

Words by Simon Maxwell

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If Men are from Mars and Women are from Venus, are the British from Mercury and the Japanese from Saturn?

The basic premise of this book seems to me to be entirely right—that, historically, at least, the Japanese and UK development communities have had some difficulty understanding what the other side is talking about. Superficially, the language is the same and the objectives are shared. At a deeper level, the two sides sometimes appear to start from such different assumptions and views of the world, that communication is genuinely difficult. This matters, of course, because both are big players in international development. They need to work together.

There are caricatures on both sides. The Japanese version is entertainingly laid out here in the overview chapter by the GRIPS Development Forum. On the one hand, we have the British: fluent, strategic, interested in policy frameworks and aid architecture, operating easily at global level and in dialogue with national governments, focused on social reform and human development, committed to budget support, uninterested in “projects.” This is described as a “framework approach.” Its main application, the authors suggest, has been in Africa.

On the other hand, we have the Japanese: careful, practical, immersed in detail, working from the bottom-up, industrious and industrial—and emphasising locally-specific project-based interventions and national coalitions for change which put growth at the heart of the development process. The Japanese, we are told, spend years learning the local language and studying the situation in individual localities. In contrast to the framework approach, this is an “ingredients approach.” Its main application has been in Asia.

It is impossible to read this without thinking of John Gray's best-selling book, "Men are from Mars, Women are from Venus." Which planets might we come from? I am no expert in astrology, but this description of the UK much resembles Mercury—key words are communication, variability, adaptability. For Japan, we might look to Saturn, where the characteristics are duty, discipline, responsibility, practicality and reality. There is also a hint of Jupiter in this view of the Japanese, especially the emphasis on growth and expansion.

Let me not provide a counter-caricature, tempting though that might be. Instead, let us celebrate the contribution of this book, which is to move beyond caricature and look for better communication and for complementarity. For that, we owe a great deal to the authors, especially on the Japanese side. Although there is a respectable tradition in UK development studies of studying Japan and Japanese experience in development, it is really the Japanese who have taken the lead in studying UK practice and explaining their own perspectives.

Communication is the first issue here, and it doesn't take more than a moment's thought to realize that the characterization is incomplete, on both sides. Japan, for example, largely through the work of Madam Sadako Ogata, has pioneered the concept of "human security." This has many values, including that of protecting development expenditure from predation by military interests—and clearly puts social values at the heart of the development process. Indeed, the human security approach, as pioneered, for example, by JICA, is in many respects indistinguishable from the UK's livelihoods approach. Both concepts recognize that people pursue diverse strategies to cope with variable environments and to meet their aspirations for social as well as material aspects of well-being. This begins to look like a shared framework approach.

By the same token, UK policy is certainly shifting rapidly in the Japanese direction, with greater emphasis on the productive sectors. These were never entirely out of the frame, of course, but the report of the Africa Commission signalled a renewed enthusiasm for infrastructure, and the new ministerial

team appointed to DFID in 2007 has made great play of growth, as one of four strategic reorientations (the others are climate change, conflict and the working of the international system). It is worth saying that the UK has been a substantial funder of the productive sectors through its multilateral contributions, especially those through the European Commission, which has been regarded as having a comparative advantage in infrastructure especially. This begins to look like a shared ingredients approach.

There may, therefore, be more shared ground and less diversity than at first appears, or than has sometimes been the case in the past. Nevertheless, differences of emphasis remain. The authors are surely right to argue that diversity can be a virtue; contestability, after all, is frequently cited as a means to improved performance in the public sector. How, then, do we manage complementarity?

The authors' answer is to recognize comparative advantage, allow each donor to play to its strengths, and implement a division of labour which maximizes aggregate aid effectiveness. Different priorities require different instruments, they argue, so that whereas budget support may be appropriate for the British, project aid is appropriate for the Japanese: the authors call this the "inseparability of content and instrument."

Of course, the general principle of better coordination is exemplary, and entirely consistent with the principles of the Paris Declaration on Aid Effectiveness, which emphasizes harmonization as the way forward for donors. Indeed, para 35 of the Declaration says that donors will "make full use of their respective comparative advantage at sector or country level by delegating, where appropriate, authority to lead donors for the execution of programmes, activities and tasks."

The need is also obvious. Our own work at ODI on aid architecture has illustrated the costs of donor proliferation. A recent paper on architecture, prepared by the World Bank as a contribution to discussion about IDA 15, provides further evidence of "proliferation" (= many donors) and "fragmentation"

(= many activities). For example:

1. There are at least 56 bilateral donors and over 230 international organizations, funds and programmes.
2. The average number of donors per country has nearly tripled over 50 years, from 12 in the 1960s to 33 during 2001-5. The health sector is especially problematic.
3. There are 60,000 aid projects. The average size is only \$1.5m.
4. Tanzania has more than 700 projects, managed by 56 parallel implementation units. In 2005, there were 541 missions of which only 17% involved more than one donor.

As it happens, division of labour has been a live issue in the UK, particularly in the context of European aid. A new Code of Conduct was approved by the European Union in May 2007. It lays down 11 principles, which could also perhaps form the basis of enhanced cooperation between the UK and Japan. The 11 principles are:

1. Concentrate on a limited number of sectors in-country, effectively a maximum three per donor per country, plus budget support;
2. Redeploy out of other sectors;
3. A “lead donor” arrangement, whereby one donor leads in each sector;
4. Delegated cooperation/partnership, in which donors engage in sectors over and above their chosen three through another donor, to whom they delegate authority for policy dialogue and administration of funds;
5. Adequate donor support, but limiting the number of donors in any sector to a maximum of 3-5;
6. Replicating the above at regional level and with regional institutions;
7. Establishing priority countries for each donor, to avoid spreading resources too thinly;
8. Addressing the orphans gap;
9. Analyse and expand areas of strength as between donors, in order to

- play to comparative advantage;
10. Pursue progress on other dimensions of complementarity; and
 11. Deepen the reforms, by providing the right incentives and sufficient decentralised staffing.

Underpinning this approach has to be local ownership and leadership: the Paris Declaration refers to this as “alignment” of donors behind government priorities. The authors recognize the importance of local leadership. For example, they provide a case study of how Thailand successfully managed conflicting advice and priorities from Japan and the World Bank.

There are limits to greater cooperation, however. The prospect of 56 bilateral donors and over 230 international organizations, funds and programmes, all negotiating over specific sectors in particular countries, runs the risk of bureaucratic gridlock. My own long-standing view is that the best way forward is to channel a greater proportion of funds through multilateral organizations: the slogan should be “Don’t just harmonise, multilateralise.”

Are there some lessons for Japanese leadership in 2008, in TICAD and in the G8?

First, it looks as though Saturn and Mercury are on course, not for a collision, but for more closely synchronized orbits. That must be good news. The emerging development orthodoxy recognizes both the imperative of the productive sectors and the need for a social dimension.

Second, we should not expect all donors to have the same strengths. Diversity is a good thing.

Third, however, diversity needs to be managed. The Paris Declaration provides an initial framework for harmonization and alignment. There is more to do, however, on division of labour. The EU Code of Conduct may provide a model. Should the Japanese lead on taking this to donor fora in the Development Assistance Committee of the OECD?

Fourth, beyond better harmonization and alignment, can the Japanese come to the fore on the greater multilateralisation of aid, especially by strengthening the governing, funding and capacity to deliver of the UN, the Regional Development Banks and the World Bank?

Fifth, developing country voices are critical in achieving both alignment and harmonization. Can TICAD provide a vehicle for a “big push”?

Finally, this book demonstrates the benefit of greater dialogue among broad development communities in different parts of the world. Can this be further developed and institutionalized?

John Gray’s point in writing *Men are from Mars* was to help men and women understand each other better and live more harmoniously. We should thank the authors of this book for their contribution to understanding and harmony between Mercury and Saturn.