantitative side is auditing”* (Field Note, January 2, 2010).

By auditing, we simply understand financial audits but in fact financial audit is not sufficient. When we conduct social and performance audit, it shows the effectiveness more appropriately.

Reacting to the financial auditing in the school, an SMC chairperson remarked,

*“In my 15-16 years experience, I have noticed that the audit report is prepared at the last moment for official purpose only. It is not transparent. Sometimes the reports are prepared in the restaurant”* (Field Note, January 19, 2009). Thus, doubts were expressed on the sincerity of the auditors too. The school management committee does not have any role to play while auditing is being done. Their job is limited to checking the expenditure part only. Invigilators assigned to verify the audit report do not show any interest in it. So, this gap in invigilation has caused failure in maintaining a fair auditing system.

The above statement is an indication that the auditing process of foreign aid in education lacks fairness, transparency and accountability.

To sum up, since the auditing report is done by appointed auditors but the report is limited to certain group of people due to which transparency and accountability is compromised, so social and performance audits are urged for. Social audit means soliciting public assessment in development partner assisted programs. Most of all research participants viewed that introducing another form of audit; specifically, social auditing and performance auditing can help to improve transparency and accountability in audit process.

If financial, social and performance audits are to be strongly held, the likelihood of unrestrained corruption would slow down. OECD (2008c) argues that a sound auditing system helps to maintain the effectiveness in aid management and puts an emphasis on with mutual accountability.

### **Corruption Control**

It is a common understanding among all of us that corruption has spoiled Nepali bureaucracy and political system. The foreign aid context is not an exception.

A primary head teacher rightly put the issue of corruption in the following statement:

*“If the government fails to create a system to monitor and check, corruption appears in multiple forms”* (Field Note, January 14, 2010).

Most of the research participants voiced unanimously that corruption pervades at all levels of bureaucracy.

A primary teacher said:

*“In fact, it is very difficult to control corruption out here in Nepal as corruption prevails like a wild fire”* (Field Note, February 20, 2010). Vested interests and greed can be termed as key determinants of corruption. She added that *“the political actors and bureaucrats are simply looting the country”* (Field Note, February 20, 2010).

In addition to this, a civil society member remarked:

*“The current flow of foreign aid is misused by bureaucrats too. In my visit to DOE, I came to know that the fund of a development partner agency which was allocated for educational tour for the teachers was used by the bureaucrats for their own recreation”* (Field Note, December 9, 2009).

Such practices increase because of the overpowering presence of development partner countries in the recipient countries where there exists a disparity between the earnings and lifestyle of the development partners and the bureaucrats. This is a classic illustration of symbolic violence where the violence of economic and lifestyle disparities make the bureaucrats opt for corruption of the aid money (Kaspersen, 2000).

An SMC chairperson provided his suggestion thus,

*“Two major steps needs to be taken; the provision of incentive or reward to carrying out functional monitoring which would necessitate fair activities or otherwise, there should be provision of punishment to those involved rampantly in corruption”*  
(Field Note, November 17, 2009) .

In order to control corruption, it is important to raise the level of critical awareness of the people. Their awareness and knowledge, for instance, about Paris Declaration and Accra Agenda for Action which promulgated on anti- corruption agenda would articulately put a check on the appalling corruption practices (CDDE, 2009). This strategy prevents someone else from misusing the aid. When people will raise questions and seek clarifications, chances for abusing aid will be reduced. In this way, the anti-corruption campaign should start from the people's end.

### **Domestic Capacity**

Increasing fund flow in the developing country alone does not suggest the development of the country. The aid must be used for right purpose in the right place by right person.

To support this argument an SMC chairperson viewed:



*“It is sad that many schools do not even have properly managed budgeting system which hinders the effectiveness in the use of budget and essentially the aid money”* (Field Note, January 19, 2010). The problem arises once the management turns to align with favoritism and nepotism. The management employs people who speak in their favor and never figure out the abusive behavior of the authorities. Next, the political context is also responsible since the partisan political interests necessitate the bureaucracy to make unfair and undesirable decisions eventually inflicting abusive behavior in the use of aid money. Such deplorable situation has received comfortable space in our state functionaries mainly because of the bankruptcy in observing ethical standards.

It is important to realize that domestic capacity is one of the most integral components of the principle of ownership where the recipient country “take the lead in coordinating aid at all levels in conjunction with other development resources in dialogue with development partners” (HLF, 2005, p. 3) and thus enhancing their domestic capacity is must to foster this leadership.

The domestic capacity of the proper utilization of the aid is weak in the sense that there is no such qualified and trained human resource appointed to do so. Most of the focus is stretched towards getting funds and not much thought is given on how to utilize it.

A civil society member stated:

*“Most of the times, the domestic capacity of the recipient nation is underrated and that of the development partners’ is overrated. So we tend to lose faith in our own capacity. Therefore, we need to identify the domestic resources that we have and utilize it properly”* (Field Note, January 2, 2010).

Identifying domestic resources require certain amount of social action of empowerment where the power relation gets transformed and the local stakeholders become critically conscious about their surrounding and enable them to identify the social capital and resources at the same time. Such participatory efforts can strengthen their community capacity to internalize their abilities and worth.

In this way, domestic capacity is not only about the infrastructural capacity but also about having confidence on one's own capacity. Talking about capacity, one of the basic criteria of judging the capacity is through the governing ability of the people or the institution. Proper aid governance becomes an indicator of strong domestic capacity.

### **Aid Governance**

Aid governance is crucial in order to ensure aid effectiveness. The nature of aid governance focuses basically on aid management and utilization may vary according to contextual diversity. Participatory approach contributes to making more realistic decisions in aid administration. This means aid governance is also an essential step in managing for results principle where the governance of aid is focused on deriving the desired results and information to improve their decision making in this process.

An SMC member further supported aid governance and emphasized:

*“Every stakeholder should be a responsible part of the governance of aid received and utilize it with the mutual understanding of all stakeholders. It helps to reduce the gap between the beneficiaries and the authority which further makes it possible to link the benefits to the needy people”* (Field Note, August 4, 2010).

Such process upholds holistic strategy regarding allocation, flow, utilization and implementation modality of aid money (Brassard, 2009). According HLF (2005), aid

effectiveness emphasized by Paris Declaration of 2005 stresses that aid governance is a pre-requisite for achieving positive results from development programs including education. Major concerns in aid governance include the following aspects.

### **Management System**

A management system is an established structure for managing and constantly improving any program. A better management system, which is normally developed on the basis of shared vision and responsibility leads to achieve desired goals. It is more fruitful for benchmarking, sharing ideas, team work and working for high quality and efficiency.

According to an SMC chairperson:

*“Our management is weak and that is why aid is not effective”* (Field Note, January 19, 2010).

Indeed, when the management system fails to address check and balance issue, foreign aid fails to demonstrate its efficacy. Questions such as; Are we responsible for the weak management? Are there any measures to be taken to make management stronger? are important to be reflected upon. Focus on such numerous questions makes it pertinent to take into account the importance of complexity theory. Complexity theory of management argues that the management process should recognize the existence of a complex web characterized by numerous connectivities in the organizational management. It is undoubtedly relevant for aid management too (Juarrero, 2006). Despite the relevance of such management modality, the management system in our context is over simplistic.

A primary head teacher said:

*“How weak is our management since our school has been waiting for the fund for almost four months but yet we have not received any money. I believe that it is the weakness of the management system that the fund is not made available in time”* (Field Note, January 14, 2010).

Moreover, a government official claimed that:

*“What we are getting from development partners is OK but how we are using those matters a lot. We should increase managerial skills in order to use them efficiently”* (Field Note, December 22, 2009). Reasons that Nepal fails to use aid money efficiently has to do with the lack of strong institutional capacity, individual capacity, follow up system and more importantly deficit in policy discourse.

Above all, managerial skill is a crucial thing for realizing aid effectiveness through due to recognition to the need for translating aid effectiveness principles (CDDE, 2009).

### **Aid Fungibility**

The issue of aid fungibility as viewed by a SMC chairperson is such:

*“We do receive funds for scholarship for the students. However, this aid is never used for the intended purpose. There is a big problem of aid fungibility. Although I have heard about the program aimed at providing books and uniforms, I have no knowledge of that practice in our school”* (Field Note, January 19, 2009).

Aid is to be provided to needy ones but much of the aid is spent for the administrative costs. It is often said that more than sixty percent of the development partner contribution is spent for administrative expenditure and only limited funds reaches out to the needy group of people.

Aid fungibility is not easily visible to all. A primary teacher highlighted how aid fungibility occurs in a disguised manner:

*“Well, the EFA program is providing a lot of help. By providing free books, indirectly, it helps to reduce expenses of the school. The money that was used for the books are now being used to pay the salary of the teachers and/ or to improve the physical infrastructure of the school”* (Field Note, February 20, 2010).

An SMC chairperson also confirmed to this reality. His statements showed how aid fungibility is occurring:

*“The scholarship money is being used for paying the salary to the teacher”* (Field Note, January 19, 2010).

Unfortunately, the aid becomes a substitute for a budget that would have eventually been allocated by the state. In this way, the aid does not get utilized for the stipulated purpose, rather is used unscrupulously and thus resulting to be ineffective and fungible.

Therefore, aid fungibility proves that the aid governance is going haywire. Another problem in aid governance is to explore to what extent we are letting the aid to make us dependable. Aid governance that ignored dependency factors will tend to create further dependency.

### **Dependency vs. Sustainability Syndrome**

The question is not “will it help?” but “will it make us dependent?” This in fact has been one of the strongest criticisms of foreign aid that it makes the recipient country crippled and after a period, it starts to weaken the foundation of development because like the creepers, they root themselves in the very nerves of the base which gradually

weakens them. The ‘how long’ of aid is never questioned because everyone is satisfied with the ‘how much’ of aid is required for sustainability. Sustainability is the development of a condition where long term independent initiatives are taken by the local stakeholders where they generate local resources and minimize the level of dependency over any assistance.

A primary head teacher questioned:

*We indeed are getting aid continuously but how long. Are we to wait always for development partner's helps? How about us? What we are actually doing up to now?*  
(Field Note, January 14, 2010).

In fact, we are not clear about setting our destiny for meeting the need for sustainable education for all; we are being more dependent on others. It is really harmful in the long term. Dependency theory focuses on developing country's features and system and argues that it has unique and own features and importantly, grows in the situation which is influenced by weaker national economy (Ikejiaku, 2008). And the same weak economy lets to perpetuating suffering for a long time as the intensity of dependency increases. So, it is the need of the hour to move away from dependency syndrome to a more sustainable one.

### **Donors' Superiority Syndrome**

Donor's superiority syndrome means the hierarchy that is formed during the aid giving and receiving process where the development partner acquires higher status and the recipient acquires lower one. This syndrome results in the absence of a critical aid effectiveness principle: harmonization. Harmonization focuses on a complementary development partnership where donors “implement common arrangement and simplified

procedures” (HLF, 2005, p. 6) that the recipient country can work together for more effective division of labour, reducing chances of any superior influences or domination.

A civil society member agreed to this statement and observed:

*“The culture of development partner and recipient relationship is normally characterized by superiority influence of the development partner, making the recipient a humble and submissive entity”* (Field Note, February 24, 2010). They are creating their hegemonic domain through their programs, projects and organizations which they strongly persuade to be accepted by the recipient. This ultimately establishes priority to western centric knowledge system.

In support to this context, a government official expressed:

*“Sometimes development partners do interfere with the terms and conditions of aid assistance agreement”* (Field Note, June 27, 2009).

Not only this, an educationist noted:

*“The performance carried out by receiving countries are not justified or appreciated by the development partners. When we successfully complete the task, development partners take credit for it and when we get failed we are blamed for it. When we were working on EFA program, we faced a lot of pressure especially from development partner’s representative. We were not allowed to work freely and spontaneously”* (Field Note, August 9, 2009).

This is one of the imposing characteristics of development partners. It means that they want to show their superiority and whatever they do is to be accepted that they are correct.

A government official followed the same tune. He viewed:

*“Development partners’ contributions do not seem to have resulted into generating significant outcomes”* (Field Note, August 26, 2009). Moreover, they think they are much superior to the authorities of Nepal government which is illusory. Being an equal partner in the relationship between provider and receiver, the receiver has every right to access to the development partners’ resources.

However, a development partner representative commented:

*“I do not want to engage in speculation. The development partners put their aid in the basket just like the government. And the development partners cannot give aid if the country does not meet certain standards and conditions”* (Field Note, February 24, 2010).

This statement reflects ‘supposedly’ fairness in the fund flow process. Again, the point that draws out attention is regarding standards and condition a recipient country must comply with. The question here is who set the standards and conditions? Development partners/recipients or both? Overcoming development partners’ superiority syndrome is not possible until and unless the stakeholders’ space in the decision making process is not ensured.

An educationist argued that, *“widening gap between the central and the local authority and lack of bridging communication leaves no space for the stakeholders to take any strong stance in the decision making process”* (Field Note, August 9, 2009).

Other development partner representatives also criticized that development partner assume superior position. Actually it is uncongenial for both development partners and recipients if ‘development partners have the right to dominate’ perception prevails. OECD (2008d), Paris Declaration 2005 discredits this behavior; rather



emphasizes that development partners coordinate and use collaborative approaches for the benefits of partner countries. It means no superiority role on the part of the development partners; rather to focus on coordination, mutual understanding and accountability.

In terms of aiding to developing countries, development partners have been dominant. They decide whether to aid particular country or not according to their convenience. They follow 'top-down' model for making decision. Decision thus is made by development partners' sector in the suitable sector for the effective investment. Then they inform the bureaucrats about their plan. The stakeholders are generally not invited for the decision making process.

### **School Power**

School is a social institution and accepted by the society which is responsible to generate productive human resources. It is a place where we provide education to people and it is power holding place for formal education. School power means when the school has the strength to govern its activities on its own and maintain the quality through this; indicating strong ownership towards development ventures by "exercising effective leadership over their development policies, and strategies and co-ordinate development actions" (HLF, 2005, p. 3).

The following observation of a primary head teacher highlights that when community is able to manage the school then the school power is ensured. He added:

*"If nobody has to invest a penny and everything is taken care by the foreign aid then there will be no feeling of responsibility from the community. They will not bother to know how it is being used because it is not their money"* (Field Note, January 14,

2010). However if some amount of support is invested by the community, it motivates the community members to take interest in the project and keep checking on it.

Therefore, it is necessary to know the subjective purpose and intent of the actor before an observer can understand the meaning of social action and carry out such process as stated by Weber's social action theory (Turner, 2003). Community involvement in the school then tends to foster the strength of the school.

In addition to community handling of the school, the other integral part is the process of providing scholarships by the school.

A primary head teacher said:

*"In our school, the scholarship is given to those fifty students who are selected by a team of teachers, excluding me. Since this whole process is undertaken by the school, the school becomes more powerful in utilizing the aid received. It also makes the school more responsible and analytical to identify the high gravity area for fund allocation"*

(Field Note, January 14, 2010).

In this way, when a school becomes the main player in this process, they become more engrossed in the holistic process of planning and decision making. This further strengthens their interest and commitment in gathering up internal as well as community resources and supports. The school power then becomes the tower to channelize and distribute the benefits, build relationship with the community and therefore, foster sustainability in educational arena.

A primary teacher also highlighted:

*"Adverse reality is also noticed in school management. Aid money means for school development has been noticed abused by the headmaster. He wields power to do*

*such mischievous acts from his affiliation with political force. It so happen, after that he shares the abused resources with the politically influential people. Failing to do this, he is vehemently opposed by them”* (Field Note, February 20, 2010).

In this way, certain internal and external forces are preventing the school from functioning fairly and professionally, thereby driving out the power that a school should have.

### **Community Participation**

Community participation induces ownership, one of the basic five principles of aid effectiveness where the community’s involvement creates forthright commitment of the recipient countries for owning the assistance and adapting a participatory approach to engage the community in managing, organizing and implementing the educational aid. And almost every respondent have acknowledged the contribution of community participation in improving the education sector.

A Development partner representative commented:

*“Collectively, if it is for the people and by the people, then only it can foster personal and community development”* (Field Note, December 13, 2009). The culture of ‘expecting to be helped’ and ‘begging’ will not lead to any significant development. It will only encourage people to be more dependent. Therefore, the community mobilization occurs only when all members are engaged and work on implementing their plan of action; ensuring their active participation.

A senior government official further added:

*“Well, it is very difficult to find out who are responsible or not but as a government officer, I accept that I have the responsibility too”* (Field Note, August 26,

2009). It is true that all stakeholders are responsible too. First of all, government initiation is crucial. Political leader and the government should jointly feel the responsibility. If they take responsibility and act accordingly, people will also think seriously.

Reflecting on the inclusive role of stakeholders in the advancement of EFA that is the community participation, an Educationist supplemented,

*“EFA agenda is a worldwide agenda. Implementing such agenda requires the support of community. Individual attempt does not count in such case; neither the application of force is desirable”* (Field Note, August 9, 2009). Unity is power so community support is essential. EFA tool positively community participation which was reflected through its focus on social inclusion, justice, democratic process and good governance.

### **Quantitative vs. Qualitative Progress**

Indicators are indeed important factors to measure the progress. But they are not all in all. It is quite difficult to measure the quantitative progress only with indicators. Development partner representative was not sure whether quantitative indicators measure achievements or not. She asked me *“whether Nepali children are getting education as per international standard and questioned the achievement of the objective of EFA program where no single child would be illiterate; giving more emphasis on the need to stress the quality progress of school going children rather than the quantitative elements of progress”* (Field Note, February 29, 2010).

It is true that quantitative measurement is one of the important parts for measuring effectiveness of aid but more important is quality result. It is very difficult to determine

exactly what effectiveness of aid is in terms of qualitative measurement but now, with the help of some secondary data, I am trying to explore the results.

### **Progress in Access**

Achieving quality outcomes in basic and primary education is one of the nationally agreed goals of EFA program and access to all is one such goal. Access is about removing barriers and opening up opportunities to all by universalizing education. It means ensuring that people with different needs and abilities have opportunities to successfully gain skills, knowledge and experience through basic and primary education without any discrimination by age, disability, race, gender, religion, sexuality, family responsibilities, or location. It means identifying and addressing the need of education for every child.

EFA program has a strategy to ensure equitable access to education and to improve the quality of basic education. It also emphasizes on inter-related dimensions of inequity and social exclusion that disadvantaged children face (MOEb, 2009).

Table 7

#### **Indicators and Achievements in EFA - I**

| Indicators                         | Targets | Achievements |
|------------------------------------|---------|--------------|
| Gross Enrollment Rate (GER)        | 104     | 142.8        |
| Net Intake Rate (NIR) at Grade 1   | 95      | 83.1         |
| Primary Net Enrolment Rate (NER)   | 96      | 91.9         |
| Gross Intake Rate (GIR) at Grade 1 | 110     | 147.7        |
| Repetition Rates Grade 1           | 10      | 28.3         |
| Repetition Rates Grade 5           | 3       | 7.3          |
| Survival rate to Grade 5           | 85      | 73.4         |

(MOEb, 2009)

Overall primary enrolment numbers have increased markedly from 4,025,692 to 4,782,313, that is, 19 percent during EFA. The target of Gross Enrollment Rate (GER) was 104 and achievement was 142.8. Net Intake Rate (NIR) at Grade 1 has increased steadily and now 83 percent of children are enrolling in school at the right age. However, NIR remains almost 12 percent below the target of 95 percent. NIR target was 95 and achievement was 83.1. Primary Net Enrolment Rate (NER) has increased considerably from 83.5 in 2003 to 91.9 in 2008 where target was 96 and achievement was 91.9. Gross Intake Rate at Grade 1 has grown markedly from 126 percent to 148 percent. The GIR target was 110 and achievement was 147.7. 8.1 percent of primary age children remained out-of-school.

The EFA indicators were mainly related to basic and primary education. Approximately two-third indicators were directly related to basic and primary education and others were indirectly related to it. But only one-third indicators were achieved and rest of all was near the set targets.

The GER is 38.8 more than target but NIR at grade one is 12 percent below the target and NER is 4 percent below the target, GIR is also 38 percent, higher than the target. But again questions were raised why 8.1 percent school going children were beyond of school? Why dropout and repetition rates were high? Why survival rate was low?

A development partner representative claimed *“even though the enrollment rates are what is studied to signify achievement, whether the child really did learn something or not is not measured to indicate that achievement. I strongly think that if we measure this quality indicator, EFA objective was not met”*. It shows that although the

quantitative indicators show fulfillment of the targets, the measurement is incomplete without mentioning the real “quality” indicators and quality progress.

Civil society member expressed strong dissatisfactions in overall quantitative achievements. According to him, “*real pictures are different than the reality. Enrollment is increased only for enrolment not for study. In few cases, head master collected children to show quantity but it cannot give real quality. Thus, they were not real students*” (Field Note, January 2, 2010). It is very easy to come up with quantitative progress by showing heads however, such type of activities compromises the meeting of quality in education.

### **Progress in Equity and Inclusion**

Inclusion is the removal of institutional barriers and the enhancement of incentives to increase the access of diverse individuals and groups to development opportunities and the process of ensuring that all are able to participate fully whereas equity involves the recognition of all people different need support and resources to ensure of their all rights (Gosling, 2010).

Table 8

Indicators and Achievements in EFA- II

| Indicators  | Targets | Achievements |
|---|---------|--------------|
| Percentage of teachers with required certification              | 99      | 90           |
| Percentage of teachers with required qualification and training | 99      | 67.1         |
| Percentage of teachers with required certification              | 99      | 90           |
| Pupil teacher ratio   | 37      | 43.8         |
| Percentage of GNP channeled to PE                               | 2.3     | 2.0          |
| Percentage of total education budget channeled to PE            | 60      | 70           |

(MOEb, 2009)

The Gender Parity Index (GPI) for all types of primary school has risen from 0.83 in 2003 to 0.98 in 2008 which was appreciable. Enrolment rates of Dalits and Janajatis have not been systematically tracked from the beginning, as they were not identified as specific EFA program targets.

An educationist expressed his grievances “*even EFA could not bring about real social inclusion which is a challenge for good progress in equity and inclusion in education*” (Field Note, August 9, 2009). Thus, bringing social inclusion in the progress criteria spurs both quantitative and qualitative growth.

There are no national statistics to show what the progress has been in the enrolment of disabled children, or children facing specific difficult circumstances (e.g. extreme poverty, child work, the impact of conflict, migration, trafficking or HIV/AIDS). However, a range of studies suggest that these children constitute the vast majority of those who still do not have access. The number of drop out children is more in the cases of girl. Similarly, Dalits and disadvantaged Janajatis are not different than the girls. The data is not available to show what proportion of these children are being reached by effective alternative provision, but this is clearly inadequate to meet the needs. Out of total number of teachers, there were 1, 23,686 primary teachers, 3.7 percent Dalit teachers, 23.7 percent Janjatis. 8.4 percent Madhesis and 1.5 percent disabled (MOEb, 2009).

An educationist argued that “*even if we talk about the inclusion of the marginalized population in education, the stereotype is that a small percentage of their involvement is overrated as a big progress. However, I feel that it cannot be counted in inclusion until and unless they start taking leadership in it*” (Field Note, August 9, 2009).



Thus, for the upliftment of disadvantaged and marginalized groups, their participation is essential in all layers of program.

When critically analyzed, it can be seen that the issue of social inclusion is sidelined in the EFA program and if this requirement is not met in holistic manner, then what is the meaning of aid for development?

### **Progress in Quality**

Good quality education is not just about academic learning; it also means good health, hygiene, self sufficiency and creating good citizens where children can work to their own ability. Hence, the improvement of quality has been a buzz word these days. We cannot actually ignore the fact that we did have access to enrich the education system yet we failed to have progress in quality. It has been realized that ‘quality’ is complex and implies attention to the whole educational ‘process’, ‘ethos’ and ‘environment’.

The progress in quality depends on what we get and how we act. It was mentioned earlier too that we have sufficient access to improve the quality not environment.

A student supported this argument *“when an aid arrives, it focuses on making impact on visible infrastructures so that improvement can be measured. But no one gives priority to enhance the less visible but more important infrastructure – learning environment which is the genuine indicator of quality measurement”* (Field Note, November 27, 2009). This argument was backed up by all the respondents.

When we discuss on the quality measure, 90 percent of teachers are either fully or partially trained, which is a good achievement but still below the target of 99 percent.

A primary teacher further expressed “*despite so many training programs being conducted for the teachers, eventually the teachers are not able to implement those skills in the classroom environment*” (Field Note, January 14, 2010). This depicts the shadowing of the priority area while measuring the achievements of any education program which should have been the real essence of achievement.

Table 9

## Expansion of Physical Facilities in EFA

| Physical of facilities                     | 2004/05 | 2007/08 |
|--|---------|---------|
| New classes constructed                    | 1000    | 13955   |
| Classes reconstructed                      | 1036    | 6671    |
| Improved latrine, drinking water and fence | 38      | 7934    |

(MOEb, 2009)

In addition, Physical Facilities have considerably been expanded: The numbers of new classes constructed were 1000 in 2004/05 but 13955 in 2007/08, the numbers of classes reconstructed were 1036 in 2004/05 but 6611 in 2007/08, and the environment school improved with latrine, drinking water, and fence were 38 in 2004/05 but 7934 in 2007/08. Even though, the target was 60 Percentage of total education budget channeled primary education but 70 percent channeled. Likewise, target was 2.3 percentage of total Gross National Product (GNP) channeled to primary education but only channeled 2 percent.

Development partner representative was more concerned in quality; during our long conversation he emphasized more on quality progress. He had dissatisfaction in such kinds of achievements and palmed our environments. According to him “*political*

*intervention in education is the greatest obstacle which rooted very deeply in Nepal resulting low quality results which cannot be addresses in EFA program” (Field Note, February 24, 2010).*

The same voices rose by civil society members, research participants and blamed political influences in educational system hindering the progress in education. They were able to identify this bureaucratic and politicized educational environment standing as block in achieving desirable progress in quality, equity, social inclusion in education.

### **Concluding Remarks**

Aid quality and its effectiveness is the main agenda in educational aid today. To determine quality aid and utilize it effectively for needy and marginalized people is most debatable matter among recipient and development partner countries. Hence, the challenge for the government is to develop common perception and reality of aid effectiveness in education focusing on basic and primary.

Government of Nepal is struggling to receive big volume of aid and claiming to utilize it more effectively. It is possible only with the harmonization of development partners. Contradictorily, local stakeholders, aid experts, educationist and civil society members have big dissatisfaction of ineffective use of aid among government of Nepal and development partners. So, the main objective of this chapter is to explore the reality aid effectiveness in basic and primary education on the basis of EFA program. To explore reality of aid effectiveness, I used research participants’ perception and available documents.

Apart from that, aid effectiveness is related to aid volume, trends and modalities in education. Therefore, I used various data and information related to BPEP II, EFA and

SSR on these aspects. Besides, development partners' role is also crucial in aid effectiveness so I drew various facts regarding development partner's involvement in program.

Similarly, I focused on community participation, school power, fund flow mechanism in local authority and their involvement to make aid effective. Transparency and accountability are the main factors to make aid more effective. So, I emphasized more on monitoring, auditing, corruption control, domestic capacity, aid governance, aid fungibility, to minimize development partners' superiority syndrome for aid accountable and transparent.

Quantitative progress is of course important but more important is to achieve qualitative progress. So, I used EFA indicators, its targets and achievements during 2004-2009 to show quantitative as well as qualitative progress. Finally, I linked different aid effectiveness principles and theories to support research participants' and documents' information.

## CHAPTER VI

### MEETING GOALS OF AID, EDUCATION AND DEVELOPMENT

The previous chapter analyzed the quality and effectiveness of aid in education with reference to EFA program. It discussed different responsible factors of aid effectiveness- ineffectiveness in education from informant's perception and study of various documents. This chapter elaborates the role of aid and its effectiveness on education, primary sub sector in particular. Other issues related to education such as living standard, social inclusion, human rights, employment opportunities, empowerment and social rate of returns.

Foreign aid is designed for supporting various development programs of recipient nations. Broadly, it has four objectives: to stimulate economic growth building social and physical infrastructure; to bring new ideas and technologies in practices; to strengthen social sectors like education, health; to support subsistence consumption; and to stabilize an economy following economic distresses (Radelet, 2006). Besides these broader objectives, progress in the targeted sector has always been the main benchmark of aid effectiveness. The trend has been set to judge the effectiveness of aid only through those sectors and their development, not considering the peripheral factors. However, the peripheral factors play important role in aid effectiveness.

Education is a means of opening up access of knowledge and skills to people which consequently help breaking down the barriers which exclude marginalized people from being equally placid participants in mainstream economic and social life. Education needs to be made inclusive, accessible, relevant and equitable for all. It benefits all

people who are deprived and living a difficult life. For their better life, the first step is basic and primary education that gives high rate of social and economic returns and investment in education, with increased priority in basic and primary education is essential which expands social and economic balance in a nation (Jellema, 2000; The World Bank, 2005). Since adequate investment in education needs enormous amount of financial resources, internal financial capacity of a resource-deficit country will fall short of meeting the requirement. Therefore, foreign aid is a necessity. For EFA, in the context of Nepal, financial assistance from development partners cannot be ruled out. A better input for basic and primary education serves as the foundation for strengthening subsequent levels of education. This relationship within the educational hierarchies will eventually engender the pace of holistic national development.

In contrast to the theoretical focus, primary school in Nepal has suffered for decades because of political, financial and administrative negligence (Oxfam, 1993 as cited in Jellema, 2000). To do away with all these weaknesses, the World Bank (2008c) recognizes the importance of aid effectiveness principles for managing and implementing aid in a way that tends to achieve the desired results and make informed decisions that essentially pave the way for improvement.

### **Accelerating Progress towards Quality Education**

Effective management of aid means bringing about reforms in education and energizing active participation of all related stakeholders for this matter. A commitment made by government to embrace locally driven strategic plans, improved monitoring of international standards of accountability, strong civil-society role in governance and monitoring, and expanded use of information technology through the proper utilization of

aid will help to realize expected reforms, that could contribute to scaling up quality education including the primary sub sector (UNGEI, 2005).

Moreover, acceleration of progress towards achieving quality education requires results-based advocacy that seeks to achieve real impact of investment in education and secure concrete benefits for people in impoverished countries (UNESCO, 2000b). For this purpose, policy makers should persuade to allocate resources including aid money through rationalized financing mechanisms that may be of high worth for raising the level of quality in education including the primary (UNGEI, 2005).

Reddell (2007) with reflection on aid effectiveness principle advocates participatory decisions for the use of available resources including aid so as to engender better quality education. Building robust capacity is most likely to contribute to heightening the performance of all actors involved in the education system. According to an SMC member, *“better performance on the part of all concerned actors may result into better quality in education”* (Field Note, August 4, 2010). This is the concern which most of the participants have also expressed. The concern of the research participants highlighted the need of critical consciousness amongst the community which is a key focus of Weber’s social action theory. When the community gains critical consciousness regarding better quality of education then the community gets ready to make necessary changes in aid management for the quality purpose.

Aligning with the local stakeholder’s concern, the development partners as well as the government officials expressed that effectiveness cannot be achieved by blaming each others; for the effective use of aid, common consciousness and commitment is essential (Chapter V, Community Participation). In order to foster this commitment, “Individuals

should work together to select issues, they feel, are relevant to the entire community and process will lead to identify winnable, specific goals that unify and build the community strength (Minkler, Wallerstein & Wilson, 2008). This is the basic tenet of social action theory which has considerable relevance for aid effectiveness.

According to the most research participants, a participatory approach involving both internal stakeholders and external development partners is more meaningful so as to lay down priority areas and aid allocation strategies. This approach aligns with the aid effectiveness principle of managing for results which emphasizes joint commitment of development partners and the government to increase domestic capacity for accelerating progress in basic and primary education (Chapter V, Domestic Capacity). This kind of mutual action sets a favorable condition for better quality outcomes.

Again, when it comes to participatory approach, community people are the main role players because they are the actual beneficiaries of what has been provided by development partners. Increased recognition to community people tends to build their confidence and hence leads them to take ownership of whatever initiatives towards educational reforms for quality purpose have been taken (See Chapter V, Community Participation).

### **Deconstruction of Educational Demand**

Reform initiative tends to accumulate strength once the existing structural set up is deconstructed and problems are identified along with subsequent problems-mitigating measures. Similarly, once we start to deconstruct the forms and existing structural system of education, we come across heaps of crises aligned with education and then we get to the origin of the crisis; mitigate those crises, educational aid is crucial.



In the backdrop of this perspective, it is necessary to analyze the complex behavior of educational processes, which basically are characterized by “numerous independent elements continuously interacting and spontaneously reorganizing themselves into more and more elaborate structures over time” (Valle, 2000, p. 4). The experiences of research participants made a case in point to address the complex phenomena of aid management and effectiveness. Discussion with research participants showed that they were firm believers in the economic value and moral importance of education and were willing to change education system by investing in education. Such investment can be termed as an integral social capital where the community itself can be resourceful and create environment of trust, reciprocity, and civic engagement and facilitate community building and organization (Chapter V, Aid Governance). But generating investment by parents and community support is very difficult. Nevertheless, all the research participants pointed out the government and development partners as relevant entities for investment in education. However, the need is to be able to fathom the complexity of individuals’ roles, whether development partners or government which prepares a robust position to extract positive results for discharging the crisis in education (Corning, 1995; Edmonds, 1997; Horgan, 1995; MacGill, 2007).

Education has been identified as an important positive force with respect to promoting social cohesion (Tawil & Harley, 2004 as cited in Berry, 2009), but there are also instances of the state using the education system for political or ideological ends and this may result adversely. So, development partners and civil society members viewed that this was the time to break the traditional political or ideological influence in education and rather more towards embracing education that addresses the needs of the

people and this is what we call demand based education. Utilization of aid for demand-based education will result into aid effectiveness.

Demand-based education certainly tends to respond to the needs of the poor children and to contribute to wealth creation in communities and society at large. It also requires taking the issue of poverty into special consideration in the planning of educational services with specific focus on who inherits the poverty of their mothers (UNESCO, 2001). In order to eradicate poverty, it is necessary to eliminate gender disparity in education which means prioritizing girl's education (Chapter V, Qualitative vs. Quantitative Progress). In fact, educating girls means educating a family. This is the collective observation of all research participants. So, education for girls with egalitarianism focus is a demand at present concurring to this thought, some of the research participants pointed out the provision of scholarships to girls and, to those from marginalized groups. A head teacher and a primary teacher, also pointed out that such incentive (like distributing oil and other materials to the parents) helped to increase girls' participation in education (Chapter v, community participation). This is an indication that the role of aid money in education in the form of providing incentives helps accelerate girls' education mainly from the marginalized and disadvantaged context. This approach subscribes to aid effectiveness principle in terms of materializing benefits such as promoting girl education, gender parity and social inclusion.

Emphasis on the priority to allocate aid money with mutual consensus between development partners and government with the active participation of local beneficiaries would subscribe to the principles of aid effectiveness in real sense.

### **Allocating Aid for Equal Opportunity and Social Justice**

Equal opportunity means treating all people equally and providing them equal rights irrespective of gender, race, caste, region and creed. Mainly, it connotes fairness in the distribution of opportunities. For this, the principles of social justice are important which is crucial for the facilitation of marginalized people. Equal opportunity and social justice need to be related to all aspects of human existence.

In order to mitigate injustice and promote opportunity external support and cooperation is essential. In this respect, aid provided by development partners comes as a medium to foster equal opportunity and social justice especially to those who survive in wretched reality. Commenting on aid, a primary head teacher noted “*Aid mostly consumed to address problems of urban areas needs to be least prioritized*” (Field Note, January 14, 2010). The local stakeholders observed that there was unequal distribution and prioritization of aid due to which the allocation mechanism of aid becomes ineffective. For need-based allocation mechanism, it is imperative to operate “result-oriented programs” (HLF, 2005, p. 3) through the ownership principle of aid effectiveness. Along with this principle, social action theory emphasizes a process of empowerment, critical consciousness, community participation, social capital, issue selection, participation and relevance which can balance the unequal distribution and prioritization through local stakeholder involvement (Kaspersen, 2000; Turner, 2003).

Again, it is commonly found that areas adjoining to the urban contexts seem to have been chosen for the operation of various development programs. On account of this tendency, access to basic education is still weak in remote areas. This reality basically has to do with the way aid is managed in Nepal. Most of the research participants

observed only a few people have got opportunities to enjoy the aid-driven benefits. The shift in the flow of aid towards needy people depends on the rational approach to aid distribution on the basis of the analysis of human development index report.

While the disproportionate allocation of aid has been identified as one of the loopholes in aid management leading to aid ineffectiveness, the alternative to this problem is to revise the allocation mechanism. Many research participants like head teachers, government officials and students identified imbalanced aid allocation as one of the most crucial problems in yielding the expected results. There is a need to provide immediate assistance to internally displaced persons; protect their dignities and self esteem. Other internationally recognized organizations must embark on continuing education program and intensive human rights education (Singh, Dahal, & Mills, 2005). There are many challenges related to equity and effectiveness in development and these need to be incorporated as key objectives of aid in education (EC, n.d.).

### **Coordination, State Building and 'Do no Harm'**

OECD developed three key aspects of aid effectiveness such as coordination, state building, and 'do no harm'. The framework is then used to examine sector-wide approaches, trust funds, social funds, UN-led approaches to deliver education aid (Berry, 2009).

### **Coordinating Stakeholders**

Stronger emphasis is laid on building coordination among development partners and native stakeholders. This concept came about with the introduction of the principle of harmonization and mutual accountability. To prevent aid fragmentation, smooth coordination among the stakeholders is unarguable. Despite the higher significance of a

holistic coordination, conventional bureaucratic process often has deterred coordination to attain optimum functionality. So, it is essential to simplify the process by developing a mutually agreed coordination mechanism with the assurance of a sense of commitment (Berry, 2009). This would be highly possible if the development partner countries adopt flexible modus operandi depending on diverse contexts of recipient countries.

Shared priorities and shared aid-operation modality can be developed through coordinated efforts of international development partners with reformers, government and civil society. Even in countries infested with political instability, economic disparity and disharmony in socio-cultural milieu, adherence to such flexible approach would make more sense (UNIFEM, 2007). Once such strategy is in place, majority of the research participants observed corrupt practices would recede and synergy in aid operation would accelerate with the execution of shared coordination mechanism. On the other hand, legacy of disconnected systems characterized by discrimination, divergence of interests and partiality in perks and privileges would slow down and gradually disappear (Berry, 2009). In the absence of a robust coordination mechanism blocking forces such as stakeholders' individualized choice, fragile leadership, development partner interventions, etc would prevail prominently which would defeat accountability structures, overlook standards and norms that would give more impetus to the education sector.

A civil society member pointed out the importance of coordination amongst the stakeholders. According to him, *“Coordinating amongst stakeholders is essential factor which leads to proper and exact utilization of resources and contributes for national*

*development*” (Field Note, January 2, 2010). SMC members and primary teachers voiced same ideas in unison.

### **State Building**

State building means exercising leadership in developing and implementing national development strategies through broad consultative processes. This means that state building is an integral component of one of the five principles of Paris Declaration – ownership where the leadership of state is highlighted where the state bears the prominent role in translating all the development strategies into prioritized result-based activities to coordinate aid in education. State building and aid management go hand in hand. Proper state building process promotes aid management in a proper way. Educationist, SMC members and civil society members concurred to this idea. Once state building or better leadership roles come into action, proper utilization of aid is ensured which also strengthens the aid delivery system and reduces the transaction costs. It also promotes decision making ability of the state. Coordination with development partners takes more effective dimension which leads to better outcomes of aid benefits (Berry, 2009). In addition, effective management of aid improves the governance and capacity in core service delivery functions.

According to an educationist, *“the bottom up approach which talks about going from grass roots level to the higher level can be one of the best approaches to state building”* (Field Note, August 9, 2009). This statement was also supported by majority of the research participants. It is very essential to identify constituents of the grass roots level. The children, parents and the community people are first prioritized by parent’s education and priority to their participation in the state building process will be enabling

since the state gets the opportunity to collect their ideas and reflect on them so as to arrive at a more rational stage to make decisions on the management of aid.

Along with this grass root levels, other levels of stakeholders also play big roles in this dynamics. Non-governmental organizations, governmental organizations and development partner countries are also involved in forming the layers for state building. If observed, these levels of stakeholder incorporate various complex behavior, values and processes that cause complexities in aid management system.

MacGill (2007) argues while using complex theory for resource management the importance of reflecting on reality provides a coherent, organized approach to understanding complexities in a given context. For this matter in depth understanding of a given context through the probing of ideas of all grassroots constituencies is more needed.

### **'Do no Harm'**

The problem of aid management can be fixed only through joint analysis of the strengths and weaknesses in a collaborative manner. Firstly, the development partners need to internalize and comprehend the country system and justify the need of aid and modality of aid. They need to justify the choices that are to be made. However some of the research participants like civil society members, government officials and educationists noted how development partners have ignored its importance.

According to an Educationist:

*“ until and unless the development partners do not understand that their aid is just a cushion for building the bridge and the actual building has to be done by the*

*community, the overrated importance of aid can harm the actual capacity building process of a community” (Field Note, August 9, 2009).*

Looking at the behavior of development partners, they tend to overlook activities which are crucial for nation institution building. They do not bother if the curriculum contents or access to education are skewed in ways that privilege one group over another. Similarly, how can the state be supported to promote equitable access to education and to implement policies that address exclusion issues at the school level is a matter of least concern (Berry, 2009).

According to OECD (2007), good international coordination among stakeholders is necessary because mutual cooperation boosts ‘do no harm’ stance.

### **Aggregated Results and Rate of Returns by Aid**

Effective management of aid essentially results into making foreign aid effective in the sense that the goals are increasingly met. To measure the effectiveness of aid in education two possible models can be used for data entry: input by government, checking by development partners, input by development partners, quality check by government. We cannot clap with only one hand, mutual understanding and cooperation between government of receiving country and the development partners can only make aid effective as enshrined in the aid effectiveness principle of alignment where the development partners and the government need to come “together to establish mutually agreed frameworks” (HLF, 2005, p. 4). Since EFA 2004-2009 is devoted to educate all the children up to primary level; their common stance should go for the benefit of all disadvantaged and marginalized groups in Nepal.



After the discussion with research participants, I found that the aid in education not only promotes educational sector but enforces positive result in other peripheral sectors too. When a child is educated, s/he can contribute for the development of nation and at the same time the educated child prevents himself/herself from harmful behaviors and activities which rather tend to reduce the negative factors of development such as illiteracy, crime, corruption, etc (Singh, Dahal, & Mills, 2005). Hence, the allocated aid is effective considering carefully where to prioritize the efforts (See Chapter II). Furthermore, they expressed the mounting need for design compatible with the actors in order to spur increased development results (Bullock, 2006). This very compatibility is advocated by the effective theory. Similarly, in order to protect the most vulnerable and disadvantaged people it is essential that all related costs and possible returns at different level of schooling be taken into consideration (UNIFEM, 2007).

Furthermore, foreign aid, which accounts for nearly sixty percent of Nepal's developmental budget, paradoxically contributed to lopsided development in Nepal because aid money has favored urban development; the rural-urban gap has widened over the years (Singh, Dahal, & Mills, 2005). The research participants criticized it and emphasized on judicious allocation of aid on making effective use of the allocated aid to education. Sixty percent on development budget is very significant amount for developing country like Nepal. If a large scale of such development budget invested in basic and primary education, it would be the first stepping stone for the development with the achievement of 14.2 percent rate of return (The World Bank, 2007).

### Effective Management of Aid

In order to enhance effective management of aid, the strategy, organizational management; and management of delivery (OECD, 2008b) need to be well attached. To manage foreign aid more effectively in Nepal, research participants, especially development partner representatives focused on the need for a change in the principles of sound financial management in Nepal (EC, n.d.).

Effective management of aid depends on what management strategies the government has adopted. In fact, defining clear objectives and framework for aid utilization, bearing shared responsibility and accountability, and building an enabling partnership between development partners and recipients are the basic strategies to be emphasized. Appropriate legal and political foundation and legislation will prepare a sound management pathway for aid management. Similarly, for making aid effective and ensuring proper management, a long term common interest in the development issues with mutual understanding should be built among development partners (OECD, 2008c). So, greater policy coherence is also important for effective management of aid. To this end, a civil society member suggested “*the government should set a clear mandate and establish mechanisms to ensure aid effectiveness in targeted sectors*” (Field Note, January 2, 2010). For that matter, government should mount public awareness and emphasize delivering, measuring and communicating results of aid financed activity.

A senior government official believed that the government’s organizational efficiency is also responsible for effective management of aid which is closely associated with leadership performance. In fact, dealing with institutional dispersion rationalizes bilateral aid structures to facilitate coherent action at the country level and it also

promotes greater coherence between those responsible for different aspects of aid.

Managing for better results in line with the above idea highlights the decentralization of responsibility to the field level which can be beneficial and for which emplacement of a supporting systems is necessary (OECD, 2008c). Supporting this view, majority of the research participants, including senior government officials, head teachers/primary teachers and students expressed the importance of decentralization in managing the huge amount of fund flowing in education sector. This demand signifies the complexity theory of aid management where the need for adaptiveness so that the system adjusts to new situations to ensure survival in local context becomes imperative along with the progression in complexity among the various inter-linked agents (Valle, 2000).

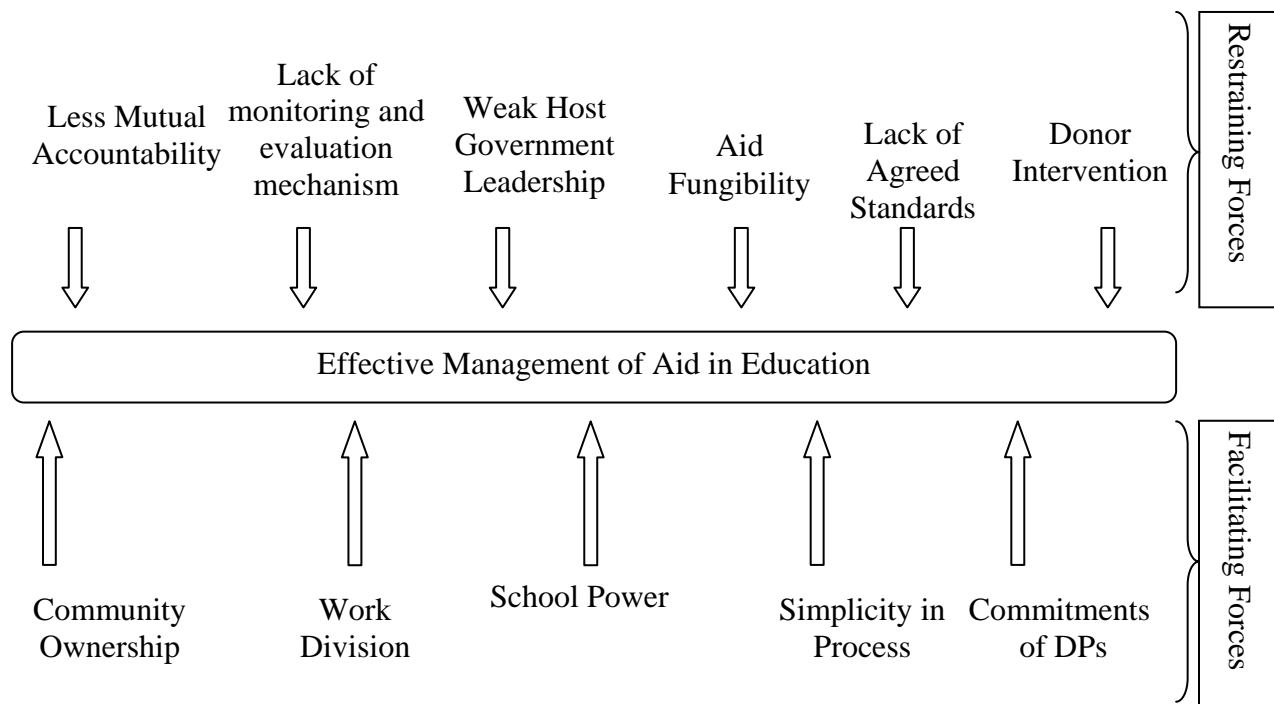
Schultz (1971), Sakamota and Powers (1995), and Psacharopoulos and Woodhall (1997), argue that formal education is highly helpful and even essential to improve the production capacity (as cited in Olaniyan & Okemakinde, 2008). Again, human capital theory stresses that education is a proven aspect in human capital, because education alludes to an element of knowledge that a person has underlying physical functions that enlightens what to perform and how to perform it in real life (Arbo & Benneworth, 2007). But to enhance education, use and management of resources are essential means. All research participants argued that aid is a good source for investment in education for human capital formation.

Effective management of aid is attributable to the delivery of funds based on jointly agreed mechanism. But in reality development partners' influence seems to have a little domination in this respect. Corroborating to this issue, senior government officials, civil society members and educationists objected to the interfering attitude of

development partners. Hence, a new strategy in aid delivery is vital in order to increase its effectiveness. Similarly, a mutually-designed funds delivery approach is likely to help developing an effective system of aid management (See chapter v, accountability and transparency). In this respect most of the research participants identified bi-dimensional forces. They are facilitating and restraining forces.

The following figure shows what are the facilitating forces and what are restraining forces.

Figure 16. Restraining and Facilitating Forces of Effective Management of Aid in Education



The research participants were able to identify various hindering and supporting forces influencing the management of aid. According to aid effectiveness principles defined by OECD (2008c), certain restraining forces like less mutual accountability and aid fragmentation have strong influence over the effectiveness by locking down any

space for the key stakeholders to participate. On the other hand, Schein (1990) reflects on the theory of management representing various facilitating forces such as community ownership, work division, school power, simplicity in process and commitment of development partners that may be worth considering for better management of educational aid.

Roberts (2009) also concurs to this idea and, claims that one of the most important concepts of Paris Declaration includes it as one of the five major principles.

The overwhelming presence of the restraining forces is created when there is a lack of commitment of development partners and the government towards implementing the five principles of aid effectiveness. Less mutual accountability creates a gap between the development partners and their efforts towards education. Not only this, it also means the absence of a mechanism to control aid corruption and ensure the public that the aid received for them are properly used. In addition, lack of monitoring and evaluation mechanism would not uncover the reality as to how aid has been managed. In such situation aid becomes redundant and not result-oriented. Moreover, weak host government leadership signifies a weak leadership which overlooks how aid has been utilized. This creates an imbalance in the relationship between development partners and government. Consequently, there arises the possibility of development partners being dominant and injecting their interests in the management of aid. Another restraining force is aid fungibility that does not benefit those who are to get the benefits of aid and moreover the chances of corruption are likely to speed up.

Despite all these restraining forces, some facilitating forces are in order; which would counter the restraining forces. First of all, community ownership can foster

domestic capacity and increased commitment towards making aid more effective. Proper work division; including that of the development partners can help in channelizing and distributing responsibility for aid management so that the prominence of the local stakeholders also get addressed. Not only this, school exists as one of the most important stakeholders in the management of aid and it is ultimate unit of receiving and managing aid. Thus, school power can create a much more viable option for managing the aid rather than the bureaucratic structure. One of the important facilitating forces is the simplicity in the process which addresses the problem of complexity in the process of aid management in order to “reform procedures and strengthen incentives” (HLF, 2005, p. 6). In addition to all these, all research participants focused only one of the foremost forces which is the commitment of the development partners and government without any hidden agenda and personal interests which creates a fair and dedicated mechanism for the effective management of aid. And all research participants claimed that aid itself is not effective or ineffective, aid implementers make it effective or ineffective. To make it more effective, we should give more emphasis on facilitating forces and should minimize restraining factors.

### **Concluding Remarks**

The three concepts analyzed by the researcher; aid, education and development are intertwined and inter-related with each other. This dynamic relationship can be explained through the lenses of effective aid management. Here, the increasing quantitative and qualitative progress in education is possible when social inclusion and rate of returns are given due consideration. This dynamic relationship can be processed

by foreign aid to yield progress in education only when the condition of effectiveness is met.

The research participants were able to map out a picture; representing situation, discussing setbacks, exploring possibilities and furthermore, providing analytical frameworks of aid in basic and primary education Nepal. The research participants' knowledge and experiences helped build a link between aid in basic and primary education and how it can foster development.

## CHAPTER VII

### SUMMARY, CONCLUSIONS, AND IMPLICATIONS

This chapter recapitulates the major findings of my research on aid effectiveness in basic and primary education. Thus, this research is concerned with probing the aid effectiveness in basic and primary education in Nepal. Basic and primary education is in fact a foundation of educational development of nation. Various researches reveal that basic and primary education promotes economic and social status of people with high rate of social returns in comparison to secondary and higher education (The World Bank, 2007). And more financial support is felt essential for the promotion of basic and primary education as other determining factors have to be considered for real long term development. Hence, this research's focus was on examining effectiveness of foreign aid in basic and primary education through EFA 2004-2009 period.

#### **Research Summary**

Finally, I got a destination to my long journey. In fact, my journey began with smudged knowledge about educational aid and its use in Nepal. But gradually it got unfolded and got its shape. I actually started my journey with the five principles of the Paris Declaration trying to relate them with aid effectiveness in basic and primary education. Initially, I went through a journal article 'Revisiting Foreign Aid Theories' by A. K. Pankaj, and learnt about protagonist and antagonist theory of foreign aid. After reading two theories thoroughly I found protagonist theory of foreign aid more relevant in the context of Nepal to open up the bottlenecks of real development in economic and



social sectors. Hence, the research strongly argues the essentiality of aid for real development of basic and primary education in Nepal.

Undoubtedly, there are critics of foreign aid in Nepal. They have criticized on the fund flow mechanism and development partners intervention. They have analyzed the situation from antagonist theory of foreign aid in Nepal. Every coin has two sides and every practice has positive and negative impacts. I read lots of literature strongly supporting need of aid in Nepal for their own benefit. They were found to be discussing superficially. I didn't get any literature that argues to support the people living in difficult situation and wish to live freely escaping from vicious circle of poverty and hunger.

The fact cannot be ignored that large number of people are waiting to fulfil their basic needs and education for them is luxury. To make basic and primary education accessible to all is indeed a real challenge in the context of Nepal. The domestic resources are very limited and foreign aid is not really enough to face the challenge. However, we do not have any other alternative than looking for more foreign aid and make effective use of them for overall development of the nation. Therefore, I insist on preparing appropriate environment to make educational aid more effective in education.

Beginning of the thesis, writing itself is one of the most challenging tasks. I was really confused about starting the first paragraph. Despite that, I started Chapter one introducing my concept. That was like opening a window for me. Basically, Chapter one is the entrance for my thesis. This chapter gives overall scenario of my thesis. I began with setting the concept of aid and rights argued to for the getting aid. I tried to eliminate our traditional concept that receiving foreign aid means begging. I do not think claiming for the right is begging. Receiving aid is the right of developing countries

as the development partner countries have made provision to spend 0.7 percent of GNP on Official Development Assistance (ODA) which clearly defined by United Nations in agenda forty three at UN general assembly in 1970 (United Nations, 1970).

It is indeed undesirable to look for foreign assistance if a nation is capable of meeting expenditure. In the context of Nepal, aid in education is very necessary as expenditure budget is very limited and not even enough to fulfill the basic need of peoples. Of course education is basic need of every citizen but for the poor, it is a dream. Allocating aid in basic and primary education, making it effective arises a big question mark. I established these problems in the second part of chapter one. Likewise the worth of my research and purpose also set in same chapter. The main purpose of my study was to analyze effectiveness aid in Nepal focusing on the EFA 2004-2009. To establish the strength of the purpose of research, I developed four research questions. All research questions stand on the periphery of aid management, effectiveness, transparency, accountability, policy and practice of government of Nepal in basic and primary education. First chapter also replicates and analyzes some of my research participants' opinion particularly on use of educational aid in their institutions and its effectiveness.

Generally, research is the combination of substantial and original knowledge. Substantial knowledge is produced by literature review whereas original knowledge is explored by primary data. In chapter two, I explored knowledge by literature review. Getting necessary materials might be problematic for some students but I could find sufficient materials for my study. I selected few documents for literature review. Most

of them were international documents that I reviewed and a few documents were in the context of Nepal.

In Chapter two, I reviewed various literature on five different headings. All of the documents were based on aid effectiveness. I began raising the questions like who gives aid to whom and why? In this part I highlighted the definition of aid and origin of aid after Marshall Plan for reconstruction initiative that had to come from the participating countries. It created a new environment for cooperation, mutual understanding, and selfless support between Western Europe and the United States. After that remarkable achievement of Marshall Plan, the concept of foreign aid flourished throughout the world. Nepal has also been receiving aid since 1952 A.D. to fulfil the objective of Marshall Plan.

Second part of this chapter is the overall descriptions of aid effectiveness. First, I described aid effectiveness in general rather than specifying in education. After that the factors affecting for effectiveness of aid and second the factors which makes aid ineffective. More interestingly, I found the effective and ineffective factors of aid in various documents, more or less, same factors also can be found in my research after collecting primary data. It means the internationally determining factors for aid effectiveness and ineffectiveness are largely similar in Nepal.

The third part of this chapter is the effectiveness indicators of aid. Mainly, in this part I reviewed the indicators of aid effectiveness developed by high level forum of aid effectiveness. When we talk about aid indicators and principles, we remember the five principles developed by Paris Declaration of aid effectiveness: harmonization, alignment, ownership, managing for results and mutual accountability. Nepal is also receiving aid

within the five principles in education through bilateral and multilateral development partners.

The fourth part is the analysis part of aid effectiveness cases from Bangladesh, Pakistan, and Nepal. I reviewed the cases of these aid receiving countries. I found Bangladesh and Pakistan have similar economic and educational status to Nepal. I actually wanted to know the effective and ineffective factors of other aid receiving countries. All these countries also have problems like; political instability, corruption, less technological development, lack of awareness. Hence, I found very less accountability and transparency in aid in education.

The fifth part of this chapter is the review of aid related documents of Nepal. There were very few documents addressing the aid effectiveness in education. Some documents I found were of overall discussion of aid in Nepal. But I didn't find specific coverage of aid effectiveness in basic and primary education. I felt it is now my responsibility to research and publish materials which address the aid effectiveness factors, aid management and right way to allocate aid in basic and primary education.

In the final part of this chapter, I reviewed the complexity theory of management, effective theory and social action theory by linking the aid in basic and primary education. Such theories give the proper knowledge and ideological structure for the use of available resources with high rate of returns.

Chapter three is the methodology chapter. It started with research philosophy with ontological and epistemological parts of my research. This chapter reflected the tool making and tool using mechanisms in research. I have clearly explained the research journey of two and half year's thesis writing duration. In fact, I spent whole time only

for thesis writing. I started my journey from proposal writing to thesis write up where I briefly explained everything. Then I have also discussed on qualitative paradigm, its importance, need and usefulness in my research. I set research design in qualitative manner with sampling type and sample size. As per the nature of my research, I set purposive sampling, heterogeneity and snowball sampling methods for identifying my research participants.

After that, I designed the research participants group. It divided into three groups namely, development partners, national planner and policy makers and local stakeholders. Among development partners, I set with four research participants. Among planner and policy maker, I set with seven research participants. Likewise among local stakeholders, I set with seven research participants for in-depth interview. I met them frequently formally and informally through direct contact, phone and email.

My data collection journey was very memorable in my life. I collected primary and secondary data from various sources. In fact, primary data was collected from Kathmandu valley but it was really time consuming and difficult to fix the interview schedules. For primary data collection, I spent nine months. Each and every data I entered in my laptop and transcribed it quickly and made a memo also. But secondary data collected from various places in hard copy and soft copy. I took precautions while collection secondary data taking into consideration the issue of trustworthiness and authenticity.

Finally, I set the methods of data analysis, ethical consideration and assessment of trustworthiness of my research. I spent more time to design this chapter.

The chapter four is the policy context of educational aid. It focused on policy regarding development partners' and Nepal government's aid in education. Development partners have their defined aid policy but there is no separate aid policy in Nepal government's aid related documents in education. Government of Nepal made aid policy which covers overall national aid policy. In aid policy very few policies found for education. So, I developed this chapter with development partners' and nations' aid policy in education. It is divided into two sub headings. Both sub headings described trends of aid policy focusing on current policy in education.

Mainly, policy chapter replicates the education policy of development partners and government of Nepal and its direct relation with guiding objectives and principles of aid effectiveness in education. Moreover, this chapter discussed problems and challenges of not having a comprehensive aid policy on education. It is expected that this analysis would provoke the government to develop such policy.

Chapter five is the analysis part. The whole chapter is based on the collected primary and secondary data. For this chapter, I gathered all raw information, primary data were transcribed and secondary data were extracted. The all transcribed and extracted data took in a place and coded it and divided the coded data into more than one hundred themes. I derived my final themes through a process of data reduction using categorization, abstraction, comparison, integration and then the next process is interpretation.

This chapter is based on research participant's perception along with the supporting secondary data by linking them with theories. It mainly focused on the aid quality and effectiveness through the window of EFA. Aid effectiveness and quality of

aid is directly linked with flow trends and modality. Therefore, this chapter started with fund flow trends and existing modalities adopted in education sector. Transparency and accountability of aid also were the key attraction of this chapter described on the basis of real expression of development partners and beneficiaries. Really, they shared the reality of aid transparency and accountability part in education in Nepal.

In this chapter, various parts of aid management and its effectiveness were discussed. Research participants more focused on the community participation and school power in aid allocation and management. Almost all the participants accepted the reality of aid corruption in various ways. I really appreciated a question asked by a primary teacher. She asked me whether it was effective or ineffective regarding the use of aid provided to our school for distributing painting colours to the students. In fact, it was found dried and damaged after one year because of not being used. Who was responsible for misutilizing such valuable resources? How to make a controlling mechanism for such kinds of irresponsibility and how to punish for irresponsible person?

Finally, I concluded the Chapter five discussing qualitative versus quantitative progress in basic and primary education in the context of EFA. Some quantitative progress was noted but most of the research participants had dissatisfaction regarding the quality concern. They were concerned about the quality of education not the highly achievable quantitative progress. Meanwhile, a development partner's words caught my mind. He said ninety percent teachers are trained in primary school according to quantitative progress; but do you think that they are really applying learning methodologies in class room practice every day. What percent of trained teachers are

applying training inputs in the classroom? Who is monitoring it and how? Do we have any mechanism to find it? These are very serious questions.

Chapter six is the overall discussion of the impact of aid in education and progress in nation. It is true that basic and primary education is the root of national development. The investment in basic and primary education gives high rate of returns in Nepal. It is already proved by various researches. So, government also gives more priority in basic and primary education and makes the policy to invite development partners to support in basic and primary education.

I discussed basic and primary education for national development with the support of development partners. I focused more in the effectiveness of aid in basic and primary education. Meanwhile, the main concern of my research revolved around the effective and appropriate use of aid rather than its pros and cons. Therefore, the major theme of my research is the right use of aid in the right place at the right time for uplifting the status of the Nepalese people.

### **Research Findings and Discussions**

‘How effective has aid been in basic and primary education in Nepal based on EFA 2004-2009?’ was the only research question I had in my thesis. The whole research was made within the periphery of this question. However, I developed four other questions to clarify the research issue. Findings on all questions are presented and discussed in reflecting on relevant theoretical perspectives.

It has been six decades that Nepal started receiving aid formally in education. Initially, Nepal did receive large amount of aid yet there is no proper record of aid received in basic and primary education (Bhattarai, 2005). Gradually, the program on



primary and basic education launched in 1980s by bilateral and multilateral development partners, allocated one third of total budget for basic and primary education. In fact, huge amount of foreign aid have been channelized in basic and primary education in Nepal through program funding, basket funding or directly.

In the present context, large numbers of development partners are willing to support more in basic and primary education. They are looking for the prospective areas in education to make their aid effective. They are also waiting for the national policy to address the aid directly in education. They criticized Nepal for not formulating a clear aid policy in education aid policy and suggested that Nepal government should develop clear policies, rules and regulations for the management of aid based on five aid effectiveness principles. They claimed themselves to be working for the developing nations like us but they just did not want any confusion in aid affairs. Development partners claimed that they have not intervened in aid matters. Their imposing ideas on receiving countries with their interest are of course intervention. However, it is announced that development partners work with mutual accountability in Nepal.

In addition, Government of Nepal is the only authority to receive and use aid given by development partners however, the case is just different. The development partners provide us aid but not without the influence of their own interest and desires. Thus, it is the moral responsibility of all development partner countries to work as per the instruction and provision of Nepal.

Within these realities, various specific findings were illuminated during the research process. So, in this chapter, I extracted those findings and discuss it with the research participants' views and literature review.

It was found that the increased and still increasing aid volume and modality was unable to yield or contribute to the proper management of aid in education.

Most of the research participants pointed out that they did observe increment in aid volume however, some of the research participants like SMC member and Primary head teacher also emphasized that since this increasing trend was unable to make aid any effective, there was danger of decreasing aid volume eventually.

The research finding further highlighted that although the framework of aid modality is good in general, poor or unmanaged implementation of the framework causes ineffectiveness of the modality in bringing about significant results.

Most of the research participants agreed that the modality of aid is actually really good in Nepal for education aid however the modality is not going to work until and unless other factors are also suitable.

When talking about whether the aid in Nepal is donor driver or need driven, the debate was huge however, it was found out that dominance of donor driven aid is still prevalent in education aid, sidelining the need factor.

This realization of the aid being donor driven could not be deciphered by some research participants like the primary teacher and primary head teacher, however, other research participants recognized this as one of the major stumbling blocks in making the aid ineffective. According to them, need driven aid would help in prioritization and thus lead to proper management of aid.

The research data pointed out that the aid paradigm, instead of accommodating into a local context has largely been global-centric which was unable to relate with the local environment of education scenario.

Research participants like educationist and civil society members were able to identify this centric structure of aid. This means that centric nature of aid support would not be of any contribution to the educational development.

It was found out that the fund flow and allocation mechanism in aid was highly centralized and even though the principles appeared to be simple, a contradicting picture was observed through the existing complexities in aid management.

Perplexed by these complexities, the research participants viewed this centralized nature of fund flow from flow to delivery of aid to the local people who are in need and argued that the deserving people in need are not able to exercise these facilities meant for them.

While talking about the volume, quality and modality of aid, volume is found satisfactory and there is still high probability of increasing it. Quality of aid depends on national policy. For that government initiation is essential, if government is stable and conduct political and national dialogue with partners to recover this economic and political fragility they are ready to support. But the modality part is very strong. Now, basket funding modality is adopted for receiving aid in basic and primary education which is more appropriate for Nepal. And, it is also the responsibility of government to bring neighbouring countries also in the basket funding for aid in education. It is already proved that fragmented aid encourages development partners' intervention and also heightens the chances of corruption.

It was observed that there was a loophole in purpose based fund flow where the stakeholders, mainly the school were not incorporated in this process.

In coherence with this, most of the views expressed by the research participants themselves were not able to identify school power as an element required where they vaguely talked about community and school management committee.

It was pointed out that the weak transparency and accountability mechanism hindered the EFA program and the effectiveness of education aid where giving importance to financial audit rather than to performance and social audit catalyzed this obstacle.

Almost all research participants wanted to know the actual fund flow but no local stakeholders knew about allocated amount of fund in their schools. They claimed that large amount of fund were misused by authority and very few were used for children's education. Funds were also leaked in various sectors while channelizing resources. It means only below fifty percent of supported fund were being utilized for children's education. Therefore, accountable and transparent agenda was the central point among the discussion of research participants.

Moreover, most of the research participants focused on giving more importance to social and performance audit. They agreed that financial audit alone creates more corruption and unaccountability. It hinders transparency as well as provides space for ineffectiveness.

It was also observed that when a corruption control mechanism is weak, even a paramount amount of aid support would not be able to defer any progress or change because then the support is made ineffective.

Most of the research participants were able to provide with specific incidences of corruption, making it clear that being a part of the system, they witnessed or heard about corruption in aid money but could do nothing to change it except for not being involved.

When the local resources are not identified or utilized, the domestic capacity gets compromised thus becoming weak.

Most of the research participants pointed out that domestic capacity of school management as well as governance were very weak and under rated and therefore, this culture of depending on external resources became detrimental to empowering the local stakeholders like school, teacher and parents in taking part in education development.

It was found out that the aid governance system of our country is manifested with bureaucracy, making it easy prey for aid fungibility.

Receiving aid is not only our agenda. Making it more effective is the main concern. For making it more effective, management plays an important role. Receiving and managing aid as per aid effectiveness principles is the main concern today. For that complex management of aid is essential. Simple and traditional aid management system cannot meet the desire of all stakeholders.

It was observed that the balance of dependency and sustainability weighed down on to dependency, making it a major setback in motivating local stakeholders to have confidence in their initiatives.

In fact, development partner's intervention was a burning question among my research participants. Actually, I also asked to development partners' representative about their intervention and in response they asked me to define intervention. They further added that if the government can define interventions, and development partners'

involvement and activities fall the government's definition, we are intervening, otherwise not. Consequently, I asked to a senior government official who claimed that the policy of bilateral and multilateral development partners themselves do not have any intervention policy but development partners representative do try to take advantage of our weak system.

During the research, school power was one of the biggest issues where it was found out that in practice, school power was lagging far behind and was one of the weak links in management of aid.

It was also observed that community participation had gained some form of popularity where the community is also identified as a stakeholder in this process, however, the participation of the community lacked "we-feeling" and was submissive in nature to the supported impositions.

All research participants mainly focused on community participation and school power. They suggested of make fund receiving groups in school along with community members and it would be more effective if aid management is handed over to the schools themselves. School is in a real sense, a local ministry to channelize aid for the benefit of marginalized groups. So far, school power is concerned; school has an authority to provide scholarship to the right pupil. Since, management of aid is given to the school; some female teachers are assigned to select the right candidates for the scholarship and they chose girl on basis of the criteria they set themselves and for that they did not get any complain from parents or the students. One of the primary female teachers said that everyone is happy and satisfied with this system. Likewise, school can make other

various systems and groups to make fund more accountable, transparent and manageable for resulting.

Eventhough, Basic and primary education is mainly concerned with school going children, it is not meaningful without parents' education and community awareness. They are equally significant to make proper utilization of the resources. So, community awareness is the key agenda for the effectiveness of aid in education. Community awareness means acknowledging development partner's support so that they take it as their property and utilize it optimally. They are very much concerned and aware of proper utilization of resources. However, EFA program shows there were no more programs which addressed parents and community. It was based on more children centric program.

Moreover, when the qualitative and quantitative progress indicators were compared side by side, it was found out that although the documents showed significant quantitative achievements in terms of access, equity and inclusion the research participants did not feel that these were achieved in reality.

EFA program was set by government of Nepal with development partners by setting three objectives. There were eighteen indicators. Out of eighteen indicators one third targets were achieved. According MOE (2009) the targets of percentage of total education budget channeled to basic and primary education was sixty percent but achievement was seventy percent. It means budget was increased by ten percent but targets were fulfilled only one third. It shows that EFA program was not highly successful program. But it was good initiation in basic and primary education for the achievement of targeted goal of education for all by 2015.

The EFA program was really applicable in the context of Nepal. The initiation taken by government and development partners were appreciable too. According to research participants, allocation of resources and management process were found weak. They requested to all the development partners and government of Nepal to make supporting fund more effective and allocate only to the needy people. They wanted to make aid more transparent and accountable by making independent monitoring and evaluation group with the active participants of local key stakeholders.

Quantitative indicators are indeed important but more important part is qualitative progress. So, all research participants focused on quality that means having international standards. Similarly, one of the development partners' representatives compared the EFA program with 'No Child Left Behind' program of United States and suggested the program should be set in phases depending on resources but should not compromise standard for global competition.

For the quality, policy should be long term and should have a vision. Now and then, basic and primary education policies have been developed but not properly implemented. Without proper implementation of the policy by state, policy is meaningless. So, development and implementation of policy is always essential. But when we talk about the aid policy in education, no separate policy was found. Without any aid policy, government is receiving aid. But to make aid more systematic in education, separate national aid policy in education is urging.

In terms of aid policy in Nepal, it was observed that despite the policy framework, the policy lagged clarity and concreteness, leaving gaps for the aid to become ineffective.



Most of development partners research participants requested to government for eliminating political intervention. The research participants believed that the weak monitoring and carelessness in formulation of aid policy in education is the creation of political intervention in education. Education is peace zone and within the effectiveness principles, aid policy should be formulated in education for effective management of aid in education.

The need for effective use of aid for development of basic and primary education is quite high in countries like Nepal which has always been in weak situations financially. So, I viewed aid with the support of all the literature, theories and knowledge and ideas of research participants and experts into the protagonists' lenses. Protagonists argue the essence of aid in developing countries for development in the preliminary stage and believe that aid may prove helpful in pushing the development (Pankaj, 2005). Hence, supporting the protagonists' claim, I linked on complexity management theory, effective theory, and social action theory, which were widely discussed concerning the facilitating and restraining factors with a strong foundation for critically gauging the dynamics pertaining to aid effectiveness in the basic and primary.

The blend of these theories and five principles of aid effectiveness provided me a strong foundation of critically exploring the reality in primary aid effectiveness and its management. After the in-depth study of literature and research participants' knowledge and ideas, I observed that the development partners and the government had given less priority to aid effectiveness principles. In my observation, it is found that, ownership, alignment, harmonization, managing for results and mutual accountability were moderate due to the various restraining factors but it is very essential to adopt and follow aid

effectiveness principles for the remarkable influence of facilitating factors (See Chapter vi).

### **Conclusion**

This research mainly discussed the concept of aid, aid in basic and primary education and aid effectiveness in basic and primary education. The research also explored the issues of fund flow, elaborated distribution mechanism, and suggested for the management, transparency and accountability. It emphasized on their efficiency and effectiveness involving the stakeholder for long term development in the education.

A holistic portrayal of local stakeholder's perception has been maintained throughout the research discussion and findings. On this basic foundation, I drew major concluding remarks highlighting the people's perspectives.

- Aid volume in basic and primary education seems ample in provision but the implementation of this aid is weak in nature. The aid modality adopted in Nepal was observed to be good.
- The received aid could not be as need-based as required. Programs driven more by development partners' design are most likely to be seen indifferently by the beneficiaries.
- The received aid could not penetrate in the local context. One-sized-fits-all attitude of aid paradigm could not address the holistic local environment for aid effectiveness.
- The fund flow and allocation mechanism, despite sounding simple in principles became complex in reality while implementing.

- The purpose based fund flow within school system in the demand for mutual consensus among the school stakeholders.
- The transparency and accountability mechanism was not coordinated with the corruption control mechanism which led to weak monitoring and evaluation of fund. The financial audit catalyzed corruption whereas social and performance audit would foster fair use of fund.
- The weak aid governance can be accredited to the weak and unidentified domestic capacity that lies within the local stakeholders, which hinders educational sustainability.
- The “dependency syndrome” is the core evil of aid support and management.
- School power is the first step of local ownership. Active community participation strengthens effective allocation and delivery of fund for the beneficiaries.
- Development partner and government was observed to be giving more focus to the quantitative progress however, beneficiaries expected to get more qualitative progress by taking access, equity and inclusion

Although this research revolved around one question; it delved with the multitude of questions related to this one question. Some key stakeholders in this process needed to be familiarized with it.

The research gave a glimpse not just into the change in the modality of fund flow but also on the massive and uncontrollable process of aiding.

It seems like aid is no more ‘assistance’ but an instrument to finance in education. Thus, the only efficient management of aid can omit the gap between development partners and receivers. It cannot be argued that aid has certainly picked up the pace of improvement in aid in basic and primary education. Still, the effectiveness of the aid has become a very questionable prospect at present.

### **Implications**

In fact, we all accept the reality of financial fragility in present situation which cannot be minimized by our own resources. The volume of national GNP is too low. So, aid is one of the best sources of financing in education and national strive for aid mobilization is essential. The prime concern, however, is to focus on different ways so as to manage resource optimally.

### **For Government**

Naturally, government is the responsible body for aid mobilization and management. For this purpose the priority concern is to devise aid policy and strategies to implement the policy. Without a concrete and context-specific national aid policy, it is most likely that aid does not bear positive results with the policy in place; the management part should be trusted to the group of all concerned stakeholders with relevant inputs. Abuse of aid money seems to be the result of corruption, disparity, nepotism, partiality; favoritism and prejudice that overcast the governance system. Therefore, the government needs to revamp the existing governance so that the benefits of aid money would meet the destined objectives. One viable approach to strengthen the governance system would be to put in place a robust aid monitoring mechanism.

Minimizing political interventions would require farming a common understanding among various political actors for which the government needs to develop standards and norms for non-political interference and seek all political stakeholders' commitment to abide by the stipulated norms and standards.

Similarly, the government needs to restrain high handedness of development partners. With such restraints in place, the government does not have to act to the tune of development partners. For this purpose, the government needs to lay down a thoroughly sketched aid blue print. This blue print should cover domestic policy priorities and development partners' priorities and emphasis. Along with this, a regular joint review of how aid has management would help to ensure clarity, transparency and strengthen mutual understanding.

### **For Development Partners**

The nature of development partners' involvement in foreign aid support should be that of a partnership with the receiving countries. Nevertheless, shared accountability between development partners and aid receiving countries is the critical part that if mutually acknowledged, would ensure in every way, effectiveness in aid management. This modality would make development partners feel that their role is to facilitate the countries that receive aid.

If development partners truly follow aid principles as per Paris Declaration controversial issues in aid management will hardly arise. On the contrary, deviations from these principles are likely to create situations that draw development partners into controversy and once controversy arises various critical concerns essentially emerge.

There it is highly pertinent for both development partners and aid recipient countries to sincerely abide by aid principles as stipulated by Paris Declaration.

The purpose of aid is to enable recipient countries to address resources-deficit in the short-run. In the long-run, however, the recipient countries need to forge ways that lead them to be self-reliant in terms of meeting the resource need.

### **For Local Stakeholders**

Resource support to economically underdeveloped countries through aid is essential. Which providing aid to poor economies development partners need to feel that their position situates at par with recipients and not otherwise. This will forge congenial partnerships which generates more energy in the maximization of benefits through aid. Therefore, partly of esteem is crucial in the effective utilization of aid.

Government of Nepal is receiving huge amount of aid for education. Out of total aid in education, sixty percent and more are allocated in primary education. Community awareness and parents' understanding is very important to ensure accountability, transparency in the management of aid. Indeed, aid serves as an energizer and also to produce positive outcomes. This energization need to be streamlined to explore other prospects for resources mobilization, more so at the local level. This will eventually ensure sustainability in resources management.

A judicious distribution of resources is most likely to foster a win-win situation. Therefore, aid is a viable means for judicious distribution of resources. However, the purpose of aid needs to focus on empowering the recipient countries. And, for empowerment it is crucial to put emphasis on recipients' priorities and not on the development partners' priorities. Therefore, discourse between development partners and

recipient countries need to be carried on so as to determine the urgent priorities for which aid is essential.

### **For Further Research**

Nepal is aid receiving country and large volume of national budget is dependent on foreign aid but no single research is found to address this matter. Aid policy and effective management of aid is a serious issue.

For effective management of aid, proper aid policy is lacking so I suggest conducting a research on what kind of foreign aid policy is suitable in Nepal. Therefore, a research should be conducted to generate information relevant to formulating foreign aid policies. Meanwhile this research should entail the issue of aid management so that the contribution of aid is maximized.

Finally, management of aid proceeds through a critical path and to successfully walkover this it is essential to study the influence of restraining forces and enabling forces. Maximizing enabling forces through promoting community involvement in aid-management and the feeling of ownership, fostering shared-responsibility of stakeholders at different levels of governance, building school power through robust culture formation, emphasis on transforming school as learning organizing and acknowledging school as an open system, ensuring simplicity in aid management and flow of fund and fostering development partners' commitment to observing aid principles and national priorities will most likely weaken the influence of restraining forces, hence making it easier to walk over the critical path of aid management.

## **Post-Script**

### **Harmonization: Strategy for Effective Aid Utilization**

The concept of aid was introduced to narrow the development gaps between the developed and developing countries. Following this concept, Nepal has been receiving aid in education but there have emerged critical concerns regarding Nepal's weakened position in utilizing educational aid effectively. In fact, aid itself is not effective or ineffective; it depends on the quality of administrative leadership and managers' efficiency. This is equally important on the part of providers as well. So, aid effectiveness basically depends on providers' and receivers' prudent functioning. Actually, effective use of aid has to do with harmonization and coordination of stakeholders at all levels.

Harmonization among the development partners and beneficiaries in aid management is a burning issue. Reflecting on the importance of harmonization Paris Declaration and Accra Agenda for Action have worked out several principles on aid effectiveness. However, these global principles may have only small relevance in the local contexts. Therefore, digging out what elements would be more pertinent at the local level is more deserving. This study, to some extent, has uncovered what elements need to be focused for aid effectiveness at the local level.

Harmonization is indeed a critical link between the government and the local stakeholders and also development partners. Harmonization essentially facilitates building common understanding based on which common framework for aid management can be devised. Within the framework critical concerns such as shared responsibility and transparency can be incorporated. Once the framework is put into



effect, a fair process for aid utilization necessarily sets in motion. This eventually will lessen the burgeoning corrupt practices. Besides, the framework should accommodate local concerns as well. When the framework provides space for aid managers to listen to the local voice, it addresses all aspects of balanced and equal participation of local people. Such participation reinforces harmonization and prepares a clear way to follow. This eventually will have to formulate a relevant aid policy so that will be much easier balancing between development partners and national authorities as well as local actors. Moreover, to ensure better operation of the framework, constant dialogues and discussions among national and international personnel needs to be animated. Naturally, such effort can result into a meaningful outcome.

Accountability and transparency spurs maximization of enabling forces for effective aid management and utilization. Enabling forces are those catalysts which create favorable force for aid effectiveness by strengthening the aid management environment. When such catalysts increase, the role of restraining forces gradually gets minimized. However, if the presence of restraining forces is overwhelming, the influence of development partners also becomes overwhelming and at the same time, the voice of the government gets hushed down. Not only this, the role of the stakeholders becomes faint and they tend to comply with the conditions imposed by the development partners. In this case, the possibility of aid effectiveness becomes bleak since the restraining forces generate push-force to hinder proper utilization and prioritization of the aid.

Another very crucial point is the political commitment. Without political commitment, whatever stated above will not hold water. Political parties should make a

common understanding for common political commitment basically realizing the need for ensuring better outcomes from aid money.

The current situation of Nepal is grim since there is lack of such common political commitment. It calls for a policy research of aid effectiveness which can ensure proper review and recreate aid policy in Nepal. At this point, it is pertinent to internalize the fact that all stakeholders in aid management and utilization should shed equal concerns towards spurring aid effectiveness in education.

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## Appendixes

### Appendix A General Information of Research Participants

|   |  |  |  |              |  |  |            |  |       |       |  |
|---|--|--|--|--------------|--|--|------------|--|-------|-------|--|
|   | Information related to personal, Educational and professional background of respondent |  |  |              |  |  |            |  |       |       |  |
| 1 | Please tick one of the respondent group  |  |  |              |  |  |            |  |       |       |  |
|   | Planner/Policy Maker   |  |  |              |  |  |            |  |       |       |  |
|   | MOE  |  |  | MOF          |  |  | MOFA       |  |       | NPC   |  |
|   | Politician   |  |  |              |  |  |            |  |       |       |  |
|   | UM   |  |  | NC           |  |  | UML        |  |       | Other |  |
|   | Donors   |  |  |              |  |  |            |  |       |       |  |
|   | Bilateral  |  |  | Multilateral |  |  |            |  | Other |       |  |
|   | Educationist   |  |  |              |  |  |            |  |       |       |  |
|   | Departments  |  |  | Consultants  |  |  | Contractor |  |       | Other |  |
| 2 | Please mention your Nationality  |  |  |              |  |  |            |  |       |       |  |
| 3 | Please tick your gender in the given box   |  |  |              |  |  |            |  |       |       |  |
|   |  |  |  | Male         |  |  | Female     |  |       |       |  |
| 4 | Please mention your age in years   |  |  |              |  |  |            |  |       |       |  |
| 5 | Which of the following educational background you belong? Please tick                  |  |  |              |  |  |            |  |       |       |  |
|   | PhD  |  |  | MPhil        |  |  | Masters    |  |       | Other |  |
| 5 | Please mention your specialized area   |  |  |              |  |  |            |  |       |       |  |
|   |  |  |  |              |  |  |            |  |       |       |  |
| 6 | Please mention name of your Organization and Location                                  |  |  |              |  |  |            |  |       |       |  |
|   |  |  |  |              |  |  |            |  |       |       |  |
| 7 | What are the major services of your organization?                                      |  |  |              |  |  |            |  |       |       |  |
|   | Receiving Aid  |  |  |              |  |  |            |  |       |       |  |
|   | Donating Aid   |  |  |              |  |  |            |  |       |       |  |
|   | Formulation of Educational Planning and Policy   |  |  |              |  |  |            |  |       |       |  |
|   | Education Delivery   |  |  |              |  |  |            |  |       |       |  |
|   | Monitoring and Evaluation of Aid   |  |  |              |  |  |            |  |       |       |  |
|   | Other(if any, Please Mention)  |  |  |              |  |  |            |  |       |       |  |
| 8 | Please mention your position in your organization?                                     |  |  |              |  |  |            |  |       |       |  |
|   |  |  |  |              |  |  |            |  |       |       |  |
| 9 | Please mention your years of experiences in the profession                             |  |  |              |  |  |            |  |       |       |  |

## Appendix B Evaluation of the Paris Declaration Principles 2005 Considering EFA

*I would like to assure you that this information you provide will be used only for research purpose*

Evaluation of Paris Declaration Principles 2005 through EFA Program: *Please, make your evaluation considering EFA, 2004- 2009*

|  |
|--|
| <p><b>Alignment</b></p> <p>Donors base their overall support on partner countries' national development strategies, institutions and procedures</p> <p>Fully _____ Not at all</p> <p>(Place the pencil on the line where you think it should be to answer this question.)</p>                |
| <p><b>Ownership</b></p> <p>Partner countries exercise effective leadership over their development policies, and strategies and co-ordinate development actions</p> <p>Fully _____ Not at all</p> <p>(Place the pencil on the line where you think it should be to answer this question.)</p> |
| <p><b>Harmonization</b></p> <p>Donors' actions are more harmonized, transparent and collectively effective</p> <p>Fully _____ Not at all</p> <p>(Place the pencil on the line where you think it should be to answer this question.)</p>   |
| <p><b>Mutual Accountability</b></p> <p>Donors and partners are accountable for development results</p> <p>Fully _____ Not at all</p>   |
| <p><b>Managing for Results</b></p> <p>Managing resources and improving decision-making for results</p> <p>Fully _____ Not at all</p>   |

## Appendix C Interview Guidelines

### **Interview Guidelines – Donors Representative**

- Quality of Aid (Indicators Condition, Rate of Interest, Hard Loan, and Soft Loan)
- Aid modalities
- Trends in Aid flows
- High gravity area of aid flow in basic and primary education sub-sector
- General observations on the effects of foreign aid on education with reference to basic and primary education sub-sector.
- An inconsistency in aid policy
- Decision making processes in allocating aid in education
- Domestic capacity of utilization of available aid and way to generate fund matching
- Periodization of aid in education on the basic of time line
- Role, terms and condition
- Institutional set up
- Principles and strategies associated with management of aid in basic and primary education sub-sector
  - Prioritization of aid in different sectors
  - Allocation of aid
  - Utilization of aid
  - Responsibility
  - Accountability
  - Transparency
  - Fund flow mechanism

- Monitoring and controlling

#### Access

- Commitment of individual politicians and policymakers.
- Tackle corruption
- Mobilizing bureaucratic machinery
- Attending school

#### Quality

- Teacher qualification
- Number of pupils in a primary school classroom
- Infrastructure
- Curriculum and production of syllabuses and the generation of suitable
- Textbooks and materials
- Pre-service training system

#### Equity

- Gender parity
- Scholarship provision for girls and disadvantages
- Changing benefit to marginalized children

#### Efficiency

- Achievements of specified targets
- Common framework for cooperation
- Role of external partners
- Monitoring and evaluation system
- Improving efficiency and institutional capacity

#### **Interview Guidelines – Ministry of Education**

- Amount of aid received by Nepal in education
- Quality of Aid (Indicators Condition, Rate of Interest, Hard Loan, and Soft Loan)

- Aid modalities
- Trends in Aid flows
- High gravity area of aid flow in basic and primary education sub-sector
- General observations on the effects of foreign aid on education with reference to basic and primary education sub-sector.
- An inconsistency in aid policy
- Donor decision making processes in allocating aid in education
- Domestic capacity of utilization of available aid and way to generate fund matching
- Periodization of aid in education on the basic of time line
- Alternative sources of financing education with special focus on basic and primary education sub-sector
- Role, terms and condition of donors
- System design of foreign aid management
- Institutional set up
- Fungibility of aid
- Cost centers and its types
- Expenditure pattern
- Audit system- types, participation and role of different government agencies
- Reporting system of audit, problems and issues
- Reimbursement
- Principles and strategies associated with management of aid in basic and primary education sub-sector
  - Prioritization of aid in different sectors
  - Allocation of aid
  - Utilization of aid

- Responsibility
- Accountability
- Transparency
- Fund flow mechanism
- Monitoring and controlling

#### Access

- Commitment of individual politicians and policymakers.
- Tackle corruption
- Mobilizing bureaucratic machinery
- Attending school
- The net enrollment ratio (NER)
- The Gross Enrolment Ratio (GER)
- Basic and primary education sub-sector repeat or drop out of the system

#### Quality

- Teacher qualification
- Number of pupils in a primary school classroom
- Infrastructure
- Curriculum and production of syllabuses and the generation of suitable
- Textbooks and materials
- Pre-service training system

#### Equity

- Gender parity
- Scholarship provision for girls and disadvantages
- Changing benefit to marginalized children

#### Efficiency

- Achievements of specified targets

- Information Support for the expansion of basic and primary education sub-sector
- Common framework for cooperation
- Government's plan
- Role of external partners
- Monitoring and evaluation system
- Improving efficiency and institutional capacity

### **Interview Guidelines – Ministry of Finance**

- Amount of aid received by Nepal
- Quality of Aid (Indicators Condition, Rate of Interest, Hard Loan, and Soft Loan)
- Aid modalities
- Trends in Aid flows
- High gravity area of aid flow in basic and primary education sub-sector
- General observations on the effects of foreign aid on education with reference to basic and primary education sub-sector.
- An inconsistency in aid policy
- Donor decision making processes in allocating aid in education
- Domestic capacity of utilization of available aid and way to generate fund matching
- Periodization of aid in education on the basis of time line
- Alternative sources of financing education with special focus on basic and primary education sub-sector
- Role, terms and condition of donors
- System design of foreign aid management
- Institutional set up
- Fungibility of aid
- Cost centers and its types



- Expenditure pattern
- Audit system- types, participation and role of different government agencies
- Reporting system of audit, problems and issues
- Principles and strategies associated with management of aid in basic and primary education sub-sector
  - Prioritization of aid in different sectors
  - Allocation of aid
  - Utilization of aid
  - Responsibility
  - Accountability
  - Transparency
  - Fund flow mechanism
  - Monitoring and controlling

#### **Interview Guidelines – National Planning Commission**

- Quality of Aid (Indicators Condition, Rate of Interest, Hard Loan, and Soft Loan)
- Aid modalities
- Trends in Aid flows
- High gravity area of aid flow in basic and primary education sub-sector
- General observations on the effects of foreign aid on education with reference to basic and primary education sub-sector.
- An inconsistency in aid policy
- Donor decision making processes in allocating aid in education
- Domestic capacity of utilization of available aid and way to generate fund matching
- Periodization of aid in education on the basic of time line

- Alternative sources of financing education with special focus on basic and primary education sub-sector
- Role, terms and condition of donors
- System design of foreign aid management
- Institutional set up
- Fungibility of aid
- Expenditure pattern
- Reporting system of audit, problems and issues
- Principles and strategies associated with management of aid in basic and primary education sub-sector
  - Prioritization of aid in different sectors
  - Allocation of aid
  - Utilization of aid
  - Responsibility
  - Accountability
  - Transparency
  - Fund flow mechanism
  - Monitoring and controlling

#### **Interview Guidelines – Depart of Education**

- Quality of Aid (Indicators Condition, Rate of Interest, Hard Loan, and Soft Loan)
- Aid modalities
- Trends in Aid flows
- High gravity area of aid flow in basic and primary education sub-sector
- General observations on the effects of foreign aid on education with reference to basic and primary education sub-sector.

- An inconsistency in aid policy
- Donor decision making processes in allocating aid in education
- Domestic capacity of utilization of available aid and way to generate fund matching
- Periodization of aid in education on the basis of time line
- Alternative sources of financing education with special focus on basic and primary education sub-sector
- Role, terms and condition of donors
- System design of foreign aid management
- Institutional set up
- Fungibility of aid
- Cost centers and its types
- Expenditure pattern
- Audit system- types, participation and role of different government agencies
- Reporting system of audit, problems and issues
- Principles and strategies associated with management of aid in basic and primary education sub-sector
  - Prioritization of aid in different sectors
  - Allocation of aid
  - Utilization of aid
  - Responsibility
  - Accountability
  - Transparency
  - Fund flow mechanism
  - Monitoring and controlling

Central Level

- Planning capacity
- Reporting system and requirements
- Capacity and decision making power
- Extending basic and primary education sub-sector provision
- Plans and strategy of government
- Narrowing Gender inequality in basic and primary education sub-sector
- Expansion of basic and primary education sub-sector

#### District Level

- Plan and strategy
- Expansion of basic and primary education sub-sector
- Way of Improving Physical Learning Conditions

#### Local Level

- Participation of local community
- Improving learning environment
- Narrowing Gender inequality in basic and primary education sub-sector
- Expansion of basic and primary education sub-sector
- Increase in enrolment rates (GER and NER)
- Role in checking and controlling school dropout rate
- Increase in facilitating accessibility of basic and primary education sub-sector to the backward classes
- Effects in literacy rate
- Meeting Educational Needs of Children with Disabilities through Inclusive Education

#### Access

- Commitment of individual politicians and policymakers.
- Tackle corruption
- Mobilizing bureaucratic machinery

- Attending school
- The net enrollment ratio (NER)
- The Gross Enrolment Ratio (GER)
- Basic and primary education sub-sector repeat or drop out of the system

#### Quality

- Teacher qualification
- Number of pupils in a primary school classroom
- Infrastructure
- Curriculum and production of syllabuses and the generation of suitable
- Textbooks and materials

#### Equity

- Gender parity
- Scholarship provision for girls and disadvantages
- Changing benefit to marginalized children

#### Efficiency

- Achievements of specified targets
- Information Support for the expansion of basic and primary education sub-sector
- Common framework for cooperation
- Government's plan
- Role of external partners
- Monitoring and evaluation system
- Improving efficiency and institutional capacity

#### **Interview Guidelines – Economists/Educationists**

- Amount of aid received by Nepal
- Quality of Aid (Indicators Condition, Rate of Interest, Hard Loan, and Soft Loan)

- Aid modalities
- Trends in Aid flows
- High gravity area of aid flow in basic and primary education sub-sector
- General observations on the effects of foreign aid on education with reference to basic and primary education sub-sector.
- An inconsistency in aid policy
- Donor decision making processes in allocating aid in education
- Domestic capacity of utilization of available aid and way to generate fund matching
- Periodization of aid in education on the basic of time line
- Alternative sources of financing education with special focus on basic and primary education sub-sector
- Role, terms and condition of donors
- System design of foreign aid management
- Institutional set up
- Fungibility of aid
- Expenditure pattern
- Audit system- types, participation and role of different government agencies
- Reporting system of audit, problems and issues
- Community participation
- Principles and strategies associated with management of aid in basic and primary education sub-sector
  - Prioritization of aid in different sectors
  - Allocation of aid
  - Utilization of aid
  - Responsibility

- Accountability
- Transparency
- Fund flow mechanism
- Monitoring and controlling

### **Interview Guidelines – School Management Committee/ Students/Teachers/Parents**

- Principles and strategies associated with management of aid in basic and primary education sub-sector
  - Prioritization of aid in different sectors
  - Allocation of aid
  - Utilization of aid
  - Responsibility
  - Accountability
  - Transparency
  - Fund flow mechanism
  - Monitoring and controlling
  - School power
  - Community participation

### **Access**

- Commitment of individual politicians and policymakers.
- Tackle corruption
- Mobilizing bureaucratic machinery
- Attending school
- The net enrollment ratio (NER)
- The Gross Enrolment Ratio (GER)
- Basic and primary education sub-sector repeat or drop out of the system

### **Quality**

- Teacher qualification
- Number of pupils in a primary school classroom
- Infrastructure
- Curriculum and production of syllabuses and the generation of suitable
- Textbooks and materials
- Pre-service training system

#### Equity

- Gender parity
- Scholarship provision for girls and disadvantages
- Changing benefit to marginalized children

#### Efficiency

- Achievements of specified targets
- Information Support for the expansion of basic and primary education sub-sector
- Common framework for cooperation
- Government's plan
- Role of external partners
- Monitoring and evaluation system
- Improving efficiency and institutional capacity