

Helen Tilley, *The Political Economy of Aid and Accountability: The Rise and Fall of Budget Support in Tanzania*, Ashgate 2014, pp153, ISBN: 9781409464426 (hbk)

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The giving and receiving of aid is an age long tradition of man. As nations of the world grapple with the challenges of natural disasters, crippling economic conditions and diseases amongst others, the need for, and the willingness and ability to give aid have increased in recent times. And so have the number of agencies providing aid increased.

Helen Tilley in her book: *The Political Economy of Aid and Accountability: The Rise and Fall of Budget Support in Tanzania* advocates for a new way of understanding accountability. Drawing from a study of aid through budget support in Tanzania, Tilley argues that aid is firmly situated within a broader socio-political context and consequently, it is within this broader context that accountability (with regard to the management of foreign aid) should be properly understood as a consideration of accountability within only the traditional mould (procedural accountability) militates against a well-rounded understanding of the practical operation of accountability. This lack of proper understanding in turn fuels conflict between aid donors and the recipient governments due to inappropriate expectations of donors.

Tilley's motivation for carrying out this study is the need to address the conflict that exists between donors of aid and recipient governments. She chooses Tanzania for her case study because Tanzania is one of the largest recipients of aid in sub-Saharan Africa, and she focuses on general budget support as this is the largest form of aid Tanzania receives when one considers the volume of funds and the number of donors. Nevertheless, she warns that using Tanzania as a case study does not imply that the outcomes can be applied generally to other recipient governments.

Tilley agrees that aid plays a very important role in both fiscal sustainability and the provision of public services in Tanzania. However, the use of foreign aid is influenced by domestic policies within the recipient government. Inasmuch as donors place conditions upon the grant of aid in terms of poverty alleviation and the development of infrastructure, changes in recipient governments' policies and consequently, policy implementation more often than not satisfies these conditions only when they are in line with the recipient government's domestic policies.

Tilley begins by comparing procedural accountability with relational accountability. Procedural accountability is the formal means by which donors measure how the aid disbursed has been used. It is based on a principal-agent model where the less powerful principal demands justifications for the actions of the more powerful agent. Here the focus is on institutions and does not take into consideration the interplay of highly contextual and complex cultural factors that influence the relationships around which accountability is formed. This is where relational accountability comes in as it acknowledges the complex and informal interactions between actors within the recipient government that shape accountability. It is the failure to view accountability from a political, economic and sociological point of view that results in donors discarding factors such as informality and clientelism in the accountability process and which consequently leads to donors placing inappropriate expectations on recipients.

Tilley uses as a framework for her argument, Williamson's four tiered framework for social analysis. Through this framework, she demonstrates that relational accountability is located at the highest tier (level 1) which consists of cultural, political, cognitive and structural factors while procedural accountability is located at a lower level where governance structures and resource allocation are found. Because the higher levels govern the lower levels, changes in the lower levels can only occur when they are consistent with the higher level. Outside of this, a conflict will ensue or the higher level would have to be changed in order to accommodate the lower level, and this is a rare occurrence. In essence, the cultural and normative rules of society are what underpins the actions of recipient governments and influence their use of aid. This then proves why donors should view accountability not just within the procedural context but also relationally. Relational accountability, in the words of Tilley, 'is developed through a multidisciplinary understanding of culture; the interface between agency and structure; critiques of rationality; the positioning of the state in society; and the role of elites and power.'

It is worth noting that Tilley acknowledges that relational accountability also has its weaknesses and so does not advocate for a replacement of procedural accountability with relational accountability. For her, both kinds of accountability should be employed in the measurement of the use of aid by donors.

The case study of Tanzania reveals that corruption, rent-seeking and the desire of political elites to perpetuate their agenda in the state is high, affecting budget implementation in Tanzania and leading to waste, inefficiency and the provision of visible public goods whilst diverting provision from equally important but less visible goods. Thus, Tanzania is riddled with powerful interests groups concerned with ensuring that they are able to harness state, donor and private sector resources to maintain their interests, particularly, strengthen or grow their political networks and following. It is in light of these facts that Tilley promotes the use of relational accountability together with procedural accountability in order to even out the relationship and expectations between donors and recipient government.

In spite of the above, the book does not consider or address how the vices that are characteristic of the Tanzanian elites might be reduced or eliminated in order to boost accountability to donors or even to the society. In short, it does not focus on how aid ought to be used for the purposes for which it is given. It rather just explains the current attitude of recipient governments towards aid management; and by requiring that donors accept the complex relationships that affect the management of aid within the recipient government in order to avoid the pitfalls of misaligned or inappropriate expectations without more, Tilley seems to make excuses for why aid is not used for the purposes for which the donors meant them to be used. It is not apparent, though, how using relational accountability to manage conflicts between donors and recipients will transform into better management of aid by the recipient government to the satisfaction of the donors. It is also not clear how donors' understanding of the recipient governments needs to settle competing domestic interests, particularly among its rent-seeking political elites will positively influence donors to disburse more aid. It would seem that when donors become aware that the aid they disburse is used to fuel the domestic machinery totally unconnected with the reasons for advancing the aid, they may refrain from advancing more aid to these recipient governments.

In concluding, Tilley advocates that the fundamental role of individuals and the interrelationships that exist between actors in the state should be acknowledged as this shapes incentives and consequently, preferences for policy implementation. This review does not agree with this conclusion, preferring rather to note that from Tilley's description of the interrelationships that shape the Tanzanian government's management of aid, very few incentives for real

development is likely to result and in turn, the State is likely to be in a position similar to where it was before it received any aid (considering that the aid is used for satisfying or advancing personal political interests) necessitating one to inquire into why any aid was even disbursed in the first place.

I would recommend the book to donors, recipients and scholars and researches with interest in economics, sustainable development and within the broader fields of national planning and budgetary matters because it contains some important factors that these groups might want to consider when addressing the issue of aid.

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