AID AND THE POLITICAL ECONOMY OF POLICY CHANGE

Tony Killick
with Ramani Gunatilaka
and Ana Marr

London and New York
CONTENTS

List of tables ix
Preface xi
List of abbreviations xiv

1 The practice and justification of conditionality 1
   I The spread of conditionality 1
   II The modalities of conditionality 6
   III The nature of conditionality: co-operative or involuntary? 9
   IV The legitimation of conditionality 12

2 What has adjustment conditionality achieved? 19
   I Introduction and caution 19
   II Programme effects 21
   III Implementation and policy leverage 27
   IV Implementation and results 41
   V Social effects and the management of change 43
   VI Conclusions 49

3 Conditionality and adjustment in South-east Asia and Latin America 53
   RAMANI GUNATILAKA AND ANA MARR
   I South-east Asia 54
   II Latin America 70

4 The 'ownership' problem 85
   I Introduction 85
   II Meaning and measurement of ownership 86
   III The effects of ownership 88
   IV Ownership matters because interests conflict 91
CONTENTS

V National resentment and the erosion of sovereignty 93
VI The extent of interest conflicts 97
VII Conclusion 98

5 The model, the research, some results 100
I Conditionality as an agency problem 100
II The nature of the evidence 104
III Participation constraints 110
Appendix: The selection procedures for the country sample 124

6 Rewards, punishments and the influence of national politics 129
I Rewards and punishments 129
II Why does delinquency go unpunished? 140
III The dominance of domestic politics 151

7 Alternatives to conditionality 160
I A paradox revisited 160
II The failure of conditionality 161
III Alternatives to conditionality 176

Master Table 199
Summary results on conditionality and economic policy reforms in twenty-one developing countries, 1980–94

Bibliography 201
Works cited in the main text 201
Chapter 3 regional references 209
Index 214