

CHAPTER 10: CONCLUSION: THE PUBLIC POLICY IMPACT OF THE CHANGING OFFICIAL DEVELOPMENT ASSISTANCE IN FINANCING THE HIV/AIDS RESPONSE IN SOUTHERN AFRICA

The purpose of Chapter 1 was to describe the character, objectives and need to investigate the public policy impact of the changing official development assistance (ODA) in financing the HIV/AIDS response in southern Africa. The need for this study is highlighted in the fact that since the onset of the AIDS epidemic there was a massive scaling up of donor and national funding for the epidemic, and the ODA scene changes, often which makes the response to the epidemic challenging. Almost three-quarters of the world population who are infected with HIV live in sub-Saharan Africa, the poorest region in the developing world. The AIDS epidemic is closely linked to development and *inter alia* to the world of development assistance.

This is a qualitative and descriptive study, based on a literature study utilising a deductive approach in the fields of public administration, public financial management, development, development administration, HIV/AIDS and official development assistance (ODA). The data gathering consisted of a literature review, conference participation and participation in various regional and international high-level meetings on HIV/AIDS, development and ODA.

This study has the possibility to make an academic input in the field of public administration, specifically policy analysis in public financial management and development. The study also has the potential to make a contribution to the method of financing HIV/AIDS programmes at country level. History has shown that there is very little evidence of southern African governments succeeding in managing the response to AIDS, both from their own budgets and donor funds, in a manner to 'make the money

work' for the epidemic. Should policies be implemented effectively, the ultimate beneficiaries are the people of southern Africa whose lives will be improved.

One of the most important assumptions that were made is that development is good for people living in underdeveloped/developing countries. This study did not aim to contribute to the development theory debate of what development is and whether it was good or bad for the poor people in the world. As in most investigations of this nature, there are many limitations to this study. The fields of public administration, development, HIV/AIDS, and official development assistance are wide and this study does not claim to cover all aspects of these topics. It is also not possible in a broad study like this to go into any depth in individual countries' development and public financial issues.

The problem statement reflects issues relating to public financial management, development, HIV/AIDS and ODA. It is an acknowledged fact that for developing countries in sub-Saharan Africa to attain the Millennium Development Goals (MDG), special attention needs to be given to HIV/AIDS. Should the AIDS pandemic not be resolved appropriately, almost all the MDG might be in jeopardy. The Paris Declaration on aid effectiveness, harmonisation and alignment does not make any provision for safeguarding funds for the mitigation of the impact of HIV/AIDS in recipient countries. The United Nations' UNAIDS has made it clear that to effectively attain any development goals in the developing world, mainstreaming of HIV/AIDS in all development activities needs to be done. The research question: Will the changing international official development assistance environment have an influence on financing the response to HIV/AIDS in the developing countries of Southern Africa? culminated in the topic of the study: **The public policy impact of the changing official development assistance in financing the HIV/AIDS response in southern Africa.**

The different concepts associated with public administration, development, HIV/AIDS and official development assistance used in the thesis were discussed to clarify the meanings of words and terminologies.

Chapter 2 was devoted to the contextualisation of public administration. The historical development of the discipline and the practice of public administration were discussed to put modern public administration or new public management into the context of the 21st century. The development of administrative theories and schools of administrative theories were briefly discussed to give a broader picture of the different disciplines that influenced public administration. An attempt was made to define public administration and explain its role in government and the state. The last part of the chapter expanded on the generic functions of public administration, policy-making, financial administration, human resources, organisation, methods and procedures, control and management.

The main observation that could be made following the discussions in this chapter is that the role of public administration in developing countries is of crucial importance. The public sector cannot divorce itself from development issues and plays an important, if not the most important role, in the development framework of a country. Should the government fail, the development efforts fail and the people are the losers.

Development is a multidimensional and multifaceted concept, linked to globalisation, economics, politics, and social and cultural issues. It has a language of its own that describes the focus and locus of the terminology, like the Third World, the south, underdevelopment and developing countries, which evoke up images of poverty, squalor, famine, illness and Africa, while the developed world, the north, the industrialised world and the western world relates to modernisation, progress and wealth.

Chapter 3 endeavoured to look at where modern development started, what started it and why it is such a contentious issue. The period after World War 2 and the end of colonialism were highlighted as the beginning of development, or modernisation. The trends in development theory were briefly discussed as a background for the discussion on the emergence of a development theory. The purpose of this chapter was to give a brief history of development and development theory to lay the foundation for discussing

the challenging issues the developing world is facing today. There is also an introduction to the international goal-setting system regarding development.

The main reflection of this chapter, is that modern official development assistance is the legacy of 50 years of development theory and development administration theory practised in the developing countries by the developed countries. The literature shows that in the past, development efforts have been less than successful, indeed some scholars call it a miserable failure.

Chapter 4 shows that globalisation has opened the boundaries of the state and the causes and consequences of its political, social, health and economic decisions are not contained by its borders. Globalisation affects everyone; individuals, communities, countries, regions and institutions. The impact of HIV/AIDS on countries, their neighbours and indeed the world is a case in point. Globalisation tends to shape not only the organisational character of the administrative state, but also the managerial dimension of public administration. It is increasingly recognised that good governance is significant in a country's developmental processes to ensure that globalisation benefits all. The state, in partnership with business and civil society, has a key role to play in attaining a good life for all its citizens.

The role of the state and how it has changed with the advance of globalisation were discussed, as well as how the focus has shifted to the ability of the state to strengthen its capacity to effectively manage in a changing and complex situation. The state's role has changed from a hands-on management and the direct deliverer of service and goods to facilitating an enabling environment and framework for private sector participation. The economic role of the state has shifted to that of regulator of financial institutions to ensure fair competition and maintain safety and soundness of financial systems. It has increasingly become clear that the success of a country's development programmes hinges on the country's effective economic policies and good governance.

Globalisation through international goal-setting, international scrutiny and international institutions has played a role in the shaping of the new state. Good governance and human rights have become the criteria to which citizens hold their governments accountable. Through communication, and through easy and cheap transportation, people have become global citizens demanding to participate in the good life.

In the light of globalisation, where all people want to be part of a good life, the situation in sub-Saharan Africa was discussed in chapter 5. The region is poor and despite the development efforts over the past 60 years, the situation is not getting any better. In most developing countries, governments are the major employer and service provider. Governments and public administrations in developing countries play an important role in the pursuit for sustained economic growth and sustainable development. The United Nation's Global Monitoring Report of 2005 states that one of the most difficult challenges that face sub-Saharan African governments is the scaling up of service delivery and all it entails. Skilled service providers, infrastructure and resources form indispensable ingredients in the mix of scaling up service delivery. Governments are faced with many international and regional organisations' goals and reporting mechanisms, while they also have to come to grips with the problems and challenges facing their own administration.

The environment in which public administration functions in sub-Saharan African countries is affected by internal problems and challenges such as national debt, corruption in governments, human rights violations, poverty, conflict, HIV/AIDS and other infectious diseases, as well as famine. The administration is also expected to report on the many economic, social, health and developmental goals that were set by both international and regional organisations. Most sub-Saharan African countries are poor and dependent on donor funding and assistance. The very issues that they have to report on are the issues they grapple with at domestic level. Although sub-Saharan Africa needs a huge amount of resources if it wants to meet the Millennium Development Goals, the lack of capacity in most countries' administrations and the inability to absorb and spend donor funding only exacerbates the problem. The UNDP

report on development, planning and HIV/AIDS in sub-Saharan Africa states in its introduction that HIV/AIDS is one of the most critical development challenges in the region. The report further argues that it is widely recognised that HIV/AIDS overturns the successes in human development in sub-Saharan Africa with the end result of undermining development and economic growth. The epidemic also creates grave challenges to public sector management and governance.

The primary observation that could be made from the discussions in this chapter is that sub-Saharan Africa is a special case with special needs and both the developed countries and the countries in the region should be made mutually responsible for the upliftment of the region. The previous development efforts were not successful, and maybe it is time to rethink the way in which to resolve the region's situation.

Chapter 6 described that the devastation by AIDS epidemic worldwide is unparalleled in modern history. With more than 30 million people infected with HIV (of which 70% reside in sub-Saharan Africa), an estimated 2.5 million new infections and 2.1 million deaths in 2007, the epidemic shows no signs of slowing down. The sad thing is that the primary means of HIV transmission – sexual intercourse – has been known for over two decades, but this information does not prevent thousands of men and women from contracting the virus every day. The AIDS epidemic creates a high and ongoing mortality in the economic and social active sector of the population. The epidemic is being driven by inequities and uneven development, exacerbating existing poverty and human misery. In hard-hit countries in sub-Saharan Africa, the AIDS epidemic sets back development with human development figures as low as it has been in the 1950s. The epidemic changed population structures and has a severe impact on women as caregivers and on children, the most vulnerable sector of society. Six of the eight Millennium Development Goals are directly linked to the impact of the AIDS epidemic and the attainment of these goals.

The required response is complex, multisectoral, multifaceted, large scale and long term, posing challenges to countries and development partners never seen before. The responses in and outside Africa have been inadequate for too long with the result that the AIDS epidemic has made its mark on many countries in the region. The support of political, government, community and business leaders at country level is critical to the implementation of effective HIV/AIDS programmes. The international community has stepped up its response during the past decade, but the question remains: is this too little too late?

The quest for sustainable development is the mantra for the new millennium. Chapter 7 described some of the real and positive changes in development that came at the turn of the millennium with commitment to change approaches to development interventions. Of these, the most important were the Millennium Summit where the Millennium Development Goals were set, the Monterrey Consensus, the Rome Declaration and the Paris Declaration on Aid Effectiveness. These commitments were made in order to assist with the operationalisation of official development assistance to the developing world to help poor countries realise the MDG and improve the lives of its people.

The worrying aspect of all these commitments is that the international development community has not fully taken AIDS on board. There is little appreciation and understanding of what HIV/AIDS means for the set development targets. Only when the development targets are being revisited with the long-wave impact of HIV/AIDS in mind will the developing world begin to make inroads to the Millennium Development Goals. In Africa, and specifically sub-Saharan Africa, HIV/AIDS embodies the most serious challenge to sustainable development and the Millennium Development Goals at present.

In examining the concept of sustainable development, the impact of HIV/AIDS on sustainable development and the link between development, governments and international institutions, it came to light that human development is not always seen as a holistic and integrated concept. Government, donors, organisations and institutions tend to box certain aspects of human development as if it does not interact with all aspects of development. There is a dire need for an integrated approach, and the effect of disease and poverty on people will have an impact on the environment, the economy and the social structures of society. Every development target is interlinked and interdependent on each other.

Over the past 60 years, billions of dollars were spent on development in Africa, but the developing countries have become poorer, debt has increased, there is an increase in deaths occurring from preventable diseases and there are increases in malnutrition and infant mortality in sub-Saharan Africa. Aid to the developing world is conditional, unpredictable, donor-driven and with very high transaction costs on both the recipient and donor countries. The global official development assistance debate is at least 50 years old and development partners are facing ever-changing paradigms, such as Structural Adjustment, the Washington Consensus and the poverty reduction strategy papers, to name but a few.

Many developing countries are to some degree dependent on official development assistance (ODA) to implement their development strategies. With the AIDS epidemic reaching catastrophic proportions, ODA from multilateral, bilateral and philanthropic organisations has reached an unparalleled scale. The unpredictability of aid flows, the setting up of parallel structures, diversity of aid disbursement mechanisms and a predetermined technical assistance component as part of aid have contributed to the rethinking of ODA. Chapter 8 dealt with the origins and drivers of ODA, explored the new aid architecture and the important role-players involved in aid. The various international agreements and commitments that led to the Paris Declaration on Aid

Effectiveness were examined. The Paris Declaration in practice is explored and discussed in terms of the three main pillars of the declaration: ownership, alignment and harmonisation. The effectiveness of ODA with regard to HIV/AIDS in the sub-Saharan African region was also examined.

Chapter 9 is narrowly linked with the previous chapter on official development assistance and how donor funds are flowing to countries. The importance of an effective public financial management system and all it entails was emphasised in this chapter. Special emphasis was placed on the budget process as a political and technical process. The main components of public financial management were discussed and the importance of financial transparency was considered.

A comparison between the AIDS epidemic and other global relief efforts was made to demonstrate how large the shortfall for the financing of the epidemic is. A brief discussion of most of the international fora, where decisions are made on funding to developing countries, shows that there are many promises. After considering the various issues in the ODA arena, it is difficult not to be disillusioned with the state of affairs. The situation is this: there are rich countries which think they are modern, have a better life and want to share all this good fortune with poor people who are ill and backward. The question is: what do they want in return? And this is where the conditionalities and tied aid come in. The rich give the money and make the rules. Then there are numerous international organisations that also set targets and expect reports and results. While governments are struggling with their own domestic problems they have to report to the numerous donor agencies, as well as to the numerous international agencies' targets. The result, in most of the southern African countries, is that the people at grass roots are the ones who suffer the most. They are the ones who do not get services or have access to services.

A model for a sector-based approach to financing the AIDS epidemic in a country was developed. The model is based on the many different mechanisms, best practices and lessons learned of many different organisations. It suggests one overarching body with legal status that can manage a country's HIV/AIDS programme as a cross-cutting issue. The central body will have representation by all sectors, including government, donors and multilaterals. The government of a country should take the lead role in the coordination of the AIDS programme, with the head of government presiding as Chair. All the role-players in the field should be involved in the development, planning and implementation of the programmes. It is recommended, according to the UNAIDS' model of Three Ones, to have one monitoring and evaluation system, one co-ordinating mechanism and one agreed action plan. The AIDS programme should be managed on the principles of partnerships and mutual accountability of all partners, under the leadership of government. The integrated national AIDS strategy should be financed by all stakeholders, government, donors, multilaterals, funds and the private sector. The financial management should be done by an independent financial manager utilising the country's MTF and national procurement system and dealt with in the principles of mutual accountability, effectiveness, efficiency and economy.

The implementation should take place at all spheres of government, including civil society and the monitoring and evaluation should be results-based and accountable to all the stakeholders. The model, if applied efficiently, should provide statistical data on money spent as well as on HIV/AIDS/TB related figures. This approach will bring together a fragmented AIDS field and has the potential in resulting in a programme that will be beneficial to all.



During this research many gaps and potential areas for future research has been identified of which the following are the most important:

What is the impact of HIV/AIDS/TB on the Millennium Development Goals in Southern Africa?

What is the impact of HIV/AIDS on governance and democratic governance in Southern Africa?

Are donors adhering to the Paris Declaration of aid effectiveness or is it business as usual?