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# **Swedish Foreign Aid Policy**

## Narrative Analysis

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Master Thesis, 30 ECTS

Submitted in August 2017

## Abstract

This paper will examine the Swedish Foreign Aid policy, particularly those values it was based on. It will attempt to discover how the narrative of foreign aid was affected after the accession to the European Union and how the European values were reflected in national foreign aid policy. Since 1950's Official Development Assistance (ODA), usually referred, as foreign aid is one of the inseparable aspects of foreign affairs of the industrialized world. Moreover, several multilateral organizations, amongst others the European Union (EU), have been established to contribute to the process of development. Even though the European Union tries to represent itself in global politics as a single actor and aspires to have one common voice like in EU trade and agricultural policies, foreign aid policy differs radically from the latter. In this area, the EU and Member States allocate funds separately from each other. When it comes to ODA, Member States retain their autonomous aid policies, thus resulting in a differentiation of aid from a single Member State and aid from the EU. These two policies and accordingly their value systems may differ in several aspects. Member States both provide their share in the EU foreign aid budget and carry out their national foreign aid programs. Narrative analysis was proven effective in analyzing the values. Hence, the Swedish Foreign aid values will be scrutinized through narrative analysis.

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## 1. Introduction

In modern politics, foreign aid is an inseparable part of the foreign affairs and policies of western countries. All supranational powers including United States, the EU member states and Japan are considered the biggest donors of foreign aid. Although from the first sight it is perceived as humanitarian act and the good will of industrialized countries to contribute to the general development of fragile states, historically it was driven by various motives and different values have prevailed in the narratives of this move.

A retrospective look shows that foreign aid gained officially institutionalized structure after the Cold War when Marshal Plan was introduced for the recovery of war-torn Europe. This practice gradually got integrated in the foreign affairs of all industrialized countries and Sweden was not an exception. Thus, the notions of Global North and Global South became very familiar for aid practitioners.

In 1949, President Truman in his inaugural speech emphasized that “We must embark, on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas”.<sup>1</sup> The era after Second World War was not only a landmark in the rebuilding of European continent, but was also a period of Renaissance for Africa. More than 60 countries gained independence between 1945-1970.<sup>2</sup> These crucial world geopolitical events, established in fact the need of a new way of cooperation between so-called Global North and Global South, which resulted in Official Development Assistance.

However, the narrative regarding the values of providing aid to developing countries became so unclear, controversial and uncertain that donor from one side started to look for more concrete justifications and receiving countries from the other side felt the pressure of competition to get their share. Unfortunately, until now, after several decades of aid practice and diverse attempts to diversify the aid architecture, it is still difficult to illustrate clearly, how the donors identify the values on which they realize their allocations

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<sup>1</sup> Murad Ali et al., Why Donors Give Aid and to Whom? A Critique of the Historical and Contemporary Aid Allocation Regime, *The Dialogue*, Volume X Number 2, 117

<sup>2</sup> Murad Ali et al., Why Donors Give Aid and to Whom? A Critique of the Historical and Contemporary Aid Allocation Regime, *The Dialogue*, Volume X Number 2, 117

and what are the concrete motives for providing foreign aid.<sup>3</sup> Hence, foreign aid remains a sphere that still has several question marks for both aid practitioners and scholars.

However, in recent decades, in Europe particularly the narrative the foreign aid has been reshaped and reformulated with the foundation of the European Union. Despite the fact that the EU tries to represent itself in global politics as a single actor in its foreign policies and aspires to have one common voice like in EU trade and agricultural policy, aid policy differs radically. In this area, the EU allocates funds separately from member states. Member states retain their autonomous aid policies, thus resulting in a differentiation of aid of a single European country and aid from the EU.

EU member states are free to define their policies based on their priorities. Consequently, they have more freedom to direct their official development assistance to countries where their national preference directs them. This leads to imbalance in the allocation of aid creating “aid darlings” and “aid orphans”. Allocation of foreign aid from a country reflects often the interests and values of the donor country rather than the receiving country. This makes foreign aid a sensitive subject in international politics.

The donors’ allocations of foreign aid may have several motives based on the domestic politics, national identity and values of the donor. In this thesis, the national Swedish foreign aid policy will be examined to find out what are the values that served as a cornerstone for the policy. It will also present what brought the accession of Sweden to the European Union in terms of European values.

### 1.1 Research Background and Purpose.

The choice to carry out the research particularly about Swedish foreign aid policy was not random. First of all, the economic history of Sweden is quite impressive. It has been transformed from a poor and rural country to one of the richest, stable and advanced countries of the world. The remarkable fact is that it has seen its economic and social expansion during last two centuries.<sup>4</sup> The culmination of the growth was between 1930 – 1975 when annual

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<sup>3</sup> Peter Schraeder et al., Clarifying the Foreign Aid Puzzle: A Comparison of American, Japanese, French, and Swedish Aid Flows, *World Politics*, 01/1998, Volume 50, Number 2, 259

<sup>4</sup> Lennart Schön, *An economic history of modern Sweden*.2-3.

GDP growth per capita reached 3.2 percent.<sup>5</sup> Since this period, Sweden was actively contributing with its foreign aid to the developing world.

Sweden is a Member country of Development Assistance Committee (DAC) of Organization for Economic Co-operation and Development (OECD) since 1965.<sup>6</sup> In UN Resolution of 1970 it was agreed that the donor countries should have a target of 0.7 per cent of GNI for their foreign aid allocations which was integrated in DAC.<sup>7</sup> Sweden is one of those few countries that has always reached this goal. The figure below shows the dynamic growth of Swedish foreign aid target for the years 1999-2015.

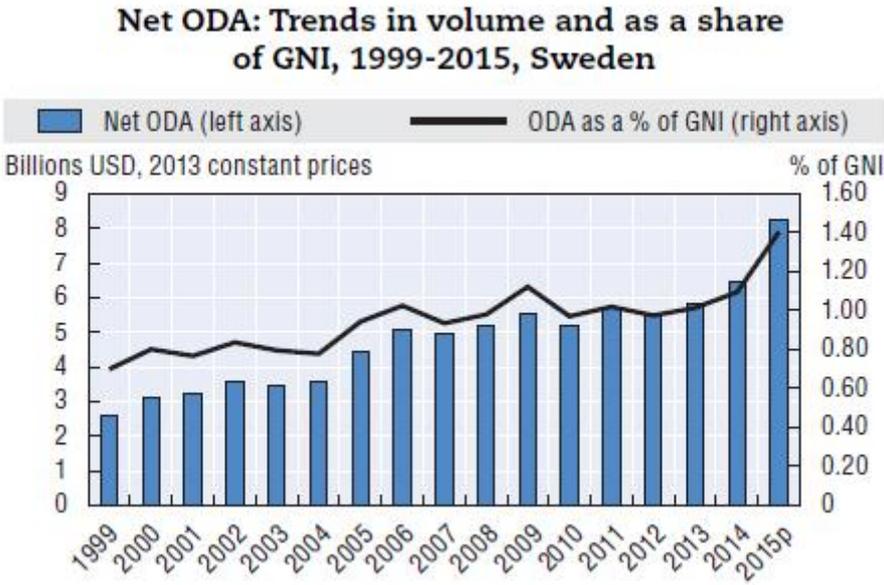


Fig.1. Source: <http://www.oecd.org/dac/sweden.htm>

Secondly, Sweden is a quite new member in the European Union with its accession only in 1995. Considering its relatively neutral stand in general in international arena, it was also interesting to investigate how its membership to the European Union has affected the country’s politics in this particular case the policy of foreign aid. Finally, myself coming from a developing and aid receiving country and having rather negative image of aid, I was interesting to study the topic from the opposite side.

<sup>5</sup> Lennart Schön, An economic history of modern Sweden.2-3.  
<sup>6</sup> (<http://www.oecd.org/dac/sweden.htm>), accessed June 10, 2017  
<sup>7</sup> (<http://www.oecd.org/dac/sweden.htm>), accessed June 10, 2017

Thus, my thesis aim is to investigate what are those values on which is based the Swedish foreign aid policy that have depicted Sweden as a humanitarian giant.

## 1.2 Research question

My main three research questions are:

1. What are those values that predominate in the Swedish national foreign aid policy?
2. How were those values developed and converged with similar “European” values since 1995?
3. How have the policy areas developed before and after the accession to the EU?

## 1.3 Previous research

Policies and policy documents are always interesting to analyze, as they may be in a way the considered not only strictly legal or political text but may tell a lot about the nation’s internal and external image. By internal image, I mean that it can reveal firstly the nations’ thinking, identity, values, perception of the particular subject, problematics and the way they see the solutions. The external image is probably partly the reflection of the internal image, it is based on domestic priorities, however the main difference may be probably the very simple fact how does the nation want to be perceived by others. This difference may offer room for manipulations both in positive and negative senses. In this regard, the analysis of foreign aid policy documents seems to be the ideal tool to find out why and what are the priorities concerning the internal and external picture of a country.

As a previous study on this, subject the working paper by Jerker Carlsson *Swedish Aid for Poverty reduction: A History of Policy and Practice*<sup>8</sup> was one of the main sources. In his paper, Jerker Carlson gives a comprehensive overview how has the foreign aid policy developed throughout 1960 until 1995. I believe the timeframe of this study is particularly crucial, as it covers all those years that the foreign aid was first institutionalized in 1962 through the Budget Bill 1962:100 until the year of accession of Sweden to the European

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<sup>8</sup> Jerker Carlsson. *Swedish Aid for Poverty Reduction: A history of Policy and Practice* (Working paper 107, April, 1998)

Union.<sup>9</sup> It first outlined the general policy guidelines, motives and objectives of Swedish Development aid. Carlsson particularly stresses that it is rather difficult to describe them<sup>10</sup>. The main challenge that he sees with analyzing policy documents are threefold. Firstly, he mentions that they policy documents have very often technical structure with concrete instructions, secondly they set the political agenda of the country and may be powerful tool for electoral campaigns, and finally they can offer a historical insight with analytical approach which can lead to theoretical awareness without any particular link to the previous two points.<sup>11</sup> My thesis will attempt to examine the last aspect with particular focus on the values and policy areas.

In his paper, Carlsson scrutinizes six main Budget Bills that have brought radical changes to the narrative of the policy before 1995. As it is outlined in all policy documents that solidarity is the cornerstone on which the policy was based, Carlsson, shows that the solidarity is the sum of a number of Christian and socialist values.<sup>12</sup>

This study by Carlsson, gives a good ground and opportunity to further research how the narrative of foreign aid was developed after 1995 and see how the major change like accession to the EU has affected a policy which was driven for more than thirty years.

## 2. Methodology and material

### 2.1 Material

Narratives can provide different understandings on the studied topic depending on where they are taken from.<sup>13</sup> Different narratives may require different characteristics to be based on. In order to study personal narratives, it is rather the fact of being unique that interests most the researcher, while those who study organizational narratives, the researcher rather looks for

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<sup>9</sup> Kungl. Maj:ts proposition nr 100 år 1962

<sup>10</sup> Jerker Carlsson. Swedish Aid for Poverty Reduction: A history of Policy and Practice. 5. (Working paper 107, April 1998)

<sup>11</sup> Jerker Carlsson. Swedish Aid for Poverty Reduction: A history of Policy and Practice. 5. (Working paper 107, April 1998)

<sup>12</sup> Jerker Carlsson. Swedish Aid for Poverty Reduction: A history of Policy and Practice. 22. (Working paper 107, April 1998)

<sup>13</sup> Kristina Boreus and Göran Bergström. Analyzing text and discourse: Eight approaches for the Social Sciences, 127.

generalizations, repetitiveness and familiarity.<sup>14</sup> As this paper is going to analyze policy documents, the latter is more applicable in this case. Van Dijk and Barthes have very opposing points of views where the narrative may be found. Van Dijk argues that the narrative may be only found in verbal communication, and written policy document or political debate cannot provide with the narrative.<sup>15</sup> While Barthes stand radically opposes to it.

“Carried by articulated language, spoken or written, fixed or moving images, gestures, and the ordered mixture of all these substances: narrative is present in myth, legend, fable, tale, novella, epic, history, tragedy, drama, comedy, mime, painting.”<sup>16</sup>

Thus, as this paper will analyze policy documents, I will automatically become Barthes’ proponent.

The next step then should be collection, selection and organization of documents as suggested by Riessman.<sup>17</sup> As mentioned earlier, the place where the data is collected can affect greatly the insights of the narrative; however, it may not be entirely true for policy documents, as the original documents are usually found in the governmental archives. As a primary data, I have collected governments’ foreign aid bills, budget proposals and communications. Two bills regarding the foreign aid were adopted: one adopted in 1962 and a second one in 2003. These two documents will be the cornerstones of this paper. However, they will be complemented and supported by budget bills and government communication. The budget proposals comprise those that have introduced radical changes regarding the direction of the foreign aid. These are mainly six proposals adopted between 1962 and 1995. A substantial part of my material will be government communications, that give a comprehensive image, which changes had the foreign aid narrative undergone or what points were consistent throughout the last decades. The source that have been used was the web site of the Swedish Government where there is an open access to all bills and legal documents. I have also used the website of Swedish International Development Agency (SIDA) as a secondary source.

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<sup>14</sup> Kristina Boreus and Göran Bergström. *Analyzing text and discourse: Eight approaches for the Social Sciences*, 127

<sup>15</sup> Kristina Boreus and Göran Bergström. *Analyzing text and discourse: Eight approaches for the Social Sciences*, 128.

<sup>16</sup> Kristina Boreus and Göran Bergström. *Analyzing text and discourse: Eight approaches for the Social Sciences*, 128.

<sup>17</sup> Catherine Kohler Riessman, *Narrative analysis*, 2.

## 2.2 Narrative method choice

Narrative method is probably one of those methods in discourse analysis that does not have clear limits and provide more freedom to researcher how to realize the study. Several renowned names emphasize this fact in different formulations. According to Czarniawska the narrative approach does not possess concretely predefined ways for the material to be collected or structured and it would be difficult to point out a specific method that shows the link between narrative approach and a specific method that lead to desirable outcome.<sup>18</sup> Amia Lieblich et al. underscore that this method is most frequently accompanied by ambiguity.<sup>19</sup> These two definitions on the one hand provide with the flexibility the researcher, however on the other hand put an additional burden on the researcher to critically justify and provide argumentation for every single step of collection, selection, interpretation and analysis of the material. Thus, this method is the area where the researcher's worldview and generally accepted or contested practices may meet. In this sense, narrative method suits best this paper for a number of reasons. Firstly, its qualitative and interpretive nature enables to tackle complexity and system of values both on individual and community level. As mentioned earlier, the analysis of the values will be the main task of this paper. Besides that, it does not limit the researcher to focus on particular details unlike, for example the structural approach, which may have a crucial impact on explaining the meaning-making process. It also enables to go further the very meaning of text and provides room for more abstract thinking unlike the content analysis. The first major difference with content analysis is that the latter has two aspects qualitative and quantitative while narrative analysis has only qualitative nature. Qualitative content analysis is described as "a method for systematically describing the meaning of qualitative data assigning successive parts of the material to the categories of the coding frame".<sup>20</sup> Here, I want to pay particular attention to the terms "systematically", "category" and "coding" which imply directly some kind of frame and suggest more concrete and predetermined outcome. In this case, the research has to deal with separate unites of the text and analyze them in one entity. Compared to critical discourse analysis it again seems to be in a more privileged position. Critical discourses analysis is viewed to have two accurate requirements. Firstly, it seeks to analyze the language use and how it may affect the

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<sup>18</sup> Barbara Czarniawska, *A narrative approach to organization studies*, 19.

<sup>19</sup> Amia Lieblich, Rivka Tuval-Mashiach and Tamar Zilber, *Narrative research: reading, analysis, and interpretation*, 10

<sup>20</sup> Kristina Boreus and Göran Bergström. *Analyzing text and discourse: Eight approaches for the Social Sciences*, 24

message.<sup>21</sup> Secondly, it mostly tackles the questions of power behind the discourse.<sup>22</sup> These features predefine in which direction the research should be carried out. Thus, in order not to be constrained by aforementioned methodological limits, narrative method seemed to be the most relevant for the analysis of values.

### 3 Theoretical Framework

#### 3.1 Narrative analysis

*I live in terror of not being misunderstood (Oscar Wilde, "The critics as Artist")*<sup>23</sup>

In a very recent book *Analyzing text and discourse*, Kristina Boreus and Göran Bergström discuss main eight approaches for the Social Sciences among which narrative analysis.<sup>24</sup> To put it very simply, explicitly it aims to find the meaning of the text by revealing implicit information about the writer, the reader and the context of the text. Though particularly in the last two decades it has gained high popularity, it is also difficult to define it.<sup>25</sup> The difficulty is about the fact that it does not have concrete departure or finishing point.<sup>26</sup> In other words, it may rather remain abstract, with lot of elements of ambiguity and subject to several interpretations. It also raises some dilemmas about the collection of relevant material, modalities and the depth of the study.<sup>27</sup> However, an initial frustration that one may have before starting the study has also certainly its beauty. The freedom the narrative analysis offers allows the researcher to preserve the personal perceptions and to dig deeper for meanings that others may not have found. The whole process of narrative study is very dynamic and does not recognize temporal limits. This enables the researcher to enjoy the flexibility not only to study the structure of the text and the means its works, but also who produces it and why, and what are the tools to consume, reject or accept it.<sup>28</sup> Though

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<sup>21</sup> Kristina Boreus and Göran Bergström. *Analyzing text and discourse: Eight approaches for the Social Sciences* 210

<sup>22</sup> Kristina Boreus and Göran Bergström. *Analyzing text and discourse: Eight approaches for the Social Sciences*, 210

<sup>23</sup> Corrine Squire, Molly Andrews and Maria Tambouku introduction to *Doing Narrative Research*, 1.

<sup>24</sup> Kristina Boreus and Göran Bergström. *Analyzing text and discourse: Eight approaches for the Social Sciences*

<sup>25</sup> Corrine Squire, Molly Andrews and Maria Tambouku, *Doing Narrative Research*, 2-3

<sup>26</sup> Corrine Squire, Molly Andrews and Maria Tambouku, *Doing Narrative Research*, 2-3

<sup>27</sup> Corrine Squire, Molly Andrews and Maria Tambouku, *Doing Narrative Research*, 2-3

<sup>28</sup> Corrine Squire, Molly Andrews and Maria Tambouku, *Doing Narrative Research*, 1-2

traditionally, it was historians who used the narrative approach, scholars from a wider range of disciplines agreed that studying narratives serves as one of the central tools to materialize our experiences and make it understandable and useful for others.<sup>29</sup> Thus, the critic that narrative analysis received stating that it may be over-complex, over-simple, too long or too conventional,<sup>30</sup> cannot affect its substance and final goal. In this case the benefits of narrative analysis seem to be more valuable than the downsides it may be attributed. Like Somers puts it very concretely:

“People are guided to act in a certain way and not others on the basis of the projections, expectations and memories derived from a repertoire of available social, public and cultural narratives.”<sup>31</sup>

Hence, the critic received is maybe unavoidable as among qualitative research approaches it bears most the element of subjectivity.

### 3.2 Narrative and plot

The traditional definition of narrative describes it very simply as sequence of events.<sup>32</sup> From the first sight, as a simple definition it does not sound complicated and does not seem to cause any particular problems. However, if we go further and try to analyze the key words, then we will encounter main challenges. Luc Herman & Bart Vervaeck touch upon the problematic of this definition posing two simple questions: what this “event” consists of and what kind of “sequence” of events is discussed?<sup>33</sup> They also question the relation of the sequence and the events, does their link exists purely in time or it should additionally have a link of cause and effect? <sup>34</sup> E.M Foster who introduced the notions of story and plot perhaps gave the best answer to this question.<sup>35</sup> By his distinction of these two terms, he attempts to

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<sup>29</sup> Kristina Boreus and Göran Bergström. *Analayzing test and discourse: Eight approaches for the Social Sciences*, 123.

<sup>30</sup> Corrine Squire, Molly Andrews and Maria Tambouku, *Doing Narrative Research*, 2.

<sup>31</sup> Kristina Boreus and Göran Bergström. *Analayzing test and discourse: Eight approaches for the Social Sciences*, 124.

<sup>32</sup> Luc Herman and Bart Vervaeck, *Handbook of Narrative Analysis*, 11

<sup>33</sup> Luc Herman and Bart Vervaeck, *Handbook of Narrative Analysis*, 11

<sup>34</sup> Luc Herman and Bart Vervaeck, *Handbook of Narrative Analysis*, 12

<sup>35</sup> E.M Foster, *Aspects of the Novel*, 17-18

draw the line of relationship above mentioned. He argues that story is the chronological sequence of events, while plot involves the cause and effect link.<sup>36</sup> However, he is making this simplistic distinction, the line is very subtle and in some cases, they can overlap or complete each other mutually. In addition, if a sequence can be a story, it can easily turn to plot keeping the characteristics of both notions. The following example by Foster illustrates it more clearly. “The king died and then the queen died”, this is a story where the main characteristic of these two events is their link in time.<sup>37</sup> However, it easily becomes a plot in the following example: “The king dies and then the queen died of grief”.<sup>38</sup> In addition to the link in time, this sentence has also the characteristic of cause. Though Foster’s distinction seems to be straightforward, these examples show that the chronological element is present in both cases, so sequence of events in both plot and story is based on chronological order, but plot in addition to story has also the casual aspect. However, the limiting the plot to the casual aspect may not be that reasonable. Herman & Vervaeck define “plot driven narrative as the representation of meaningfully related events”. Although, this definition does not suppose any limitation, it lets uniquely to the reader to evaluate whether the narrative is meaningful or not. Onega and Linda have proposed a more complex definition that sums up well all above-mentioned aspects.<sup>39</sup> They consider that a narrative a sequence of events that are meaningfully connected in both casual and temporal aspects. However, Herman & Vervaeck do not absolutely agree with them, particularly regarding the temporal and casual aspect,<sup>40</sup> it seems that they cannot be ignored but neither can they represent a limitation for any definition. Foster clarifies from another point of view the plot. He shows that in order to get the plot the role of the reader may be paramount. If for the story the curiosity may be enough to call it a story, the plot is more demanding: it requires memory, intelligence, elements of surprise and mystery and an important detail about the chronological order of the events: suspension of time may reformulate the plot.<sup>41</sup> Boje referring to Ricoeur proposes a more rigorous definition of plot.<sup>42</sup> He describes it has ordering of action events, symbolism and temporality.<sup>43</sup> The event is referred to a goal or a motive, symbolism implies “the knowledge of culture, signs,

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<sup>36</sup> E.M Foster, *Aspects of the Novel*, 22

<sup>37</sup> E.M Foster, *Aspects of the Novel*, 93

<sup>38</sup> E.M Foster, *Aspects of the Novel*, 93

<sup>39</sup> Luc Herman and Bart Vervaeck, *Handbook of Narrative Analysis*, 13

<sup>40</sup> Luc Herman and Bart Vervaeck, *Handbook of Narrative Analysis*, 13

<sup>41</sup> E.M Foster, *Aspects of the Novel*, 94-95

<sup>42</sup> David Boje, *Narrative Methods for Organizational and Communication Research*, 102

<sup>43</sup> David Boje, *Narrative Methods for Organizational and Communication Research*, 102

rules and norms of a given context”.<sup>44</sup> Temporality is presented as threefold present: present of future, past and present things.<sup>45</sup> He underscores that the advantage of referring to Ricoeur is that “It puts the process of writing and reading a plot into a dynamic and poly-voiced context”.<sup>46</sup> “A story that a strategist tells is but one of many competing alternatives woven from a vast array of looks how executives, customers and vendors use narrative devices”.<sup>47</sup>

### 3.3 Meaning, narrative, identity, values

How do we make sense of a narrative, why do we find some texts meaningful and we cannot by any means relate to others? Marco Caracciolo argues that our ability of sense making is closely related to our individual and sociocultural identity as well as the value system that has shaped us as individuals.<sup>48</sup> In order to understand how we find a meaning in a narrative based on our identities and values, last two concepts should be defined. The concept of identity has been defined by various approaches and disciplines. Michael Bamberg has tried to maximally broadly classify them into three main directions: sociolinguistic, ethnomethodological and narrative.<sup>49</sup> As my paper is concerned with the narrative analysis, I will focus on the definition of the last one. Though he considers narrative as one of the several types of discourse, he acknowledges at the same time the obvious advantage that the narrative has over other kinds of discourses which is the privilege of tying life, biography and story.<sup>50</sup> As he defines it, “narrative is the ordering principle that gives meaning to an otherwise meaningless life”.<sup>51</sup> In other words, it could be defined that it is the unseen but connecting string that completes the basic aspects of our ability to make it meaningful.

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<sup>44</sup> David Boje, *Narrative Methods for Organizational and Communication Research*, 103

<sup>45</sup> David Boje, *Narrative Methods for Organizational and Communication Research*, 103

<sup>46</sup> David Boje, *Narrative Methods for Organizational and Communication Research*, 109

<sup>47</sup> David Boje, *Narrative Methods for Organizational and Communication Research*, 109

<sup>48</sup> Marco Caracciolo, *Narrative, meaning, interpretation: an enactivist approach*. Published online: 4 August 2011, 368

<sup>49</sup> Michael Bamberg, et al., *Selves and Identities in Narrative and Discourse*, 1

<sup>50</sup> Michael Bamberg, et al., *Selves and Identities in Narrative and Discourse*, 5

<sup>51</sup> Michael Bamberg, et al., *Selves and Identities in Narrative and Discourse*, 5

Varela who says that identity is – above all – “unitary quality, a coherence of some kind”, makes a quite concise definition<sup>52</sup> Carraciolo, on the opposite gives definition that is more complex. Identity is a range of values and standards comprising three main dimensions: our biological evolution, sociocultural processes and set of our experiences interacting with the world.<sup>53</sup> He completes his definition in the context of narrative adding that our perception of stories is paramount in demonstrating the values that form our identity. In other words, whether we will see or not a meaning in a narrative will be the reflection of our values, which are integral part of our identity. However, it does beg the question why the same narrative may be perceived positively or negatively in different cultures. Why in one culture a specific narrative makes sense and it does not in the other. According to Carraciolo, culture being a powerful tool to influence our meaning making can influence in a way or other our perception of the narrative.<sup>54</sup> This implies that depending on the culture that we live in and that values that are predominant in our culture, our identity may be affected and changed accordingly. This will probably always remain an open question, whether our culture and values define our identity or we can shape the values of the culture that we belong to. Hence, the narrative that we would make sense or would not will be conditioned by these factors.

My paper will try to reveal how and why these theoretical dimensions are applicable to Swedish national foreign policy, what are those values that have formulated the Swedish identity. How the narrative of foreign aid was formulated so that the Swedish society makes sense and supports this particular area of Swedish foreign policy. Why the Swedish society accepts or contests the narrative of Swedish government showing support to the developing world. While drafting the Swedish national foreign policy, what motives were pushed forward by the government to persuade Swedish taxpayers that some part of their taxes should be used for the purposes of other nations’ wellbeing? In this case, I will try also to come close to the link between the modern Swedish history as a reflection of collective identity and the current foreign aid policy narrative. Carraciolo stresses the importance of personal background in

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<sup>52</sup> Marco Caracciolo, Narrative, meaning, interpretation: an enactivist approach. Published online: 4 August 2011, 370

<sup>53</sup> Marco Caracciolo, Narrative, meaning, interpretation: an enactivist approach. Published online: 4 August 2011, 371

<sup>54</sup> Marco Caracciolo, Narrative, meaning, interpretation: an enactivist approach. Published online: 4 August 2011, 371

meaning making.<sup>55</sup> This is a key factor to see how on both individual and governmental level the personal background and history has shaped to the current narrative of foreign aid policy.

### 3.4 Narrative analysis of documents

The empirical studies of policies offer a specific term to study the narrative of policies: Narrative Policy Framework (NPF), which defines both the narrative structure and content of a policy document.<sup>56</sup> If narratives, in general, are a means to structure and communicate our perception of the world, the political narratives have a radical difference: they are considered persuasive stories for a political purpose that should have generalizable content.<sup>57</sup> This feature of policy narrative may arise various issues. Firstly, it may not reflect the genuine reality and may be formulated in a way or other solely to serve its political end. Besides that, it has higher chances to be altered much often depending on the political ideology and preferences of the party in power. It may not be stable over a long period, thus requiring larger efforts for the message to be conveyed. However, for the case of Sweden, this concern is not entirely valid as the Social-Democratic Party mostly dominated Swedish politics.

Jones and McBeth show the specificities of traditional components of a narrative for policy narrative and what other elements are required for a policy to possess narrative. In addition to a setting or context and a plot, the policy narrative should also have characters and the moral that the reader can deduce.<sup>58</sup> Three kind of characters should be involved: those who cause the problem, those who solve the problem and those who are harmed by the problem.<sup>59</sup> By the moral, they mean the solutions that is always included in the policy documents. If we try to see this theoretical framework projected in the foreign aid policy, all the elements may be

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<sup>55</sup> Marco Caracciolo, Narrative, meaning, interpretation: an enactivist approach. Published online: 4 August 2011, 368-370

<sup>56</sup> Michael D. Jones and Mark K. McBeth, A Narrative Policy Framework: Clear Enough to Be Wrong? The Policy Studies Journal, Vol. 38, No. 2, 2010, 329

<sup>57</sup> Elizabeth A. Shanahan et al., Policy Narratives and Policy Processes, The Policy Studies Journal, Vol. 39, No. 3, 2011 539-540

<sup>58</sup> Michael D. Jones and Mark K. McBeth, A Narrative Policy Framework: Clear Enough to Be Wrong? The Policy Studies Journal, Vol. 38, No. 2, 2010,

<sup>59</sup> Michael D. Jones and Mark K. McBeth, A Narrative Policy Framework: Clear Enough to Be Wrong? The Policy Studies Journal, Vol. 38, No. 2, 2010, 341

easily identified. As for characters, those who want to solve the problem should be the Swedish government with its corresponding agents and victims will be the developing nations. However, identifying those who created the problem may be more problematic taking into consideration generally adopted neutral Swedish disposition when it comes to international relations. The moral or the solutions in this case will be the modalities how they the government intends to realize the development process. The plot can be revealed while analyzing which specific changes had the policy undergone year by year, what internal and external events had led respectively to the change of foreign aid direction. Value systems, which have two main aspects partisanship and ideology, are core elements to decide on the content of policy's narrative.<sup>60</sup> This would mean the stronger are the values and the ideology of the nation, the easier should be for the government to use them in their foreign affairs. Ideology and the value system is backed up by the credibility of the narrative. This includes among others trustworthiness, accuracy, objectivity, expert status and liability.<sup>61</sup> All these factors may greatly affect whether the recipients will accept or reject a certain policy. In the case of foreign aid, this specificity can be considered crucial because if the government does not enjoy the support and credibility of the society, the whole process may fail. If in other policy areas two main actors like the government and society are involved, the outcome of the policy may be more easily adjustable. However, in the instance of foreign aid a third agent, like the government or the society of the developing country is involved, the congruence and perfect agreement of first two agents plays a paramagnet role. Burstein explains this aspect in the following way.

“A recent meta-analysis of the influence of public opinion on public policy finds that high- salience issues are more likely to be influenced by public opinion, while low-salience issues favor special interests”.<sup>62</sup>

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<sup>60</sup> Michael D. Jones and Mark K. McBeth, A Narrative Policy Framework: Clear Enough to Be Wrong? The Policy Studies Journal, Vol. 38, No. 2, 2010, 341

<sup>61</sup> Michael D. Jones and Mark K. McBeth, A Narrative Policy Framework: Clear Enough to Be Wrong? The Policy Studies Journal, Vol. 38, No. 2, 2010, 344

<sup>62</sup> Michael D. Jones and Mark K. McBeth, A Narrative Policy Framework: Clear Enough to Be Wrong? The Policy Studies Journal, Vol. 38, No. 2, 2010, 344

## 4. Findings and Analysis

### 4.1 Why and who gives foreign aid.

Why do countries give foreign aid According to political realism? International relations theories are classified into three major groups to answer this basic question.<sup>63</sup> According to political realism, it was a political mechanism introduced during the Cold War era in order to control the domestic politics of recipient countries in the power struggle between Western countries and Soviet-union. Thus, this approach stemmed uniquely from political intentions and preferences. Despite its political obvious nature, it does not exclude the development of the receiving country. Donors' primary purpose may be the maintenance of the political influence, but it does not necessarily mean that the receiving countries will not benefit from it. In the contrary, world system theory has an economic background. It implies that foreign aid is rather a policy that contributes additionally to already established unequal distribution of the capital in the world.<sup>64</sup> This theory provides with rather negative connotation to foreign aid suggesting that it is mostly the donors that benefit from this cooperation. The third theory, liberal internationalism that is perhaps the most optimistic one suggests that foreign aid is a system in order to improve socio-economic and political development of the recipient countries.<sup>65</sup> This theory based on both political and economic approaches sees foreign aid rather from a positive light considering it as a tool for industrialized countries to help those in need. One of the proponents of this theory, David Lumsdain even argues that foreign aid has a moral element.

“I argue that moral conceptions affect international politics in three ways: through the systematic transfer of domestic political conceptions of justice to international life; through social and moral dialogue that constitutes international society; and through normative meanings implicit in international

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<sup>63</sup> Tomohisa Hattori, “Reconceptualizing foreign aid”, *Review of International Political Economy*, Vol. 8, No. 4 (Winter, 2001), pp. 633-660

<sup>64</sup> Tomohisa Hattori, “Reconceptualizing foreign aid”, *Review of International Political Economy*, Vol. 8, No. 4 (Winter, 2001), pp. 633-660

<sup>65</sup> Tomohisa Hattori, “Reconceptualizing foreign aid”, *Review of International Political Economy*, Vol. 8, No. 4 (Winter, 2001), pp. 633-660

regimes or practices such as foreign aid, meanings which shape the ongoing evolution of those practices”.<sup>66</sup>

Looking at the Swedish policy documents starting from 1962 when the Swedish Parliament, the narrative of Swedish foreign aid, adopted the first bill may be placed by large within the realm of this theory. Murad et al. argue that the data shows that Sweden’s foreign aid policy is “motivated largely by philanthropic and developmental concerns”.<sup>67</sup> A particularity that they stress about Sweden is that it realizes strictly its policy allocating larger share to democracies and countries with improved human rights records as well as take into consideration the specific needs of the recipient country.

## 4.2 Development of the foreign aid policy.

### 4.2.1 Historical overview

The bill of 1962 established the main Swedish aid architecture, including its principles, values and the areas Swedish aid should be oriented to. The main motive for the foreign aid was considered *solidarity*. The bill states that those rich and industrialized countries have “moral responsibility of international solidarity.”<sup>68</sup> The motive of solidarity was reinforced by that peace, equality, wellbeing and sustainable development are not exclusively national values, but rather universal.<sup>69</sup> The general objective was to improve the living conditions of poor people by alleviating the economic situation. It meant concretely to eradicate the famine, eliminate epidemic diseases and decrease child mortality. At the same time, the urgent need to invest both in human capital through education and in production was pointed. As for modalities of the aid, there was no given any specific mechanism, as they would depend on a specific country’s needs. However, it was emphasized that the Swedish aid should be included in the overall development program of the receiving country.

There were five policy areas where the aid would be directed to trade policy, commercial aid, technical aid, financial aid and multilateral aid. All these five areas should not be seen

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<sup>66</sup> David Halloran Lumsdaine, Moral vision in international politics. The foreign aid regime, 1949-1989, 5.

<sup>67</sup> Murad Ali, Glenn Banks and Nigel Parsons, Why donors give Aid and to whom? A critique of Historical Contemporary Aid Allocations Regime, 127

<sup>68</sup> Kungl. Maj:ts proposition nr 100 år 1962, 6

<sup>69</sup> Kungl. Maj:ts proposition nr 100 år 1962, 7

separately, on the contrary, they must complement each other in order to reach the desirable results. Trade policy underscored the fact that as developing countries economic development is highly dependent on their export, Sweden's trade policy will absolutely support it.<sup>70</sup> As Sweden promoted liberalization of trade policy, the Swedish market was by large fully open for the export from developing countries. At the same time, Sweden showed its willingness to participate in negotiations to reach the same status for other industrialized countries.

Commercial aid was directed either to decrease the risks for those companies that are in cooperation with developing countries, either to provide financial support. The state was the guarantee for those companies that were giving credits or making investments in developing countries.<sup>71</sup> One may ask how financing and supporting local companies could be considered as part of foreign aid. However, the support of the state could be an additional impetus for the local companies to engage in different activities in developing countries, which will definitely have a positive effect in the economy of the developing country. The critic to commercial aid was that the industrialized countries might be in competition to get more developing countries' markets. For this reason, Sweden was supporting the initiative to find multilateral regulations through United Nations and OECD.<sup>72</sup>

Technical aid was directed to capacity building; however, it was not only limited to technical part of it but also covered areas such as administrative, medical, social support, as well as improvement of overall literacy, professional trainings and family planning.<sup>73</sup> The particularity of this aid was that it should have a focus on individuals. This type of aid would rather have long-term effects, particularly in the area of education. The importance of this type of aid was well realized, however the issue it raised in 1960s was the lack of educated human resources from both parties.<sup>74</sup> There was a lack of human resources in Sweden who could train people from developing countries as well as the lack of aid experts who could move to developing countries. Thus, this issue required additional resources and incentives to motivate Swedish experts to work within foreign aid.

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<sup>70</sup> Kungl. Maj:ts proposition nr 100 år 1962, 10–12

<sup>71</sup> Kungl. Maj:ts proposition nr 100 år 1962, 12–13

<sup>72</sup> Kungl. Maj:ts proposition nr 100 år 1962, 12–13

<sup>73</sup> Kungl. Maj:ts proposition nr 100 år 1962, 13–16

<sup>74</sup> Kungl. Maj:ts proposition nr 100 år 1962, 15

Financial aid consisted of direct loans and grants to the developing countries. Bilateral loans were mainly provided for purchase of goods and services from the loan giving country, while loans received from a multilateral organization were linked to a concrete project. The financial aid could be very often directly associated with technical or commercial aid, as the loan receiving country could invest it in capacity building or private sector. At the period, the financial aid gave biggest freedom to the receiving country how to control it.

The Swedish aid program should present a well-balanced multilateral and bilateral aid program. However so far Sweden has given its preference to multilateral aid for a number of reasons. Firstly, the advantage of multilateral aid is that the donor becomes the multilateral organization and the aid loses its national identity. Besides that, the multilateral aid is more effective as it can manage the allocations of a number of donor countries and provide better coordination, transparency and accountability, while the bilateral aid is completely independent and may lead on the one hand to some overlapping with other donors' programs and on the other hand, some areas may be fully ignored. In other words, the bilateral aid has higher risks to result in imbalanced aid distribution. Moreover, the multilateral organizations have specific human resources and practical experience unlike one separate donor. Bilateral aid has also higher risks to be considered as interference with the domestic policies of the recipient countries than the multilateral aid. There has been a lot of critic regarding the multilateral aid particularly regarding its coordination; however, this should not be a cause to reduce the allocations to multilateral organization.<sup>75</sup> On the opposite, the donor countries should take measures to strengthen the rational of multilateral organizations work. Multilateral aid is more reasonable to regulate the trade policy and commercial aid. It will be much more effective that all the companies intending to have some business relations with the developing countries will be secured by international guarantees system than by individual country. However, that area where the aid should reach the individuals personally e.g. family planning bilateral aid may be more effective. A fundamental prerequisite for countries to receive aid from Sweden is to show that they have made best use of it.<sup>76</sup> Bilateral aid, in this sense is more relevant than multilateral. There are advantages and disadvantages for both cases, only the right combination of both may lead to desirable results.

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<sup>75</sup> Kungl. Maj:ts proposition nr 100, år 1962, 18–19

<sup>76</sup> Kungl. Maj:ts proposition nr 100, år 1962, 19

To sum up, this bill established the main policy areas where the aid should have its focus. However, there were four more bills that introduce radical changes in Swedish aid architecture.

The Bill 1977/ 78: 135 introduced four objectives in a clear and comprehensive way for the Swedish aid. Those objectives were the growth of the resources, economic and social equality, economic and political independence, democratic society.<sup>77</sup> The growth of the resources was in the first place among other objectives as it was had a decisive significance to reach the second objective. Larger resources would enable to achieve more easily social equality. Swedish aid would be directed to those countries that themselves make considerable efforts to increase the volumes of goods and services production.<sup>78</sup> The economic and social equality was the sphere of focus in both Sweden's national and international debate. It is related to the fact that economic growth did not automatically lead social and economic equality. In order to reach this objective, the efforts from the government of the receiving country should be made. That is why Sweden's foreign aid will be directed firstly to those countries whose government will show the political will to promote the social equality. According to Swedish foreign aid policy, the aid should be directed to the poorest countries, but it also should reach the poorest people.<sup>79</sup> This important nuance is closely related to good cooperation with the recipient country's government and the principle to integrate the aid in the national plan of development. The need of improvement of basic life conditions in terms of food, health, education, accommodation and effective occupation is an imperative for the economic and social equality.

The objective to be economically and politically independent has become paramount for a number of developing countries. The Swedish foreign aid policy has two main considerations in this respect. The long-term objective of the aid is to reach economic and political independence of the recipient country. That is why Sweden will support those countries that may have external pressures that may threaten their independence. This objective is however closely related to the previous objectives. Economic growth should lead to democratic society thus reinforcing the political and economic independence. The example for this objective may be Zambia that received considerably bigger aid when Rhodesia closed its borders.<sup>80</sup> Sweden also has supported liberations movements many countries in order to have political

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<sup>77</sup> Regeringens proposition 1977/78:135, 11

<sup>78</sup> Regeringens proposition 1977/78:135, 11

<sup>79</sup> Regeringens proposition 1977/78:135, 12

<sup>80</sup> Regeringens proposition 1977/78:135, 85

independence in a number of countries in South Africa. As a final and long-term objective Sweden considers the objective to reach democracy. The previous objectives can be maintained only in a democratic society. However, there are also some cases when Sweden can cease to provide aid. If the recipient country reaches a considerable economic growth and independence, Sweden will phase out those countries from its aid program replacing it with other ways of cooperation. In addition, in the case if for political or any other reasons it becomes impossible to work on established objectives, Sweden will be obliged to continue its allocations.

Before the accession to the European Union, three more bills introduced larger changes in foreign aid policy. 1987/88:100 budget bill introduced a fifth objective of Swedish aid - the effective utilization of natural resources or the environmental objective. 1992/93:244 bill introduces changes in the management system of the aid. It proposes to change the focus from management by objectives to management by results. Finally, 1995/96:153 budget bill introduces a new objective stating that the aid should also aim to contribute to gender equality. Thus, during this period changes concerned mainly the objectives, the policy area that were established in the initial bill remained the same.

#### 4.2.2 New era for Swedish foreign aid

The report by the Parliamentary Committee in 2001 introduced new approaches that would be applied in the new bill on foreign aid policy. The master narrative and motive, the solidarity and the overall objective, reduction of poverty and improvement of living standards of poor people remain the same; this report introduced more clear and concrete justification for the foreign aid policy. Three new approaches and objectives were suggested to introduce in the new Bill. Firstly, it was suggested to broaden the policy areas and reinforce the motive of solidarity with enlightened self-interest. This motive was a direct reflection of the globalization due to rising mutually interdependence of the countries. In other words, Sweden considered its national interest the global development and poverty alleviation of other countries.

“We must find forms for development that are socially and environmentally sustainable and that entail a more equitable distribution both within and between countries and that involve production and consumption systems that do not

threaten the ecological balance. If we fail to do so, this will have repercussions on Swedish welfare due to increased tensions, instability and risks of conflicts, large-scale migration, increased health and environmental risks”.<sup>81</sup>

The enlightened self-interest was a response to global common problems known under the name “global public goods”. However, what are exactly considered global public goods? Kaul and Grunberg argue that global public goods must meet two criteria: firstly, they should not be excludable and should not undergo any competition for the consumption.<sup>82</sup> Secondly, their benefits should be unlimited in terms of countries, benefits and generations.<sup>83</sup> In the development perspective Claude Freud referring to Severino provides a classification for the global public goods.<sup>84</sup>

- “Public goods” that everyone has right to enjoy which are environment, public security and knowledge,
- “Externalities” meaning the consequences of our activities on others, e.g. the pollution, deforestation or degradation of world cultural heritage,
- “Dysfunctions of the market” based on the inequalities access to the information,
- “Ethical issues”, e.g. impose a ban against child labor or take measures for the reproduction of certain species.<sup>85</sup>

“Global public goods” which according to the report covered those areas such as stability of financial markets, major environmental threats, disaster and conflict management, energy supply, access to IT, reduction of greenhouse gases, conservation of biological diversity, safe water supply, protection of the ozone layer, prevention of spread of infectious could not be dealt nationally and required active collaboration of both industrialized and developing countries. Supporting developing countries to deal with those issues were in the national interest of Sweden and found their common name under the motive of enlightened self-interest. Broadening of policy areas assumed that all policy areas should be focused on

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<sup>81</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden’s Policy for Global Development, 64

<sup>82</sup>Inge Kaul and Isabelle Grunberg, Defining global public goods, 1

<sup>83</sup> Inge Kaul and Isabelle Grunberg, Defining global public goods, 1

<sup>84</sup> Claude Freud, Les biens publics mondiaux (Global Public Goods), Vol. 50, Cahier 198/200, 50 ans (2010), pp. 1067-1077

<sup>85</sup>Claude Freud, Les biens publics mondiaux (Global Public Goods), Vol. 50, Cahier 198/200, 50 ans (2010), pp. 1067-1077

development. This means that four crucial areas the economic and the social, ecological and political dimensions should have uniquely development perspective. Besides that, the development cooperation should be based from now mostly on supporting entire sectors and institutions rather than individual projects.

As poverty is a multidimensional phenomenon, this aspect may play a key role. Poverty, first of all, means “lack of opportunity, lack of power over one’s life and lack of security”.<sup>86</sup> Thus, while drafting the new policies all the measures should be directed to increase the possibility to provide with opportunities poor people. A measure that may be taken to increase the opportunities is, for instance, opening the markets for agricultural products.

The next perspective that the report proposed to introduce was known under a generalized term South perspective. This meant that the key factor for development to succeed should be taking into consideration the priorities that poor countries and poor people have. It assumed to build the development on the competence and capacity, even if they may not be enough that exist in developing countries. Long-term capacity building would enable the developing countries to have their say in setting up the international processes thus creating stable and equal counterparts for Sweden in international arena. This aspect could, for instance include programs to improve countries negotiating skills. An important element here is the respect of democratic values which means that the “partner country must have the opportunity to take responsibility and at the same time receive support to develop instrument to solve their own problems”.<sup>87</sup> As the developing countries may have several bilateral donors, complying with all the requirements of every donor may decrease the efficiency and impact of the aid, the novelty of the South perspective assumes that the country should take responsibility for its development. The receiving countries should have opportunity to select policies and agents in the development process to be able to control their development.

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<sup>86</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden’s Policy for Global Development, 85

<sup>87</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden’s Policy for Global Development, 93

### 4.2.3 Criteria for Swedish development aid.

The South perspective clearly established that the aid is only a supportive instrument, but it is the recipient countries that should take responsibility for their development and Sweden will mostly cooperate with those countries. It requires scrutinized investigation which government may be considered a “good” partner for achieving the overriding goal of eradication of poverty. It has two important aspect. Firstly, while selecting countries for the allocation, the Swedish government is accountable to Swedish taxpayers and consequently it should be duly justified. Secondly, the realization that this selection will affect directly the ultimate beneficiaries – poor people. It is very important to precisely define what countries are considered poor and how Sweden selects countries for its allocations. There is a set of clear criteria and guidelines that entitle countries for the Swedish aid. The basic criterion for the long-term government cooperation is the following: internationally recognized low-income countries that however show willingness to combat poverty reduction, whose domestic politics make efforts towards democracy, gender equality and human rights.<sup>88</sup> Once the countries meet this basic criterion, the decision on partner country receives the following classification.

- “1. Countries that meet the criterion but which lack the ability and capacity to implement policy.
2. Countries that meet the criterion and have institutions and other capacity to implement policy.
3. Countries that do not meet the criterion
4. Countries that lack the political will or determination to carry out a policy focused on general poverty reduction.”<sup>89</sup>

Among the countries that are under the classification number 1, those will be entitled for aid that have the greatest dimensions of poverty. However, in this case firstly the aid will be

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<sup>88</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden’s Policy for Global Development, 238

<sup>89</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden’s Policy for Global Development, 241

directed to capacity building. Those countries that meet the basic criterion and the requirement of the classification number 2 may be considered for the sector and budget support. These two group of countries will have the opportunity for the long-term bilateral development cooperation. Countries that will be classified under number 3 will get aid for global public goods, support through NGOs and through multilateral organizations. Sweden always prefers to show long –term approach, as it gives larger spectrum of cooperation. Long-term cooperation may allow budget support, program support, sector support, project support, technical assistance, debt relief, humanitarian assistance, support for regional cooperation, conflict prevention measures that may be key for an effective development.

Those countries that do not qualify for long-term cooperation may become part of selective cooperation. In this case, government is not considered anymore the main agent through which the funds will be channeled. The scope of the aid will be also different. During selective cooperation receiving countries, get aid in form of advisory services, policy dialogue, capacity-building support, technical assistance, project support, sector support, and program support.

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results from both parties. If Sweden assumes that the country is qualified for the general cooperation, the funds will be directly channeled into the national budget of the country. However, this way of cooperation does not exclude that the receiving country does not need anymore any assistance. In other words, the recipient country should not have reached a certain level of development, but should show clear political will to pursue the poverty reduction policy. The aim of the general cooperation is not to create a new way of dependency but it assumes the relations should be based on the political, commercial, and cultural ground.

#### 4.2.4 Guidelines for the Swedish aid

Along with the criteria, there is a number of general guidelines for the countries that will enter into any form of development cooperation.<sup>90</sup> Countries should have clear national policy and show political commitment for poverty reduction, democratic processes, gender equality and human rights.

- The point of departure for the cooperation should be the recipient country's national needs and priorities.
- In order to improve the cooperation, separate support should be provided for the capacity building for needs assessment, and evaluation.
- In order to find best strategies for the recipient country, closely cooperate with other donors and multilateral organizations.
- Work consistently on a common international approach with other DAC countries.
- Harmonize maximally aid practices with other donors and multilateral organizations. Be open for adaption for those practices that have been identified effective from other parties.
- Encourage the direct and active participation of the recipient country to streamline the comparability between different donors.
- Show a positive attitude to possible failure accepting them as a valuable source for learning.

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<sup>90</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden's Policy for Global Development, 213-217

#### 4.2.5 Choice of aid recipient country.

Criteria and guidelines are the basis for choosing a concrete country to cooperate with. However, the national government takes the final decision. Particularly, to provide budget support the political aspect should be dominating. Besides, that the choice of the country also requires close cooperation with other donors. In order to choose a country for a long term general budget support. Sweden should firstly have a local presence in the field as well as enough capacity in Sweden for the analysis and evaluation. For this reason, Sweden should be particularly careful in identifying the number of countries.

One of the effects of the growing globalization on the foreign aid was the importance of including aid programs in a number of policy areas. It became clear that it is not possible to focus on one policy area and achieve tangible results, thus having maximally large range of policy areas became one of the prerequisites for the main goal of the foreign aid. This raised a new issue, policy coherence.

"Put simply, a coherent policy is a policy that most effectively contributes to achieving the set objectives for, in this case, development and poverty reduction, in the context of the specific policy area".<sup>91</sup>

Thus, the report suggested that the foreign aid should be included also in the following policies: foreign policy, trade policy, agricultural policy, industrial policy, migration policy, education policy and research policy.

Foreign policy has undergone radical changes throughout the whole history of Swedish development aid. Currently, it has reached a large scale when the foreign policy of Sweden may affect directly the national development agenda of the aid recipient countries. This is a very sensitive area, as Sweden may get involved often with the domestic political conflicts of the country. However, foreign aid has played rather facilitating role in establishing better diplomatic relations.

"Increase in the number of countries that receive development assistance from Sweden has sometimes stemmed from a desire to establish diplomatic ties with large number of countries".<sup>92</sup>

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<sup>91</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden's Policy for Global Development, 90

<sup>92</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden's Policy for Global Development, 97

Trade policy since the very beginning of the Swedish foreign aid was one of the key components. Being part of the international trade family has undoubtedly a positive impact in reducing the poverty and contributing to national economy.

"Studies show that increased openness towards the surrounding world, with an increased flow of information and knowledge, also strengthens awareness of and the demands for democracy and human rights".<sup>93</sup>

However, lot of developing countries still face number of challenges in opening their markets and their economies remain highly dependent on local agriculture, fishing, crafts, textile etc. In addition, one of the biggest challenges is that these products are manufactured on very small scales making the export impossible. An important factor for the trade policy to be coherent is that it should take into consideration not only the national interest but also see it in the framework of the development of the recipient countries.

As the large part of the economy of developing countries relies on agriculture, it may become the driving force for the overall economic development. Particularly in poor countries, agriculture is crucial to provide to a certain extent food security. Food security, as well as the diversity of agricultural products and in general sustainable agricultural sector are in the heart of the Swedish agricultural policy.

Industrial policy is also one of the oldest policies. It is also one of those rare policy areas when the Swedish national interests meet with the industrial development of the aid receiving countries.

"A favorable business climate is a prerequisite for investments, which in turn promotes economic development. By obtaining access to more stable markets with greater purchasing power for their products, such initiatives in the field of development also favor Swedish industry".<sup>94</sup>

In other words, industrial policy has two distinct dimensions: development cooperation and promotion of Swedish business, where both parties will benefit mutually. This policy is not

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<sup>93</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden's Policy for Global Development, 98.

<sup>94</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden's Policy for Global Development, 107

within the traditional "donor" and "recipient" relation. The obvious advantage of this policy for the recipient countries is that on the one hand, they will receive budgetary development allocations and on the other hand, they will get non-budgetary investments and sources. Thus, if initially it seems that Sweden may be interested in promoting this policy for the national interest, a deeper analysis shows that the recipient country gets double benefit from this policy.

Migration has become one of the issues that concerns all countries in a way or other. It has become one of threats for promotion of human security and human rights. The general narrative about migration suggests that the best solution would be to use development assistance to eradicate the causes that lead to migration. However, there are many countries that have very limited access to development assistance and those cases require political radical changes in those countries. The measures that Sweden takes related to the coherence of this policy is repatriation. Sweden directs development assistance for those people who had migrated to Sweden but also to those who wish to go back to their countries of origin.

Research is mainly carried out in developed world, however the volume of research regarding the key issues occurring in developing countries are quite limited. For instance, medical research supported by development assistance on various diseases in developing countries is not that developed. The main issue in this sphere is pricing. Even if the final product may meet the needs of developing countries, they may be too expensive for the individuals and local health systems. Regarding the research policy, Sweden's focus is mainly on the agricultural research as it was mentioned earlier in the agricultural policy; it is the main source to boost the local economies of the developing countries.

#### 4.2.6 Values

The core values of the Swedish national development policy are considered democracy and human rights.

"Democracy, like human rights, should be regarded as universal values".<sup>95</sup>

Both values are closely interrelated. Only democratic way of rule will protect the human rights and promotion of human rights may lead to a democratic society. Thus, these two values are the basis to reach the overarching goal of sustainable reduction of poverty. In his research, Amartya Sen proposes three concrete ways how democracy affects its citizens' life.<sup>96</sup>

- Political freedom is an integral part of human freedom. In order to have good life, people should enjoy both civil and political life. Political and social participation has a direct impact on human life standards and well-being.<sup>97</sup>
- Democracy provides its citizens with the possibilities to be listened, as well as provides support for their political and economic requirements.<sup>98</sup>
- Democracy has also a very important advantage providing constantly room to learn from each other, thus, enhancing already existing practices. Key factors of democracy such as freedom of speech, open debates and criticism serve as a basis for being informed and making right choices for every member of the society.<sup>99</sup>

All these aspects are key to hold the governments accountable and responsible to the societies. Democracy is also the ground to shape common values as well as take into consideration all differences that may occur in different aspects of the society. For a democracy to function properly there should be institutions designed for public administration as a main guarantee for existing rule of law. An important aspect that defines democracy is fair and even distribution of power based on tolerance, consensus building and respect for minorities.

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<sup>95</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden's Policy for Global Development, 157

<sup>96</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden's Policy for Global Development, 157

<sup>97</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden's Policy for Global Development, 157

<sup>98</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden's Policy for Global Development, 157

<sup>99</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden's Policy for Global Development, 157

Another element describing democracy is multi-party-political structure. Usually parties have ideological basis and are representing certain groups of society. However, the institution of multi-party system in new democracies is not well established. Very often, the membership practice is not clearly defined and they are not very welcoming to female members. Thus, in supporting democracies, contributing to the formation of a good multi-party system has a crucial value.

Sweden is well conscious that democratization is a process that may take a lot of time. It does not automatically follow another ruling system. This process requires constant and meticulous analysis to know where exactly the development assistance may be the most beneficial.

Human rights, democracy and good governance go hand in hand. Only the functioning of all three values may lead to a strong and protected society. The country may not be considered to have a good democracy where the human rights are not protected and vice versa. The challenge that countries usually face is to find out how or by which mechanisms they are interrelated.

"Correctly used, they can support one another in order to more effectively develop and enhance a political system that is democratic and that also promotes and maintains human rights with a view to achieving a dignified life for all".<sup>100</sup>

The definition of poverty that the Swedish Development Policy gives, which includes lack of opportunities and lack of security is directly related to protection of human rights, that is why it is considered one of the fundamental values to combat poverty reduction. Human rights have several aspects such as economic, cultural, civil, political and social rights. The commitment to human rights through various international conventions may be the ground for the country's sustainable development. In developing countries, human rights are often violated justifying them by local tradition and culture. This is also another challenge for development assistance that should also work to change the mentality and the mindset regarding these issues and let the human rights to be universally applicable regardless of any external factor.

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<sup>100</sup> A more equitable world without poverty, Report by the Parliamentary Committee on Sweden's Policy for Global Development, 161

The Parliamentary Committee suggested this brief summary for the new policy bill. In the next section, I will try to identify what points of those suggestions that the report introduced or what additional points were included in the new bill.

#### 4.2.7 Swedish National Development Policy

The new Bill was called "Shared responsibility". The Government presented Sweden's policy for Global Development in the Parliament in May 2003. Already the title of the bill suggests that both donor and recipient countries should share the responsibility of the development. The two main actors should be bound by their responsibilities. If in the previous documents the narrative of the primary goal was improving the living conditions and reduction of poverty, now based on the report previously presented, the goal was formulated as follows:

"The primary goal of the new policy is to contribute to equitable and sustainable global development".<sup>101</sup>

The motive of solidarity was the same in this bill, also. If in the previous bill solidarity was reinforced by the realization that peace, freedom and wellbeing are not national but rather universal values, in this bill, the reinforcing components were considered security, equality and sustainable development. This shift was probably due to rising globalization, which leads in its turn that countries become more and more interconnected. As the globalization concerns everyone, that is why the new policy assumed that the responsibility should be also common.

Different countries have been affected by globalization differently. However, one feature was common for all the actors; sharply increased interdependence of countries from each other. Any positive or negative change in one of the countries may be directly or indirectly reflected in the whole region and very often, remote regions that previously would not be so much affected. Therefore, all the countries, if not all, at least some of them, acknowledge that the issues in one country is only partly its own issue. Even if the effects are not felt in other countries in short-term, it is likely that the effects are felt in long-term by other countries if no preventive action is taken.

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<sup>101</sup> Government Bill 2002/03:122, 7

Bearing the above in mind, Sweden has elaborated its national development policy with the focus on shared responsibility. The general message of the policy is that every country and everyone should be included in the development.<sup>102</sup> There should not be the traditional differentiation of donor and recipient country. Both should be considered as agents of the same process with different responsibilities. This is due to the realization that even if the developed or the donor country may have higher political, economic and/or social status compared to the aid receiving country the stagnation of development or regress in other parts of the world is going to have an impact on the developed country. Due to this effect of globalization, developed countries have an interest in investing in developing countries as a way to protect its own stability. The bill also points out while many developed countries face lack of workforce due to aging population, the developing part of the world has the opposite problem, namely a surplus workforce and lack of conditions for better life<sup>103</sup>. This example clearly demonstrates that the sustainable development of the world is in the interests of all countries regardless of the economic, political and social differences. This policy had eight main narratives on which the policy was based.

"The policy will promote and be characterized by respect for human rights, democracy and good governance, gender equality, sustainable use of natural resources and protection of the environment, economic growth, social development and security. It will also be directed at areas in which an integrated approach and collaboration are now considered necessary, in particular conflict prevention and management and global public goods".<sup>104</sup>

The perspective of rights was fully integrated in the new bill. The respect of human rights is fundamental mechanism that regulates the possible inequalities between stronger and weaker parties. In other words, it creates a minimum basis for the society to provide dignified life for everyone. For this reason, it is particularly important to adopt human rights as the point of departure to combat the poverty. As it was mentioned earlier, most of the developing countries that violate human rights justify them through traditions, social norms and very often by some unwritten rules. It is also a way for the governments and ruling parties to hold the power and to be reproduced. By oppressing the society, they create an atmosphere of fear and insecurity where individuals do not dare to stand for their basic rights. Therefore, it is

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<sup>102</sup> Government Bill 2002/03:122, 7

<sup>103</sup> Government Bill 2002/03:122, 12

<sup>104</sup> Government Bill 2002/03:122, 22

vitally important for both the state and the individuals to understand the values of human rights and have the opportunity to exercise them.

Usually foreign aid should not intervene with the domestic political agenda of the recipient country. However, the new bill talking about democracy and good governance underscored that "Forms and mechanisms for the prevention and peaceful resolution of social and political conflicts should be supported and further developed".<sup>105</sup> The approach to the democracy was regarded under different angle. Now democracy was a mechanism to deal with possible conflicts and tensions. Gender equality as an integral part of democracy is crucial for finding solutions to internal conflicts and leading to the overarching goal of combating the poverty. Fighting against gender-based discrimination and giving equal opportunities to both men and women is not only important to have a healthy society, but that is also the imperative prerequisite for poverty reduction and economic growth. Gender discrimination is one of the core and fundamental issues that prevents sustainable global development. For this reason, the policy for global development assumes as a point of departure that girls and women should be active actors for the change.

Sustainable use of natural resources and protection of the environment was one of the dominating narratives of the new bill. Environmental issues such as soil degradation, water scarcity, pollution, deforestation etc., affect more deeply the poor rural areas. These issues are firstly undermining people's health and livelihoods, which in its turn becomes an obstacle for the economic growth. In several developing countries, industrial activities have been the major cause for environmental issues. In this regard, the line between the economic growth, health issues and negative impact on the environment is very subtle to tackle. Sweden's aim regarding this policy is to include it fully in the development perspective both nationally and internationally.

The narrative of social development and social security is defined by the report discussed previously. According to the bill, it should be characterized by "equitable distribution".<sup>106</sup> The path to the development undergoes several changes that may be both positive and negative. The social development and social security in this sense should stem from the perspective that individuals have their own capacity, knowledge and resources and that they should be given opportunity to actively embrace those changes. The key for this policy to have a tangible

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<sup>105</sup> Government Bill 2002/03:122, 24

<sup>106</sup> Government Bill 2002/03:122, 7, 28

positive impact on people's life is that the social capital should be based on common values and standards, mutual trust and security so that everyone can enjoy the results of it.

Political and armed conflicts are the biggest hindrance for development. They not only undermine the prospects of any development for the country, but also are the cause of several other serious issues such as migration, terrorism, safeguarding the national territorial security etc. That is why the narrative of conflict management and prevention is under the focus of foreign aid policy. For this policy, Sweden cooperates closely with a number of International organizations such as Organization for Security and Co-operation in Europe (OSCE), United Nations, as well as the EU with its Common Foreign and security policy. In fact, this policy indirectly deals with a number of other policies such as promotion of democracy and equitable distribution of natural resources, which can considerably decrease the risks of any conflict.

The narrative of global public goods that was introduced in the report led to the new motive known under as enlightened self-interest. The globalization has increased the need to establish "normative and regulatory frameworks for systematic cooperation between countries and people".<sup>107</sup> Issues such as environment, financial stability, the prevention of infectious diseases and the fight against international terrorism can now be dealt only if there is a strong international will. That is why in its nature this policy comprises both national and international interest.

Another narrative that is included in the Bill is the enhanced policy coherence in the EU. Sweden depicts the EU as the main guarantee for effective monitoring and evaluations of international commitments.<sup>108</sup> As the EU Member States share the fundamental common values human rights, democracy and the rule of law, gender equality and the pursuit of peace and sustainable development, it may and should be the leading actor to spread those values worldwide. The obvious advantage that the EU has compared to Member States it has more possibilities to be in long-term cooperation unlike the Member States where radical changes in foreign aid policy may occur with the change of the political power. This contributes to higher credibility to the EU. Thus, developing countries may prefer to cooperate with the EU rather than a specific member state. As a Member State, Sweden, see its role as an agent to contribute to the coherence between policy areas. The bill stresses the importance of the

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<sup>107</sup> Government Bill 2002/03:122, 30

<sup>108</sup> Government Bill 2002/03:122, 52

Cotonou agreement as an achievement of the EU to contribute to the policy coherence. It introduces radical changes in the narrative in the architecture of development aid.

It is through Cotonou Agreement that the eradication of poverty becomes the central element of global development policy. Briefly, it represents a circular house with three main pillars: development cooperation, trade and political dimensions. They are mutually reinforcing and in order to achieve any progress all three of them should be equally applied. A few main points that undergo drastic changes.

- The first pillar, the development cooperation renders both parties, the donor and the receiver, equal agents of the same process with different duties and responsibilities.<sup>109</sup> The Cotonou Agreement attempts to abolish the perception of the development as a process where the donor has advantage to decide on how its funds should be used and the receiving country is in a position with no say and power over how its country should progress. The main message of this pillar is that both parties should realize that without the support of donors it might be very challenging for some countries to make progress. Thus, both parties agree that the support is indispensable. This was the only rhetoric before the Cotonou Agreement. The novelty with the signature of this agreement is that even the largest support may not lead to long-term development without the backup of local governments and respective policies.<sup>110</sup>
- Poverty reduction, being the focal point of the global development, changes its definition. It is not considered within pure economic framework anymore, but it includes living conditions covering political, social, cultural and environmental dimensions.<sup>111</sup>
- From now on, funds are not anymore directed to separate projects or programs but they are meant to support rather entire policy areas in order to introduce radical changes. This puts additional pressure on the governments, as they are becoming the main agents who have to deal with donors. This shift leads to sharply restricting the modalities. Only two modalities will be applied: grant facility for long-term cooperation, supporting public sector and national budgets and investment facility, supporting the private sector through The European Investment Bank.<sup>112</sup>

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<sup>109</sup> The Cotonou Agreement in a nutshell, 11-12

<sup>110</sup> The Cotonou Agreement in a nutshell, 12

<sup>111</sup> The Cotonou Agreement in a nutshell, 12

<sup>112</sup> The Cotonou Agreement in a nutshell, 16

- The biggest change bears the trade cooperation. It introduces an equal-to-equal cooperation rather than a donor-receiver cooperation. All previous agreements stated "non-reciprocal trade preferences".<sup>113</sup> This was assuming that all ACP (African, Caribbean and Pacific) countries could export their products to the European market free of charge without undertaking to open up their markets for EU products<sup>114</sup> (CAN 14). On the one hand, this was granting a tremendous advantage to ACP countries to boost their economies and on the other hand, these liberalized exporting conditions were not requesting any accountability. The cooperation was not on equal grounds. Hence, the Cotonou Agreement comes to introduce "Economic Partnership Agreements" which partly saves previous partnership conditions including Free Trade Agreements (FTA). Moreover, it introduces obligations for ACP countries to gradually open up their markets for EU products.<sup>115</sup>
- Previously the ACP countries were receiving certain funds irrespective of if their development index rises or falls. Now, the conditions of getting funds changed drastically. Funding becomes directly dependent on performance. According to the review of their performance, the allocated funds either will rise or reduce. This amendment puts additional pressure on the shoulders of governments to provide realistic results if they want to continue to be funded. Besides, the performance assumes a set of criteria such as per capita income, population size etc. are equally taken into account while deciding on the share of the specific country. Briefly, the rhetoric of getting foreign aid bears changes upside down. If before the receiving country's government did not have a say in deciding the amount of funds, now it largely depend on their own work. This "reward" mechanism seems to provide better conditions for accountability and domestic interest to make progress.
- New crucial addition to the quality of cooperation is the introduction in the development process of non-state actors. Both parties the EU and ACP countries acknowledge that a variety of actors will only have positive impact on the process. Moreover, this creates a new platform for the government to share their concerns and objectives, mobilize more human resources on demand and get assistance and fresh expertise to achieve the common goals.

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<sup>113</sup> The Cotonou Agreement in a nutshell, 13

<sup>114</sup> The Cotonou Agreement in a nutshell, 14

<sup>115</sup> The Cotonou Agreement in a nutshell, 17

- As it has been mentioned several times previously, the concept and the perception of development has been thoroughly reshaped during last decade. It used to be fully related to economic growth. However, the Cotonou Agreement states officially that economic growth is only one integral aspect of the entire process. The development now is more about "politics" including support for democratization, good governance, security etc. From now on, donor's obligation is to provide multi-pronged support. This adjustment may seem to become cumbersome in some ways for the donor community but it also enables to elaborate a set of sanctions as a last resort if serious violations are made. This shift is also crucial from another point of view. Putting the focus on political dimension, the parties strive also to highlight the continuous political dialogue unlike before where dialogue was launched only when a major issue arose.

To summarize the Cotonou Agreement, it aimed to give radically different answers to question such as:

- Who are the agents to be actively included in the development process?
- What are the dimensions that should be kept in focus?
- Which instruments should be utilized to realize the development?
- What are the criteria in order to be eligible for aid?
- How the scale of aid matters?

Theoretically, those changes seem to be very reasonable and indispensable for the global development to function, progress and spread. However, it has been less than two decades it has been introduced into force and it may require some more time to prove its validity in practice.

#### 4.2.8 New narratives after the new Bill

The bill of 2002 and the report were the main documents that established the main narrative of the foreign aid policy. However, after there were released yearly government communications that were presenting the worked carried out and those policy areas that needed to be under focus in the future. The main narrative of the government communication

of the year 2004 was policy coherence within the policy areas of rights perspective, security and defense policy, trade policy, migration policy, social security, economic and financial policy, education policy, agricultural policy, environmental policy and industrial policy.

Security policy, namely human security from violence and various threats is the basis for sustainable development. It will be difficult to talk about development in any sphere in a war-torn country. There should be policy coherence between conflict management and security policy. In several developing countries where there are ongoing-armed conflicts, which is the main reason for poverty, inequality and oppression. Within the framework of this policy Sweden closely cooperates with international organizations such as UN, EU, OSCE, NATO as this is a very particular area, and this is an area where the inputs from one country may not be sufficient.<sup>116</sup> This cooperation is also very important in the fight against the international terrorism. In this regard, terrorism, which becomes the cause for financial instability in several developing countries, can be classified among global public goods.

As for the trade policy, the narrative was focused more on multilateral aid through World Trade Organization and the EU.<sup>117</sup> It was emphasized that there is a need for more coherence for trade policy within the EU. Particularly it was mentioned that there are several obstacles that developing countries face for their export to the EU countries. Several Member States are reluctant to streamline their customs systems to facilitate the import of goods from developing countries despite the fact that it may be also boost the national economy of a particular Member State. From its end, Sweden considers it very important to be able to influence positively the trade policy.

Modern world is defined by migration policy. People should be able to leave their home countries for studies, work or start a family. Migration is one of the most effective ways for the exchange of ideas and knowledge. However, migration is much often mentioned with rather negative connotation. People usually are obliged to leave their countries due to various reasons such as injustice, oppressions and armed conflicts. The Swedish migration policy includes several policy areas such as asylum policy, immigration, repatriation, as well as it is considered to be an integral part of foreign affairs, security and trade policies.

Economic and financial policy have been one of the main narratives since the very beginning of institutionalized foreign aid. It has been also stated the economic growth is one of the main

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<sup>116</sup> Regeringens skrivelse, 2004/05:4, 14

<sup>117</sup> Regeringens skrivelse, 2004/05:4, 21

prerequisites to combat the poverty and contribute to the sustainable development. Global economic and financial stability is in the interest of both developing and developed countries. However, economic growth should be based on two pillars: there should be an equal distribution of goods as well as strong institutions that will keep the perspective of poor people under constant focus.<sup>118</sup> The lack of strong institutions as well as judicial system becomes a hinder for large investments. In this area, the aim of foreign aid of Sweden is firstly to contribute to the capacity building to create a climate of credibility for possible investments.

The right to education is one of the fundamental values found in the United Nations Universal declaration on Human Rights.<sup>119</sup> The aim of education policy is to teach since early age the fundamental values of solidarity and equal values of people which make the main values of Swedish foreign aid policy. The main goal of education policy was to promote the quality of Swedish education and research in developing countries. For this purpose, Sweden has been involved through the EU in a number of educational and training programs.

Agricultural policy was also one of the core narratives of the foreign aid since the beginning since agriculture was considered main source of income for many developing countries. Lot of developing countries are highly dependent on agricultural products to boost their economies. In this area, Sweden has adopted the EU agricultural policy. However, the customs related issues have not been fully addressed and the developing countries face obstacles to export their agricultural products to the EU countries.

Cultural policy in its diverse dimensions can have huge impact on development of the country. Cultural meetings and exchange between people of different parts of the world can have their input in establishing strong basis for sustainable development. In this perspective, the narrative of the culture has a central role in the foreign aid policy. Media policy as an integral part of the cultural policy is nowadays a powerful tool for the democratic development of the country. Freedom of speech, diversity and independent media are core values of any democracy. In this sense, it is very important to use correctly these mechanisms to contribute to the development of the country.

The narrative of the communication of the year 2005 had several points in common with the communication of the previous year, but there were obviously new directions that were under

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<sup>118</sup> Regeringens skrivelse, 2004/05:4, 33–34

<sup>119</sup> Regeringens skrivelse 2004/05:4, 34

focus. Rights and poor people perspective was again one of the main narratives of this communication, however the main difference with the previous documents was that it was talking extensively about tools, mechanism and the forms how these perspectives should be applicable. Two dimensions of this perspective should complement each other and target the individuals. The perspective should express an approach that stems from the basic value that an individual is a bearer of rights and take into consideration the poverty perspective where the strive for the power, security and opportunities are central elements. This perspective is grounded on the basic democratic value that each individual should be able to participate in the decision-making process, rights perspective is based on non- discrimination approach and means respect for human rights, democracy and equality. Rights perspective is universal and inseparable of each and single individual. The perspective of poor people means that the poor individual's needs, experience, interest, and conditions should be the central element to combat the poverty. The consideration for poor people perspective in the development is a way to clearly differentiate between the individual and the notion of "collective". The challenge that aid practitioners face here is how the measures should be taken to have a positive impact on the perspective. The goal and the measures should be taken in a way so that they are in full coherence with human rights. The main responsibility to combat poverty is on the respective governments that Sweden enters into long-term cooperation. Within the framework of this cooperation, two governments elaborate a set of strategies to assess and evaluate the rights perspective and to establish to which extent poor people are given the opportunity to participate and influence the national politics.

The EU narrative receives more attention in this communication as an essential part of the work regarding policy coherence is carried out through the EU. The EU is representing the Member States when it comes to two major policy areas such as agricultural and trade policies.<sup>120</sup> For this reason, it is crucially important to be able to influence the EU's policies in order to reach a better policy coherence. As a Member State, Sweden has also taken the lead to call on other Member States to take new and more ambitious undertaking to fund development assistance.<sup>121</sup> Moreover, by the Swedish initiative, the Commission will present a common report how the policy areas contribute to the development process.

The narrative of fundamental values of democracy, human rights and equality is viewed from a different angle. This communication considers them as both goal and modality for the

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<sup>120</sup>Regeringens skrivelse 2004/05:161, 8

<sup>121</sup> Regeringens skrivelse 2004/05:161, 9

foreign aid policy. Here are presented concrete objectives for each and respective value. Respect of human rights establishes a new objective to work further with civil society organizations and those companies that are planning to make investments in developing countries. Another objective related to this value is to introduce the rights perspective in the cooperation with World Bank.

Besides the main objective of improving of living standards in developing countries through democracy and good governance new objectives are proposed. To make sure that the influence of developing countries strengthens international decision-making processes. In addition, to identify which actors, systems and processes may become an obstacle for the reforms directed to combat the poverty.

Another narrative that was central element in this communication was the sustainable use of natural resources and environmental issues. Especially in developing countries, the exploitation of natural resources leads to aggravation of poverty and different conflicts. This issue was addressed from five different dimensions with their respective objectives. The economic growth, consumption and production is one of the factors that affect the use of natural resources. The challenge for this factor, especially for countries with growing population is to provide high economic growth at the same time working on reducing the negative effects of production of the environment and the human health. For this reason, the goal for the policy is to contribute to adjustment of sustainable society both nationally and internationally.

The narrative of conflict management and security in this communication was presented in concrete objectives. First of all, it was stressed that international aid community should be able to deal with all the phases of conflicts. As for Sweden, it should support to find solutions for conflict management, peace building processes, take measures of security in the after-war period, support reforms contributing to security, as well as work on conflict prevention. As previously mentioned cooperation with different multilateral organizations, there should be also close cooperation with local and regional organizations. Within the EU, Sweden promotes funding of non-military measures of peace building. Sweden, having experience in dealing with civilian crisis management, it aims to work further on it to contribute with this experience to international arena.<sup>122</sup> In order to promote security, the policy pays particular attention to strengthening the local police as an institution, public administration, the judiciary

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<sup>122</sup> Regeringens skrivelse 2004/05:161, 32

system in general and emergency services as indispensable additional measures for crisis management.

The second objective within this policy is build a bridge between crisis management and humanitarian efforts in peacebuilding for the long-term development. It also aims to intensify the reforms related to security matters, which is considered for several countries the key for the sustainable development. The next objective was to fight the international terrorism with full consideration to human rights. Sweden has also takes the lead within the EU Member States to contribute to disarmament and establish strict controls for conventional arms. It is important to note that the narrative of equality is also widely present in security policy. It was underscored that women should be actively involved in military and civilian peace building process. Shortly but very importantly was touched the topic of Swedish arms production. It was mentioned that the export of Swedish arm products should be organized in a way so that it does not prevents or hinder the global development. Besides that, the weapon export policy had to comply with the EU export criteria.

## 5 Conclusion.

This study showed that the Swedish foreign aid development had undergone several changes before and after the accession to the European Union. If before the goal of foreign aid was, for instance, to improve the living conditions of developing world, now industrialized countries, in this case Sweden has come to realization that allocation funds for this purpose is also a national interest. As the world is consistently shrinking due to globalization and the countries become interdependent, it became clearer that issue of any aspect in a remote region or country might easily affect the current state of Sweden. Thus, foreign aid gained two dimensions changing its whole narrative. Development assistance on the one hand serves its initial purpose to help poor countries, but on the other hand, it is also a mechanism to maintain the stability of Sweden. Contributing to conflict management or conflict prevention, for instance, is not only a way to avoid conflicts, but it is also a mechanism to prevent further issues that may automatically raise. It will help to avoid mass migrations that will directly affect Sweden and Swedish society. Hence, contributing to development means also to contribute to its own country. Common global issues have also contributed to this shift. They have united all the countries regardless of their political and economic status to be involved in the development process as they concern all of them. In this sense, The European Union played a key role uniting the countries to sign common agreements like the Cotonou Agreement.

It also showed that foreign aid is not only an important element of foreign affairs of the country but it is also a mechanism that allows having a certain international reputation. The policy adopted by country played an important role in portraying an image that will send a general message about the intentions. Throughout the history of foreign aid of Sweden, the narrative that was consistent was that it should be based on the value of the solidarity, which was also considered the main motive of giving foreign aid. Every single document stated that there might not be any higher value that may be the incentive for Sweden to help other countries. The policy adopted in 2003 stated that:

“The policy should be based on the view that all human beings are equal in dignity and rights, on Sweden’s solidarity with poor and vulnerable people in other countries and recognition of our shared responsibility for the future of the world”.<sup>123</sup>

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<sup>123</sup> Gouvernement Bill 2002/03:122

Another narrative that was introduced after the accession to the European Union was enlightened self-interest conditioned with the realization that there are common global problems and only common efforts may lead to a result. This motive was reinforcing the narrative of solidarity showing that Sweden as a donor is not only interested in improving human lives in developing world, but also clearly realizes that doing so contribute to the stability of its own country.

This motive was showing that the governments of countries are not from now on responsible only for the wellbeing of their nations, but have their part of responsibility for world wellbeing. If the motive of solidarity was drawing a clear line between the developed and developing countries, the self-enlightened interest was rather unifying all the countries regardless of their income level or their position in international arena to cooperate to find solutions for common problems.

Along with the new motive of self-enlightened interest, the motive of solidarity was reinforced by the narrative of shared responsibility. This was probably meant to show that the developing world should not carry by itself the burden of combating the poverty and it was a call for developed world to encourage more involvement for the global development.

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